

No. 2016-86

AN ACT

HB 1606

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," in preliminary provisions, providing for duties of Public School Building Construction and Reconstruction Advisory Committee; in school districts, providing for data collection reduction; in duties and powers of boards of school directors, providing for publication of rules, regulations and policies; in school finances, providing for payroll tax; in school district financial recovery, providing for additional criteria; providing for the posting of annual financial information for public school entities; in professional employees, further providing for payment of salaries in cases of sickness, injury or death; in certification of teachers, providing for substitute teaching permit for prospective teachers, further providing for granting provisional college certificates, providing for provisional vocational education certificate and further providing for program of continuing professional education; in pupils and attendance, providing for assignment of students to school districts of the first class A and further providing for exceptional children and education and training and for cost of tuition and maintenance of certain exceptional children in approved institutions; in school health services, further providing for definitions and providing for education of school employees in diabetes care and management, for diabetes care in schools, for possession and use of diabetes medication and monitoring equipment, for liability, for coordinating, supervising or educating not considered delegation and for diabetes care in nonpublic schools; providing for Drug and Alcohol Recovery High School Pilot Program; providing for administrative partnerships between school entities and for the E-chievement Program; in high schools, further providing for courses of study; in charter schools, further providing for definitions, for school staff and for funding for charter schools; in vocational education, further providing for vocational education equipment grants; in community colleges, further providing for election or appointment and term and organization of board of trustees and for financial program and reimbursement of payments; in disruptive student programs, further providing for applications and establishing the Alternative Education Program Account; in private alternative education institutions for disruptive students, further providing for contracts with private alternative education institutions; providing for rural regional college for underserved counties and for educational tax credits; in funding for public libraries, providing for State aid for fiscal year 2016-2017; in reimbursements by Commonwealth and between school districts, further providing for payments to intermediate units, for special education payments to school districts, for extraordinary special education program expenses and for assistance to school districts declared to be in financial recovery status or identified for financial watch status and providing for Ready-to-Learn Block Grant and for payment of required contribution for public school employees' Social Security; saving an appropriation from lapsing; allocating an appropriation; making related repeals; and making editorial changes.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, is amended by adding sections to read:

Section 125. Duties of Public School Building Construction and Reconstruction Advisory Committee.—(a) *The Public School Building Construction and Reconstruction Advisory Committee established under section 1708-E.2 of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, as part of its duties shall review and report on whether the Commonwealth should implement a comprehensive public school building safety program, which may include:*

- (1) *Regular safety inspections.*
- (2) *Building and building component inspections.*
- (3) *A system of rating school building safety.*
- (4) *Periodic surveys of the inventory and condition of school buildings.*
- (5) *Any other information related to school building safety in and of this Commonwealth's public school buildings, as the committee deems appropriate.*

(b) *(Reserved).*

Section 221.2. Data Collection Reduction.—(a) *The State Board, in consultation with the advisory committee, shall:*

(1) *Review data collection requirements existing as of the effective date of this section that are imposed on public school entities in the areas of finance, human resources, food services, transportation, child accounting, athletics, health and special education. In the review, the advisory committee shall also consider whether the data has a valuable purpose to inform policymakers and the public about the operation of public school entities.*

(2) *Identify those data collection requirements that are redundant, overly burdensome or no longer necessary.*

(3) *Within one hundred eighty (180) days of the effective date of this section, issue a report of its findings and recommendations based on the data collection requirements identified under paragraph (2) to the chairperson and minority chairperson of the Education Committee of the Senate and the chairperson and minority chairperson of the Education Committee of the House of Representatives and post the report on the department's publicly accessible Internet website.*

(b) (1) *Notwithstanding any other provision of law, by the conclusion of the school year following the issuance of the report required under subsection (a)(3), the department shall terminate all data collection requirements imposed on public school entities identified under subsection (a)(2) that are not required by statute or regulation.*

(2) *Once a data collection requirement has been terminated under this section, the department may not resume the collection of any data subject to the terminated data collection requirement.*

(c) (1) *Within thirty (30) days of the effective date of this section, the State Board shall establish an advisory committee consisting of:*

- (i) *The Secretary of Education or a designee.*
- (ii) *The chairperson and minority chairperson of the Education Committee of the Senate or their designees.*

(iii) The chairperson and minority chairperson of the Education Committee of the House of Representatives or their designees.

(iv) The following members, to be appointed by the State Board in consultation with education associations representing school districts, intermediate units, public school employes, charter school entities and area vocational-technical schools:

(A) Two school district business managers.

(B) Two intermediate unit business managers.

(C) Two charter school entity business managers.

(D) Two area vocational-technical school business managers.

(E) One representative from a school district board of school directors.

(F) One representative from an intermediate unit board of directors.

(G) One representative from a charter school entity board of trustees.

(H) One representative from an area vocational-technical school joint operating committee.

(I) One member of a Statewide association representing public school entity employes that has a membership on the effective date of this section of greater than 140,000 public school entity employes.

(2) The advisory committee shall hold its first meeting within forty-five (45) days of the effective date of this section.

(3) The State Board shall provide administrative support, meeting space and any other assistance required by the advisory committee to carry out its duties under this section.

(d) For all new public school entity data collection requirements instituted after the effective date of this section that are not the result of legislation enacted by the General Assembly, the department shall provide the following information to all public school entities and to the General Assembly sixty (60) days prior to the first deadline for any new data collection requirement:

(1) a justification for the data collection, including a statement indicating why the data collection is necessary for the proper performance of the department's functions;

(2) an explanation of how the department will use the data collected;

(3) an explanation of how the department will share the data with public school entities;

(4) a statement affirming that the data collection will not impose any unjustified costs on public school entities or require duplication of existing data collection requirements; and

(e) Any data collection requirement imposed by the Federal Government shall not be subject to this section.

(f) For purposes of this section:

(1) "Advisory committee" shall mean the advisory committee established under subsection (c).

(2) "Charter school entity" shall mean a charter school, regional charter school or cyber charter school as defined in section 1703-A.

(3) "Department" shall mean the Department of Education of the Commonwealth.

(4) "Public school entity" shall mean any of the following:

(i) An area vocational-technical school.

- (ii) *A school district.*
- (iii) *A charter school entity.*
- (iv) *An intermediate unit.*
- (5) *"State Board" shall mean the State Board of Education.*

Section 510.2. Publication of Rules, Regulations and Policies.—*The board of school directors of a school district shall post on its publicly accessible Internet website the following rules, regulations and policies to the extent that they are required to be adopted by the school district under Federal or State law:*

- (1) *The following relating to students:*
 - (i) *Admission of beginners.*
 - (ii) *Attendance, excusals and truancy.*
 - (iii) *Withdrawal from school.*
 - (iv) *Student discipline.*
 - (v) *Suspension and expulsion of students.*
 - (vi) *Searches.*
 - (vii) *Audio interception on school buses or school vehicles for disciplinary or security persons.*
 - (viii) *Retention, maintenance and access to student records.*
 - (ix) *Use of personal electronic devices.*
 - (x) *Dress and grooming.*
 - (xi) *Student complaint process.*
 - (xii) *Parent appeal of a school district's placement of twins or multiple birth siblings.*
 - (xiii) *Participation by home school students in school district extracurricular activities.*
- (2) *The following relating to educational programs:*
 - (i) *Curriculum review by parents and students.*
 - (ii) *Promotion and retention.*
 - (iii) *Graduation requirements.*
- (3) *The following relating to student health:*
 - (i) *Communicable diseases and immunization.*
 - (ii) *Health examinations and screenings.*
 - (iii) *Student use of medications.*
 - (iv) *The school district's wellness policy.*
- (4) *The following relating to school property:*
 - (i) *Use of school property and facilities.*
 - (ii) *School visitation policies.*
 - (iii) *Integrated pest management plan.*
- (5) *The following relating to community:*
 - (i) *Public participation in school board meetings.*
 - (ii) *Public attendance at school events.*
 - (iii) *Parental involvement policy for parents and guardians of students participating pursuant to section 1118 of the Elementary and Secondary Education Act of 1965 (Public Law 89-10, 20 U.S.C § 6318).*
 - (iv) *Public access to and use of school district buildings, facilities and grounds.*
 - (v) *Public complaint process.*

Section 689. Payroll Tax.—(a) *A school district within which a financially distressed municipality is located may levy a payroll tax in accordance with section 303 of the act of December 31, 1965 (P.L.1257, No.511), known as "The Local Tax Enabling Act," if the following apply:*

(1) *Each financially distressed municipality within the school district levies a payroll tax pursuant to section 123(c) and (d) of the act of July 10, 1987 (P.L.246, No.47), known as the "Municipalities Financial Recovery Act."*

(2) *The school district levied a mercantile or business privilege tax on a flat rate or millage basis in the year that the financially distressed municipality filed a petition to levy a payroll tax pursuant to section 123(c) of the "Municipalities Financial Recovery Act."*

(b) *The following shall apply:*

(1) *The tax authorized under subsection (a) may be imposed at a rate not to exceed a rate sufficient to produce revenues equal to revenues collected from the levy of a mercantile or business privilege tax by the school district under Chapter 3 of "The Local Tax Enabling Act" in the preceding fiscal year. Except as provided under clause (2), a school district may levy a payroll tax in any subsequent year at a rate not to exceed the rate initially authorized under this clause.*

(2) *In the event that the rate imposed under clause (1) fails to produce the revenues projected in the first full year after the imposition of a payroll tax, a school district may amend the rate imposed not to exceed a rate that is sufficient to produce revenues equal to the revenues collected as a result of the mercantile or business privilege tax in the final year it was levied. A school district may levy the payroll tax in any subsequent year at a rate not to exceed the adjusted rate authorized under this clause.*

(c) *After imposing a payroll tax under this section, the authority of a school district to continue to levy the payroll tax is not contingent on the distressed status of, or decision to levy a payroll tax by, a municipality within the school district.*

(d) *A school district which levies a payroll tax under this section may not thereafter levy a mercantile or business privilege tax.*

(e) *As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:*

"Financially distressed municipality." A financially distressed municipality under the act of July 10, 1987 (P.L.246, No.47), known as the "Municipalities Financial Recovery Act."

"School district." A school district coterminous with a home rule municipality that is a city of the second class A.

Section 694-A. Additional criteria.

The secretary shall notify each school district that receives educational access program funding that is equal to or greater than \$2,000,000 in any one fiscal year that the school district has been identified for financial watch status. A school district identified for financial watch status under this subsection shall receive technical assistance as a financial watch district from the department as provided for in section 611-A(b) and shall develop a plan to improve the school district's finances based on the

technical assistance provided by the department for approval by the secretary. The plan shall be submitted to the secretary no later than 180 days after the school district has been identified for financial watch status under this subsection. Each year after the initial submission of the plan, until the secretary determines otherwise, a school district subject to this subsection shall submit a report to the secretary outlining the status of the school district's plan, meet with the secretary or a designee of the secretary to review the report and the status of the school district's finances and hold an annual public hearing regarding the plan. A copy of the school district's approved plan and any subsequent annual reports to the secretary shall be posted on the publicly accessible Internet website of the school district and transmitted to the chairperson and minority chairperson of the Appropriations Committee of the Senate, the chairperson and minority chairperson of the Appropriations Committee of the House of Representatives, the chairperson and minority chairperson of the Education Committee of the Senate and the chairperson and minority chairperson of the Education Committee of the House of Representatives.

Section 2. The act is amended by adding an article to read:

**ARTICLE VI-B
SCHOOL WATCH**

Section 601-B. Scope of article.

This article relates to Public School Web Accountability and Transparency (SchoolWATCH).

Section 602-B. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Administrative staff." Employees of a public school entity that include, but are not limited to, superintendents, assistant superintendents, deputy superintendents, principals, assistant principals, supervisors, managers, directors and coordinators.

"Area vocational-technical school." As defined in section 1841.

"Average daily membership." As defined in section 2501.

"Charter school." As defined in section 1703-A.

"Charter school entity." A charter school, cyber charter school or regional charter school as defined in section 1703-A.

"Cyber charter school." As defined in section 1703-A.

"Department." The Department of Education of the Commonwealth.

"Expenditures." As defined in section 602-A.

"Facilities acquisition and construction expenditures." Expenditures related to the purchase or improvement of land, buildings, service systems and built-in equipment.

"General fund balance." The balance in a public school entity's general fund, which shall not include nonspendable and restricted fund balances.

"Instructional expenditures." Expenditures related to all those activities dealing directly with the interaction between teachers and

students and related costs, which can be directly attributed to a program of instruction.

"Market value/personal income aid ratio." A school district's combined market value and personal income wealth per pupil relative to the State average.

(1) For an area vocational-technical school, this amount shall be calculated based on the sum of market value and personal income wealth data for each of the area vocational-technical school's component school districts.

(2) For a charter school or regional charter school, this amount shall be calculated based on the sum of market value and personal income wealth data for each school district that granted a charter to the charter school or regional charter school under section 1717-A or 1718-A.

(3) For a cyber charter school, this amount shall be calculated based on the sum of market value and personal income wealth data for the school district in which the cyber charter school's administrative offices are located.

"Noninstructional expenditures." Expenditures related to activities concerned with providing noninstructional services to students, staff or the community.

"Other financing uses." Current debt service expenditures and other expenses such as the refunding of debt and transfers of money from one fund to another.

"Public school entity." Any of the following:

- (1) An area vocational-technical school.*
- (2) A school district.*
- (3) A charter school entity.*

"Regional charter school." As defined in section 1703-A.

"School district." As defined in section 102.

"School performance profile." A comprehensive overview of student academic performance in a public school entity compiled annually by the department.

"Support services expenditures." Expenditures related to those services that provide administrative support, technical support, including, but not limited to, guidance and health, and logistical support to facilitate and enhance instruction.

Section 603-B. Financial information to be posted.

(a) Information.—Within 90 days of the effective date of this section and by May 31 of each year thereafter, the department shall post all of the following for each public school entity on its publicly accessible Internet website, to the extent the information is available to the department:

(1) The following financial information for the public school entity for the most recent fiscal year for which the public school entity reported such information to the department:

- (i) Total expenditures in the following categories:*
 - (A) Instructional.*
 - (B) Support services.*
 - (C) Noninstructional.*

(D) Facilities acquisition and construction.

(E) Other financing uses.

(ii) The public school entity's per-student expenditures, on each of the following bases:

(A) Based on the public school entity's instructional expenditures.

(B) Based on the public school entity's total expenditures.

(iii) The public school entity's per-student charter school tuition rates in each of the following categories:

(A) For regular education students.

(B) For special education students.

(iv) The public school entity's average daily membership.

(v) The public school entity's market value/personal income aid ratio.

(vi) The average teacher salary in the public school entity.

(vii) Total revenues from the following sources:

(A) Federal.

(B) State.

(C) Local.

(D) Other.

(viii) The public school entity's general fund balance.

(2) A link to the most recent of each of the following reports filed by the public school entity with the department:

(i) Summaries of financial report data.

(ii) Nonadministrative staff compensation report.

(iii) Administrative staff compensation report.

(3) A link to the public school entity's publicly accessible Internet website, where available.

(4) A statement instructing the public to contact the public school entity for access to any union contract.

(b) Posting.—In posting financial information as required under this section, the department shall:

(1) Post and compile annually all information as a "View Fiscal Information" icon located on a School Performance Profile for each public school entity.

(2) Post all information in a location and manner that is easily accessible to the public.

(3) Include all definitions and other explanatory references that may be necessary to assist Internet website users in understanding the posted information.

(4) Use existing databases and electronic reporting systems to the extent possible.

(5) Provide for an electronic feature that will allow the public to compare financial information for a minimum of four public school entities.

(6) Beginning with information pertaining to the 2012-2013 fiscal year, post the information required under subsection (a)(1) for at least the most recent three fiscal years for which such information is available to the department, including a trend graph displaying the

change in the amount reported each year from the amount reported in the previous year.

(c) Limitation.—The department's posting of financial information under this section shall not be construed to:

(1) Require a public school entity to provide the department with any additional information, data or reports that the public school entity is not already required to provide to the department as of the effective date of this act.

(2) Require any public school entity to provide the department with additional information beyond the information required to be provided to the department by any other public school entity.

Section 2.1. Section 1154(c) of the act, amended December 22, 1965 (P.L.1180, No.467), is amended to read:

Section 1154. Payment of Salaries in Cases of Sickness, Injury or Death.—* * *

(c) Whenever a professional or temporary professional employe is absent because of the death of a near relative, there shall be no deduction in the salary of said employe for absence on the day of the funeral. The board of school directors may extend the period of absence with pay in its discretion as the exigencies of the case may warrant. A near relative shall be defined as a first cousin, grandfather, grandmother, *grandchild*, aunt, uncle, niece, nephew, son-in-law, daughter-in-law, brother-in-law or sister-in-law.

* * *

Section 3. The act is amended by adding a section to read:

Section 1201.1. Substitute Teaching Permit for Prospective Teachers.—(a) An individual who does not hold a certificate under section 1201 shall be eligible to teach as a substitute in a school district, an area vocational-technical school or an intermediate unit provided that:

(1) The uncertified individual shall meet all of the following requirements:

(i) Is currently enrolled in a teacher preparation program in a college or university located in this Commonwealth and accredited by a regional accrediting agency recognized by the United States Department of Education.

(ii) Has completed at least sixty (60) semester hours or the equivalent of courses at a college or university located in this Commonwealth and accredited by a regional accrediting agency.

(iii) Has met the requirements set forth in sections 111, 111.1 and 1109(a) and 23 Pa.C.S. Ch. 63 Subch. C (relating to powers and duties of department).

(2) The chief school administrator of a school district, an area vocational-technical school or an intermediate unit may issue a Substitute Teaching Permit for Prospective Teachers to an uncertified individual meeting the requirements of clause (1) who provides verification of the individual's enrollment status under paragraph (1)(i) and completed hours under paragraph (1)(ii).

(3) An individual receiving a Substitute Teaching Permit for Prospective Teachers may serve as a substitute teacher for no more than ten (10) days per school year for a single professional employe or

temporary professional employe, provided that the individual may serve as a substitute for multiple professional employes or temporary professional employes for no more than twenty (20) days per school year.

(4) A Substitute Teaching Permit for Prospective Teachers shall be valid for one (1) year and may be renewed for one (1) additional year by the chief school administrator, provided that the uncertified individual:

(i) provides documentation of the completion of an additional fifteen (15) credit hours or equivalent from a college or university located in this Commonwealth and accredited by a regional accrediting agency; and

(ii) remains enrolled in a college or university located in this Commonwealth and accredited by a regional accrediting agency.

(5) The individual shall receive a salary fixed by the governing body of the school district, area vocational-technical school or intermediate unit.

(6) The individual shall not have the right to elect membership in the Public School Employees' Retirement System, nor shall service as a substitute under this section be eligible for credit in the Public School Employees' Retirement System.

(7) The Department of Education shall provide an annual report on the use of the permits under this section to the chairperson and minority chairperson of the Education Committee of the Senate and the chairperson and minority chairperson of the Education Committee of the House of Representatives. To complete the report, the department shall annually survey school districts, vocational-technical schools and intermediate units.

(b) This section shall expire on June 30, 2021.

Section 3.1. Section 1204 of the act, amended October 21, 1965 (P.L.601, No.312), is amended to read:

Section 1204. Granting Provisional College Certificates.—The [Superintendent of Public Instruction] *Secretary of Education* may grant a provisional college certificate to every person who presents to [him] *the Department of Education* satisfactory evidence of good moral character, and of being a graduate of an approved college or university, who has completed such work in education as may be required by the standards of the State Board of Education, and to every person who presents to [him] *the Department of Education* satisfactory evidence of good moral character, and of being a graduate of music, with the degree of bachelor of music of an approved college or university, who has during such musical course completed the prescribed number of hours of professional studies, which certificate shall entitle [him] *the individual* to teach for three annual school terms, and may be renewed for one additional three-year period in accordance with standards to be established by the State Board of Education.

Section 3.2. The act is amended by adding a section to read:

Section 1204.2. Provisional Vocational Education Certificate.—The Secretary of Education may grant a provisional vocational education certificate to every person who presents to the Department of Education satisfactory evidence of good moral character and who has completed such work in vocational education as may be required by the standards of the State Board of Education, which certificate shall entitle the individual to teach for eight annual school terms.

Section 4. Section 1205.2(a) of the act, amended July 5, 2012 (P.L.965, No.105), is amended and the section is amended by adding a subsection to read:

Section 1205.2. Program of Continuing Professional Education.—(a) A continuing professional education program is hereby established for professional educators, the satisfactory completion of which is required to maintain active certification. Except as provided in **[subsection (n.1)] subsections (n.1) and (n.2)**, the continuing professional education program shall require the satisfactory completion of continuing professional education every five (5) years, which shall include:

- (1) six (6) credits of collegiate study;
- (2) six (6) credits of continuing professional education courses;
- (3) one hundred eighty (180) hours of continuing professional education programs, activities or learning experiences; or
- (4) any combination of collegiate studies, continuing professional education courses, or other programs, activities or learning experiences equivalent to one hundred eighty (180) hours.

* * *

(n.2) If, during a professional educator's five-year compliance period under this section, a professional educator satisfactorily completes continuing professional education credits or hours in excess of the number of credits or hours required under subsection (a), any excess continuing professional education credits or hours satisfying the requirements of this section that are completed during the final two years of a professional educator's five-year compliance period up to a maximum of fifty (50) hours of continuing professional education programs, activities or learning experiences, or any combination of collegiate studies, continuing professional education courses or other programs, activities or learning experiences equivalent to a maximum of fifty (50) hours, shall be credited to the professional educator's continuing professional education record for the next succeeding compliance period.

* * *

Section 5. The act is amended by adding a section to read:

Section 1313.1. Assignment of Students to School Districts of the First Class A.—(a) A school district of the first class A may enter into an agreement with an adjacent school district for the assignment of elementary and secondary students to the school district of the first class A from the adjacent school district under the following circumstances:

(1) The adjacent school district has experienced a decline in enrollment which makes the provision of such education impractical and would result in educational programming which does not meet the standards necessary to increase student achievement.

(2) The adjacent school district has experienced a decline in revenue due to a substantial decline in the assessed valuation of taxable real estate within the adjacent school district.

(b) Except for purposes of Article XXV, students who are assigned to a school district of the first class A under this section shall be considered for all other purposes students residing in the school district of the first class A, including, but not limited to:

- (1) enforcement of compulsory school attendance;*
- (2) the provision of the program for exceptional students;*
- (3) disruptive student programs under Article XIX-C;*
- (4) utilization of private alternative education institutions for disruptive students under Article XIX-E; and*
- (5) career and technical education.*

(c) If an adjacent school district fails to make payments to a school district of the first class A providing educational services to students assigned under this section, the Secretary of Education shall deduct and pay the amounts due as documented by the school district of the first class A from any and all State payments made to the adjacent school district after receipt of documentation from the school district of the first class A.

Section 5.1. Section 1372(8) of the act, added May 10, 2000 (P.L.44, No.16), is amended to read: .

Section 1372. Exceptional Children; Education and Training.—* * *

(8) Reporting of Expenditures Relating to Exceptional Students.

(i) By December 31, 2000, and each year thereafter, each school district shall compile information listing the number of students with disabilities for which expenditures are between twenty-five thousand dollars (\$25,000) and fifty thousand dollars (\$50,000), which shall be known as Category 2; between fifty thousand dollars (\$50,000) and seventy-five thousand dollars (\$75,000), which shall be known as Category 3A; and over seventy-five thousand dollars (\$75,000), which shall be known as Category 3B, for the prior school year. The information shall be submitted to the department in a form prescribed by the department. By February 1, 2001, and each year thereafter, the department shall submit to the chairman and minority chairman of the Education and Appropriations Committees of the Senate and the chairman and minority chairman of the Education and Appropriations Committees of the House of Representatives a report listing this information by school district.

(ii) By December 31, 2016, and each year thereafter, each school district shall compile information listing the number of students with disabilities for which expenditures are under twenty-five thousand dollars (\$25,000), which shall be known as Category 1. The information shall be submitted to the department in a form prescribed by the department.

(iii) Beginning with the 2016-2017 school year, the department shall annually adjust the dollar ranges for which the information is collected under this section by the percent change in the Consumer Price Index for All Urban Consumers for the Pennsylvania, New Jersey, Delaware and Maryland area reported by the Bureau of Labor Statistics for the twelve (12) month period ending in December of the school year for which the data is being collected.

Section 6. Section 1376 of the act is amended by adding a subsection to read:

Section 1376. Cost of Tuition and Maintenance of Certain Exceptional Children in Approved Institutions.—* * *

(c.9) Beginning with audited data for the 2016-2017 school year, the total of the amounts remitted to the Commonwealth under subsection

(c.2)(5)(ii) shall be distributed to each approved private school with reportable costs that exceed the amount of revenue received as follows:

(1) Subtract the amount of revenue received under subsection (a.2) from the reportable costs in the audit submitted to the Department of Education under subsection (c.2)(4).

(2) Multiply the amount in paragraph (1) by the lesser of the total of the amounts remitted to the Commonwealth under subsection (c.2)(5)(ii) or the total of the amounts in paragraph (1).

(3) Divide the amount in paragraph (2) by the total of the amounts in paragraph (1).

(4) Funds distributed under this subsection shall be paid in May of the following school year.

(5) Funds distributed under this subsection shall not be included in determining the payment amount under subsection (a.2).

* * *

Section 6.1. Section 1401 of the act is amended by adding clauses to read:

Section 1401. Definitions.—As used in this article—

* * *

(13) "Diabetes medical management plan" means a document describing the medical orders or diabetes regimen developed and signed by the student's health care practitioner and parent or guardian.

(14) "Service agreement" means a student's section 504 service agreement pursuant to section 504 of the Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. § 794) and 22 Pa. Code Ch. 15 (relating to protected handicapped students).

(15) "Health care practitioner" means the term as defined under section 103 of the act of July 19, 1979 (P.L.130, No.48), known as the "Health Care Facilities Act."

(16) "IEP" means a written statement for each child with a disability that is developed, reviewed or revised in a meeting in accordance with the Individuals with Disabilities Education Act (Public Law 91-230, 20 U.S.C. § 1400 et seq.) and 22 Pa. Code Ch. 14 (relating to special education services and programs).

Section 6.2. The act is amended by adding sections to read:

Section 1414.3. Education of School Employes in Diabetes Care and Management.—(a) Within one hundred twenty (120) days of the effective date of this section, the Department of Health, in coordination with the Department of Education, shall establish educational modules and guidelines for the instruction of school employes in diabetes care and treatment and make the modules and guidelines available on its publicly accessible Internet website. The educational modules shall include instruction in a school entity's obligations under 22 Pa. Code § 12.41 (relating to student services) and its responsibilities to comply with section 504 of the Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. § 794), 22 Pa. Code Chs. 14 (relating to special education services and programs) and 15 (relating to protected handicapped students) and the Individuals with Disabilities Education Act (Public Law 91-230, 20 U.S.C.

§ 1400 et seq.). At a minimum, the educational modules shall include review of the responsibilities and instruction in:

(1) An overview of all types of diabetes.

(2) Means of monitoring blood glucose.

(3) The symptoms and treatment for blood glucose levels outside of target ranges as well as symptoms and treatment for hypoglycemia, hyperglycemia and other potential emergencies.

(4) Techniques on administering glucagon and insulin.

(b) The school nurse, in consultation with the chief school administrator or a designee, may identify at least one school employe who is not the school nurse and who does not need to be a licensed health care practitioner in each school building attended by a student with diabetes. If the school building attended by a student with diabetes does not have a full-time school nurse, the chief school administrator may, but is not required to, consult with the school nurse assigned to that school building to identify at least one school employe in the school building. An identified employe shall complete the annual educational modules outlined in subsection (a) or annual education offered by a licensed health care practitioner with expertise in the care and treatment of diabetes that includes substantially the same information as outlined in subsection (a). An employe responsible for a child with diabetes in the absence of the school nurse shall have the right to decline the responsibility and related directives.

(c) A school employe who is not a licensed health care practitioner and who has successfully completed the education modules under subsection (a) or annual education offered by a licensed health care practitioner with expertise in the care and treatment of diabetes that includes substantially the same information as outlined in subsection (a) may be designated in a student's service agreement or IEP to administer diabetes medications, use monitoring equipment and provide other diabetes care. A school entity may require the designated employe who has not declined the assignment to complete the annual educational modules or annual education from a licensed health care practitioner, or both, in the administration of diabetes medications, use of monitoring equipment and provision of other diabetes care. Education provided to school employes shall be coordinated by the chief school administrator or a designee. School entities may include the education in the professional education plan submitted by the school entity to the Department of Education under section 1205.1.

(d) Notwithstanding any other statute or regulation restricting the functions that may be performed by persons other than licensed health care practitioners, school employes who have completed the education requirements under this section may perform diabetes care and treatment for students. School employes who are not licensed health care practitioners shall only be authorized to administer diabetes medications via injection or infusion following annual education by a licensed health care practitioner with expertise in the care and treatment of diabetes and following the school entity's receipt of written authorization from both the student's health care practitioner and parent or guardian that an educated

school employe, who is not a licensed health care practitioner, may administer specified medications.

(e) For purposes of this section, "school entity" means a school district, intermediate unit, area vocational-technical school, charter school or cyber charter school.

Section 1414.4. Diabetes Care in Schools.—*(a) A parent or guardian of a student with diabetes who desires that the student receive diabetes-related care and treatment in a school setting shall provide the school entity with written authorization for the care and instructions from the student's health care practitioner, consistent with the school entity's policies regarding the provision of school health services. The required authorizations may be submitted as part of a diabetes medical management plan.*

(b) All diabetes-related care provided to students shall be consistent with the school health program established by the governing body of the school entity and any accommodations outlined in a student's service agreement.

(c) A student's service agreement may require a school entity to provide the driver of a school bus or school vehicle, who provides transportation to a student with diabetes, with an information sheet that:

(1) Identifies the student with diabetes.

(2) Identifies potential emergencies that may occur as a result of the student's diabetes and the appropriate responses to such emergencies.

(3) Provides the telephone number of a contact person in case of an emergency involving the student with diabetes.

(d) For purposes of this section:

"School bus" means a school bus as defined in 75 Pa.C.S. § 102 (relating to definitions).

"School entity" means a school district, intermediate unit, area vocational-technical school, charter school or cyber charter school.

"School vehicle" means a school vehicle as defined in 75 Pa.C.S. § 102.

Section 1414.5. Possession and Use of Diabetes Medication and Monitoring Equipment.—*(a) A school entity shall require the parent or guardian of a student with diabetes who requests that the student possess and self-administer diabetes medication and operate monitoring equipment in a school setting to provide the following:*

(1) A written statement from the student's health care practitioner that provides the name of the drug, the dose, the times when the medication is to be taken or the monitoring equipment to be used, the specified time period for which the medication or monitoring equipment is authorized to be used and the diagnosis or reason the medicine or monitoring equipment is needed. The student's health care practitioner shall indicate the potential of any serious reaction to the medication that may occur, as well as any necessary emergency response. The student's health care practitioner shall state whether the student is competent to self-administer the medication or monitoring equipment and whether the student is able to practice proper safety precautions for the handling and disposal of the medication and monitoring equipment.

(2) *A written request from the parent or guardian that the school entity comply with the instructions of the student's health care practitioner. The parent's request shall include a statement relieving the school entity or any school employe of any responsibility for the prescribed medication or monitoring equipment and acknowledging that the school entity bears no responsibility for ensuring that the medication is taken by the student and the monitoring equipment is used.*

(3) *A written acknowledgment by the school nurse that the student has demonstrated that the student is capable of self-administration of the medication and use of the monitoring equipment.*

(4) *A written acknowledgment by the student that the student has received instruction from the student's health care practitioner on proper safety precautions for the handling and disposal of the medications and monitoring equipment. The written acknowledgment shall also contain a provision stating that the student will not allow other students to have access to the medication and monitoring equipment and that the student understands appropriate safeguards.*

(b) *A school entity may revoke or restrict a student's privileges to possess and self-administer diabetes medication and operate monitoring equipment due to noncompliance with school rules and provisions of a student's service agreement, IEP or due to demonstrated unwillingness or inability of the student to safeguard the medication and monitoring equipment from access by other students.*

(c) *A school entity that prohibits a student from possessing and self-administering diabetes medication and operating monitoring equipment under subsection (b) shall ensure that the diabetes medication or monitoring equipment is appropriately stored in a readily accessible place in the school building attended by the student. The school entity shall notify the school nurse and other identified school employes regarding the location of the diabetes medication and monitoring equipment and means to access them.*

(d) *For purposes of this section, the following terms shall have the following meanings:*

"School entity" means a school district, intermediate unit, area vocational-technical school, charter school or cyber charter school.

"Diabetes medication" means glucagon and insulin.

Section 1414.6. Liability.—Nothing in section 1414.3, 1414.4 or 1414.5 shall be construed to create, establish or expand any civil liability on the part of any school entity or school employe.

Section 1414.7. Coordinating, Supervising or Educating Not Considered Delegation.—(a) Notwithstanding any other law to the contrary, coordinating or supervising the provision of diabetes care by school employes authorized in sections 1414.3 and 1414.4 and providing education in accordance with section 1414.3 shall not be construed as a delegation by a licensed health care practitioner.

(b) A licensed health care practitioner who, acting in compliance with sections 1414.3 and 1414.4, coordinates or supervises care for a student or provides education to a school employe shall not be subject to any criminal or civil liability or any professional disciplinary action for the same.

(c) Notwithstanding any other provision of law, a school employe who is designated to provide diabetes medications to a student shall not be considered to be engaging in health-related activities which are reserved exclusively for licensed professionals.

Section 1414.8. Diabetes Care in Nonpublic Schools.—(a) A nonpublic school may comply with the education of school employes and provision of diabetes-related care to a student with diabetes required under sections 1414.3, 1414.4 and 1414.5. A written education plan that outlines the aids and related services required to meet the academic needs of the student with diabetes may take the place of a service agreement for a student with diabetes attending a nonpublic school unless a service agreement is otherwise required under law or regulation.

(b) Nothing in section 1414.3, 1414.4, 1414.5, 1414.6 or this section shall be construed to do any of the following:

(1) Create, establish or expand any obligations on the part of any nonpublic school to comply with section 504 of the Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. § 794).

(2) Create, establish, result in or expand any contractual obligations on the part of any nonpublic school.

(c) No nonpublic school employe or nonpublic school shall be liable for civil damages as a result of the activities authorized by sections 1414.3, 1414.4 and 1414.5, except that an employe may be liable for willful misconduct.

Section 7. The act is amended by adding articles to read:

**ARTICLE XIV-A
DRUG AND ALCOHOL RECOVERY
HIGH SCHOOL PILOT PROGRAM**

Section 1401-A. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Department." The Department of Education of the Commonwealth.

"Individualized educational program" or "IEP." An individualized education program established under 22 Pa. Code Ch. 14 (relating to special education services and programs).

"Private academic school." A private academic school as defined in section 2 of the act of January 28, 1988 (P.L.24, No.11), known as the Private Academic Schools Act, which is licensed under the requirements of the Private Academic Schools Act.

"Program." The Drug and Alcohol Recovery High School Pilot Program established under section 1402-A.

"Recovery high school." The school designated to serve as the drug and alcohol recovery high school for purposes of the program under section 1402-A(b).

"Resident school district." The school district in which the parent of a student enrolled in the recovery high school under the program resides.

Section 1402-A. Establishment of Drug and Alcohol Recovery High School Pilot Program.

(a) Pilot program established.—*The Drug and Alcohol Recovery High School Pilot Program is established to provide a program of instruction in grades 9 through 12 meeting State academic standards for students who are in recovery from drug or alcohol abuse or addiction.*

(b) Designation.—*Within 60 days of the effective date of this section, the Secretary of Education, in consultation with the Department of Drug and Alcohol Programs, shall:*

(1) Designate, through a request for proposal process, a facility that satisfies all of the following to serve as the recovery high school for purposes of the program:

(i) Is licensed as a private academic school under the act of January 28, 1988 (P.L.24, No.11), known as the Private Academic Schools Act.

(ii) Is located in a school district of the first class.

(iii) Has experience providing drug and alcohol recovery services.

(iv) Has adopted and follows accreditation standards and best practices set forth by the Association of Recovery Schools.

(2) Post notice of the designation on the department's publicly accessible Internet website.

Section 1403-A. Scope of program and selection of students.

(a) Maximum participation.—*Beginning in the 2016-2017 school year, a maximum of 20 students in grades 9 through 12 may be enrolled in the recovery high school under the program at any one time.*

(b) Vacancies.—*If a student enrolled in the recovery high school under the program withdraws or graduates from the recovery high school, the vacancy may be filled by another student.*

(c) Student requirements.—*A student may enroll in the recovery high school under the program if the following apply:*

(1) (i) Subject to subparagraph (ii), the student resides in a school district of the first class, which has approved the student's enrollment in the recovery high school under the program and, with the written consent of the student's parent or guardian, has applied for enrollment in the recovery high school on the student's behalf.

(ii) If fewer than 20 students residing in a school district of the first class enroll in the recovery high school under the program at any time under subparagraph (i), a student who resides in a school district other than a school district of the first class may enroll in the recovery high school under the program if the student's resident school district has approved the student's enrollment in the recovery high school under the program and, with the written consent of the student's parent or guardian, has applied for enrollment in the recovery high school on the student's behalf.

(2) The student has at least 30 days of sobriety at the time of application for enrollment.

(3) The student commits to participate in a recovery plan, including, but not limited to, school-based drug testing, as designed by

the recovery high school and approved by the Department of Drug and Alcohol Programs.

(4) The recovery high school approves the student's enrollment in the recovery high school. A determination by the recovery high school not to approve a student's enrollment in the recovery high school may not be appealed to the department.

(d) Approval or disapproval by resident school district.—Within 30 days after a student's parent or guardian submits a written request to the resident school district seeking the student's enrollment in the recovery high school under the program, the resident school district shall issue written notice to the parent or guardian approving or disapproving the request.

(e) Hearing.—If a parent or guardian disagrees with a resident school district's disapproval of the student's enrollment in the recovery high school under the program, the following shall apply:

(1) For a student with an IEP, the due process hearing requirements of 22 Pa. Code Ch. 14 (relating to special education services and programs) shall apply.

(2) For a student without an IEP, the resident school district shall follow a notice and hearing process that the department shall develop and post on its publicly accessible Internet website.

(3) If a student's enrollment in the recovery high school under the program is not approved by the student's resident school district or if the student's parent or guardian chooses not to participate in the program established under section 1402-A, the student's parent or guardian may pay the student's tuition to enroll in the recovery high school, provided that the recovery high school has approved the student's enrollment in the recovery high school.

Section 1404-A. Academic programs.

(a) Assessments.—The recovery high school shall administer to all students enrolled in the recovery high school under the program any assessments that are required under 22 Pa. Code Ch. 4 (relating to academic standards and assessment). Student scores on any required assessments shall be attributed to the student's resident school district for purposes of compliance with the Every Student Succeeds Act (Public Law 114-95, 129 Stat. 1802).

(b) Certification.—At least 75% of the professional staff members of the recovery high school shall hold appropriate State certification, provided that all professional staff members of the recovery high school who are responsible for providing special education services to students enrolled in the recovery high school under the program shall hold appropriate State certification in special education.

(c) Licensure.—If a student enrolled in the recovery high school is subject to an IEP, the recovery high school must be licensed to provide any services required to be provided under the student's IEP.

Section 1405-A. Establishment and payment of tuition.

(a) Tuition rate.—No later than June 30 of each year, the department shall establish a per-student regular education tuition rate for each student enrolled in the recovery high school under the program, provided that the

recovery high school may not set a per-student regular education tuition rate for students enrolled in the recovery high school who are not participants in the program that is lower than the per-student regular education tuition rate established for students enrolled in the recovery high school under the program. The per-student regular education tuition rate for students enrolled in the recovery high school under the program shall be determined as follows:

(1) For the 2016-2017 school year, the per-student regular education tuition rate for each student enrolled in the recovery high school under the program shall be \$20,000.

(2) Beginning in the 2017-2018 school year, and in each school year thereafter, annual adjustments to the amount set forth in paragraph (1) shall be made as follows:

(i) The Department of Labor and Industry shall determine the percentage change in the Consumer Price Index for All Urban Consumers: All Items (CPI-U) for the United States City Average as published by the United States Department of Labor, Bureau of Labor Statistics, for the 12-month period ending September 30, 2016, and for each successive 12-month period thereafter.

(ii) If the Department of Labor and Industry determines that there is no positive percentage change, then no adjustment to the amount set forth in paragraph (1) shall occur for the relevant time period.

(iii) (A) If the Department of Labor and Industry determines that there is a positive percentage change in the first year that the determination is made under subparagraph (i), the positive percentage change shall be multiplied by the amount set forth in paragraph (1), and the product shall be added to the amount set forth in paragraph (1), and the sum shall be the preliminary adjusted per-student tuition rate.

(B) The preliminary adjusted per-student tuition rate shall be rounded to the nearest \$100 to determine the final adjusted per-student tuition rate.

(iv) In each successive year in which there is a positive percentage change in the CPI-U for the United States City Average, the positive percentage change shall be multiplied by the most recent preliminary per-student tuition rate, and the product shall be added to the preliminary adjusted per-student tuition rate of the prior year to calculate the preliminary adjusted per-student tuition rate for the current year. The sum thereof shall be rounded to the nearest \$100 to determine the new final adjusted per-student tuition rate.

(v) The determinations and adjustments required under this subparagraph shall be made in the period between April 1, 2017, and April 30, 2017, and annually between April 1 and April 30 of each year thereafter.

(vi) The final adjusted per-student tuition rates obtained under subparagraphs (iii) and (iv) shall become effective July 1 for the

school year following the year in which the determination required under this paragraph is made.

(vii) The department shall publish notice in the Pennsylvania Bulletin prior to July 1 of each year of the annual percentage change determined under subparagraph (i) and the unadjusted or final adjusted per-student tuition rate determined under subparagraphs (iii) and (iv) for the school year following the year in which the per-student tuition rate is determined. The notice shall include a written and illustrative explanation of the calculations performed by the department in establishing the unadjusted or final adjusted per-student tuition rate under this section for the ensuing calendar year.

(viii) The annual increase in the preliminary adjusted per-student tuition rate determined under subparagraphs (iii) and (iv) shall not exceed 3%.

(b) Payment of regular education tuition rate.—

(1) The department shall pay 60% of the per-student regular education tuition rate established under subsection (a) for each student enrolled in the recovery high school under the program.

(2) The resident school district of each student enrolled in the recovery high school under the program shall pay the amount of the per-student tuition rate established under subsection (a) that remains following payment by the department under paragraph (1).

(c) Special education.—For each student enrolled in the recovery high school under the program who is subject to an IEP, the student's resident school district shall, in addition to the regular education tuition payment made on behalf of the student:

(1) provide the student with special education services required under the student's IEP, at the resident school district's cost; or

(2) make payment to the recovery high school for special education services provided to the student by the recovery high school.

(d) Treatment of school district subsidies.—A student enrolled in a recovery high school under the program shall be included in the average daily membership of the student's district of residence for the purpose of providing basic education funding payments and special education funding under Article XXV.

Section 1406-A. Term of Drug and Alcohol Recovery High School Pilot Program.

(a) Enrollment of new students.—Unless the program is permanently established by action of the General Assembly, the recovery high school shall not enroll new students under the program after June 30, 2020.

(b) Continued enrollment.—If the program is not permanently established by action of the General Assembly on or before June 30, 2020, a student enrolled in the recovery high school under the program as of June 30, 2020, may remain enrolled in the recovery high school under the program until the earlier of the following:

(1) The student's graduation from the recovery high school.

(2) The student's withdrawal from the recovery high school.

(3) The student's completion of four years of enrollment in the recovery high school under the program.

Section 1407-A. Reporting.

(a) Report by recovery high school.—By August 31, 2018, and by August 31 of each year thereafter, the recovery high school shall submit annually to the Secretary of Education, the Secretary of Drug and Alcohol Programs, the chairperson and minority chairperson of the Education Committee of the Senate, the chairperson and minority chairperson of the Education Committee of the House of Representatives, the chairperson and minority chairperson of the Public Health and Welfare Committee of the Senate and the chairperson and minority chairperson of the Health Committee of the House of Representatives a written report concerning the program. The report shall include, but not be limited to, all of the following, subject to the requirements of the Family Educational Rights and Privacy Act of 1974 (Public Law 90-247, 20 U.S.C. § 1232g) and to the extent such reporting does not reveal identifying information concerning any individual student:

(1) The number of students who:

(i) Enrolled in the recovery high school under the program for the preceding reporting period.

(ii) Requested enrollment in the recovery high school under the program but were denied participation in the program for the preceding reporting period.

(iii) Enrolled in the recovery high school but who were not participants in the program for the preceding reporting period.

(2) The number and percentage of students enrolled in the recovery high school during the previous reporting period to whom each of the following apply, reported separately based on whether or not the students were participants in the program:

(i) Earned a high school diploma from the recovery high school.

(ii) Withdrew from the recovery high school and requested transfer of educational records to another school.

(iii) Withdrew from the recovery high school without requesting transfer of educational records to another school.

(iv) Maintained enrollment in the recovery high school in good standing.

(3) A narrative description of the academic outcomes for students enrolled in the recovery high school, including aggregate assessment results, reported separately based on whether or not the students were participants in the program.

(4) A narrative description of student success in managing issues concerning drug or alcohol abuse or addiction, reported separately based on whether or not the students were participants in the program.

(5) Recommendations for improvements to the program.

(6) Any information regarding the program that the recovery high school determines would be useful to the General Assembly, the Department of Education and the Department of Drug and Alcohol

Programs in determining whether changes to the program are necessary and whether the program should be continued.

(b) Report by Department of Education and Department of Drug and Alcohol Programs.—By December 31, 2019, the Department of Education and the Department of Drug and Alcohol Programs, jointly, shall submit to the chairperson and minority chairperson of the Education Committee of the Senate, the chairperson and minority chairperson of the Education Committee of the House of Representatives, the chairperson and minority chairperson of the Public Health and Welfare Committee of the Senate and the chairperson and minority chairperson of the Health Committee of the House of Representatives a written report assessing the success of the program and making recommendations regarding the possible extension and expansion of the program, including a proposed timeline for any potential expansion.

Section 1408-A. Audit required.

The recovery high school shall submit annually to the Secretary of Education, the Secretary of Drug and Alcohol Programs, the chairperson and minority chairperson of the Education Committee of the Senate, the chairperson and minority chairperson of the Education Committee of the House of Representatives, the chairperson and minority chairperson of the Public Health and Welfare Committee of the Senate and the chairperson and minority chairperson of the Health Committee of the House of Representatives a complete certified audit of the recovery high school's participation in the program. The audit shall be conducted by a qualified independent certified public accountant under generally accepted audit standards of the Governmental Accounting Standards Board.

ARTICLE XV-H ADMINISTRATIVE PARTNERSHIPS BETWEEN SCHOOL ENTITIES

SUBARTICLE A PRELIMINARY PROVISIONS

Section 1501-H. Legislative intent.

It is the intent of the General Assembly to help school entities save money and operate more efficiently by encouraging partnerships of routine administrative functions between school entities. It is also the intent of the General Assembly to provide for additional opportunities between school entities to cooperatively develop joint or shared educational programs for students and educators.

Section 1502-H. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Department." The Department of Education of the Commonwealth.

"Grant program." The Administrative Partnership Grant Pilot Program established under this article.

"School entity." A school district or an intermediate unit.

"Secretary." The Secretary of Education of the Commonwealth.

**SUBARTICLE B
ADMINISTRATIVE PROVISIONS**

Section 1511-H. Authorization of administrative partnerships.

Consistent with the provisions of 53 Pa.C.S. Ch. 23 Subch. A (relating to intergovernmental cooperation), two or more school entities may enter into an agreement to share the following between the school entities:

(1) A superintendent or assistant superintendent, duly elected in accordance with law, for the general supervision and direction of all operations of each district and to perform for each district those duties imposed upon a superintendent or assistant superintendent under this act.

(2) Superintendent office personnel to perform for each district those duties imposed on superintendent office personnel under this act.

(3) A business administrator, business manager or other business office personnel who perform the business management responsibilities under section 433 and other duties as imposed by the board of school directors or the governing body of the intermediate unit, including, but not limited to, financial and budgeting services, receiving and disbursing funds, payroll services, financial accounting, internal auditing and property accounting services for each district.

(4) The management of school facilities, including directing and supervising of the operation and maintenance of school buildings and grounds.

(5) The management of purchasing services, including purchasing supplies, furniture, equipment and materials used in the operation of a school entity.

(6) The management and sharing of technology resources, including information technologies, networks, hardware or personnel.

(7) Other managerial functions as deemed appropriate by two or more school entities to share as approved by the secretary.

**SUBARTICLE C
ADMINISTRATIVE PARTNERSHIP
GRANT PILOT PROGRAM**

Section 1521-H. Establishment.

The Administrative Partnership Grant Pilot Program is established in the department to provide financial assistance to facilitate the sharing of administrative functions between school entities as authorized under Subarticle B.

Section 1522-H. Application.

The department shall develop a procedure for awarding grants under the program. Two or more school entities may apply for a grant under the program as prescribed by the department. The application at a minimum shall contain the following:

(1) *A detailed description of the administrative functions the school entities intend to share under Subarticle B.*

(2) *The amount of grant funding being requested.*

(3) *An estimate of the cost savings or other efficiencies that the partnership will achieve.*

(4) *Any additional benefits to students and educators.*

(5) *Adoption of a resolution by the governing bodies of the school entities approving the partnership described in paragraph (1).*

Section 1523-H. Grant awards.

(a) *General rule.—The secretary shall make no more than four grant awards each fiscal year in an amount not to exceed \$250,000 per grant award.*

(b) *Grant prioritization.—The secretary shall give priority to an application for grant funding under this subarticle to those school districts who have applied and demonstrated an existing partnership consistent with this article.*

(c) *Construction.—Nothing in this section shall be construed to prohibit the secretary from making a grant award to the same applicants in subsequent years, provided, however, that no school entity may be eligible to receive more than three grant awards.*

Section 1524-H. Funds.

The department may use the following to award grants under the program:

(1) *Appropriations made by the General Assembly for the program.*

(2) *Funding appropriated to the department for general government operations.*

(3) *Up to \$250,000 annually of undistributed funds not expended, encumbered or committed from appropriations for grants and subsidies made to the department to award grants. The funds shall be transferred by the Secretary of the Budget to a restricted account as necessary to award grants and, when transferred, are hereby appropriated to carry out the provisions of this subarticle.*

Section 1525-H. Technical assistance.

The department shall provide technical assistance to school entities applying to share administrative functions under this article.

Section 1526-H. Reports by school entities.

School entities that are awarded a grant under this subarticle shall make a preliminary report to the department detailing the progress made toward achieving the shared services outlined in its grant application no later than 180 days following a grant award and make a final report no later than 60 days after the completion of the administrative partnership outlined in the grant application. The reports required under this section shall include, at a minimum, the following:

(1) *Actual cost savings, either directly or through avoided costs, achieved by the sharing of services authorized under this article.*

(2) *A description of how operational efficiencies were improved as a result of the sharing of services authorized under this article.*

(3) *Information relating to any impediments the districts experienced in successfully implementing the sharing of services under this article.*

(4) *Information relating to any enhancements or additions to educational programming or improvements in student achievement as a result of the sharing of services authorized under this article.*

(5) *Any other information a school entity may deem necessary.*

Section 1527-H. Reports by department.

The department shall compile the reports it receives under section 1526-H and transmit them to the chairperson of the Appropriations Committee of the Senate, the chairperson of the Education Committee of the Senate, the chairperson of the Appropriations Committee of the House of Representatives and the chairperson of the Education Committee of the House of Representatives annually beginning no later than June 30, 2017.

**ARTICLE XV-I
E-CHIEVEMENT PROGRAM**

Section 1501-I. Scope of article.

This article relates to the E-chievement Program.

Section 1502-I. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Department." The Department of Education of the Commonwealth.

"Hybrid learning." An instructional strategy that blends digital resources with classroom teaching. The term shall not include instruction through a distance education program.

"Nonpublic school." A nonprofit school in which a resident of this Commonwealth may legally fulfill the compulsory school attendance requirements of this act and which meets the requirements of Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241). The term shall not include a public school located within this Commonwealth.

"Program." The E-chievement Program established under this article.

"School entity." Any of the following:

- (1) A school district.*
- (2) An intermediate unit.*
- (3) An area vocational-technical school.*
- (4) A charter school or regional charter school, as defined in section 1703-A.*

"State assessment." Any of the following:

- (1) The Pennsylvania System of School Assessment.*
- (2) The Keystone Exams.*
- (3) A test, except a test listed under paragraph (1) or (2), established or approved by the State Board of Education or General Assembly to meet the requirements of section 2603-B(d)(10)(i), and required under the Every Student Succeeds Act (Public Law 114-95, 129 Stat. 1802) or its successor statute.*

(4) A test required to achieve other standards established by the Department of Education for a public school or school district under 22 Pa. Code § 403.3 (relating to single accountability system).

Section 1503-I. E-chievement Program.

(a) Establishment.—The E-chievement Program is established in the department to award grants on a competitive basis to eligible school entities to the extent that funds are appropriated for this purpose.

(b) Eligibility.—

(1) A school entity may apply to the department for a planning grant or implementation grant under the program. School entities may submit a joint application.

(2) A nonpublic school may participate in the grant process through a partnership with a school entity for the planning or implementation of hybrid learning.

(3) The department shall establish criteria to determine whether a school entity is eligible to receive a grant under this article and shall give priority to school entities that submit a joint application.

(c) Applications.—A school entity shall submit an application, in a form deemed acceptable by the department, to the department in order to be awarded a planning grant or implementation grant from the department under this article. The grant application must describe the manner in which the applicant will use hybrid learning to improve student achievement.

(d) Grant agreement.—An eligible school entity that is awarded a planning grant or implementation grant under this article shall execute a grant agreement with the department that provides for the following:

(1) The school entity will provide a cash or in-kind local match of money in support of hybrid learning within the school entity of at least 25% of the total project cost.

(2) The school entity will work collaboratively to share lessons and best practices with other school entities.

(3) The school entity will report to the department and the General Assembly, as requested, hybrid learning outcomes, which shall include the following:

(i) Student performance and academic growth on State and local assessments.

(ii) School discipline reports.

(iii) Survey responses regarding the impact of hybrid learning on student engagement, technology skills acquisition and competency, teacher effectiveness and school productivity.

(e) Use of grants.—

(1) A grant issued by the department under this article shall be used for components of hybrid learning, including, but not limited to, digital instructional content, classroom management tools, operations support, technology and equipment, professional development, instructional coaching, consulting services and planning assistance.

(2) A grant issued by the department under this article may not be used for:

(i) *Staff compensation, except to the extent necessary for substitute teachers or the cost of professional development activities related to hybrid learning as defined in the application.*

(ii) *The purchase of computer hardware and technology equipment, except that a school entity awarded an implementation grant may use up to 25% of the grant award for the purchase of computer hardware and technology equipment.*

Section 1504-I. Planning grants.

(a) *General rule.—A planning grant from the program may be issued to eligible school entities that are interested in hybrid learning, but do not have comprehensive plans to deliver hybrid learning.*

(b) *Limitation on amount.—A planning grant under this article may not exceed \$50,000 for a school entity or \$50,000 for each school entity that submits a joint application. A school entity may not receive more than one planning grant within a five-year period.*

(c) *For each new award year, the department shall annually adjust the award amounts under subsection (b) to reflect any upward changes in the Consumer Price Index for All Urban Consumers for the Pennsylvania, New Jersey, Delaware and Maryland area.*

(d) *Required information for application.—A school entity that applies for a planning grant shall submit the following information in the grant application:*

(1) *A statement of objectives, which shall include strategies to improve academic achievement and increase student engagement through the following:*

(i) *Delivery of lessons in small groups.*

(ii) *Use of data to differentiate instruction.*

(iii) *Encouragement of individually paced learning.*

(iv) *Application of multiple educational methodologies.*

(2) *An overview of the planning process.*

(3) *The proposed planning budget, including the local match.*

(4) *A description of the professional development that will occur during the planning period.*

(5) *A description of how the school entity will be able to continue to provide hybrid learning without funding from the Commonwealth.*

Section 1505-I. Implementation grants.

(a) *General rule.—An implementation grant from the program may be issued to eligible school entities that at the time of application:*

(1) *have a comprehensive plan for hybrid learning designs and are ready to implement hybrid learning within the school year in which the school entity receives the implementation grant; or*

(2) *deliver hybrid learning and intend to expand hybrid learning.*

(b) *Limitation on amount.—An implementation grant under this article may not exceed \$250,000 annually for a school entity or \$250,000 annually for each school entity that submits a joint application. A school entity may not receive more than one implementation grant per year and may not receive more than a total of three implementation grants within a five-year period. A school entity shall submit a new grant application, as*

required under section 1503-I(c), in order to renew an implementation grant.

(c) For each new award year, the department shall annually adjust the award amounts under subsection (b) to reflect any upward changes in the Consumer Price Index for All Urban Consumers for the Pennsylvania, New Jersey, Delaware and Maryland area.

(d) Required information for application.—A school entity that applies for an implementation grant shall submit the following information in the grant application:

(1) A statement of objectives, which shall include strategies to improve academic achievement and increase student engagement through the following:

(i) Delivery of lessons in small groups.

(ii) Use of data to differentiate instruction.

(iii) Encouragement of individually paced learning.

(iv) Application of multiple educational methodologies.

(2) A detailed hybrid learning design.

(3) An overview of the implementation or expansion plan for hybrid learning.

(4) The proposed hybrid learning budget, including the local match.

(5) A summary of the professional development program that will occur during the implementation period.

(6) A description of how the school entity will define success, monitor progress and make program improvements.

(7) Where applicable, a proposal for expanding hybrid learning, which shall include a plan for each stage of the expansion.

(8) A description of how the school entity will be able to continue to provide hybrid learning without funding from the Commonwealth.

Section 1506-I. Requirements for hybrid learning.

The following shall apply:

(1) School entities offering hybrid learning shall develop policies related to the following and post such policies on the school entity's publicly accessible Internet website:

(i) Grading rubrics.

(ii) Course credit.

(iii) Student promotion and graduation.

(iv) Eligibility requirements for student participation in hybrid learning.

(2) A school entity offering hybrid learning shall ensure that each student enrolled in the school entity and participating in hybrid learning is offered at least the minimum hours of instruction required under 22 Pa. Code § 11.3 (relating to minimum required hours).

Section 1507-I. Annual report.

By November 30, 2017, and by November 30 of each year thereafter, the department shall prepare and submit an electronic report to the Governor, the Appropriations Committee of the Senate, the Education Committee of the Senate, the Appropriations Committee of the House of Representatives and the Education Committee of the House of Representatives regarding

the effectiveness and administration of the program. The report shall, at a minimum, include the following:

(1) Whether the program is meeting the goal of encouraging individually paced learning to increase student engagement and improve academic performance.

(2) The program measures developed by the department to measure outcomes of the program, including student academic performance.

(3) Individual school entity results from participation in the program consistent with the requirements of the Family Educational Rights and Privacy Act of 1974 (Public Law 90-247, 20 U.S.C. § 1232g) or a successor statute.

(4) Recommendations for improvements to the administration of the program.

Section 1508-I. Collective bargaining.

Nothing contained in this article shall be construed to supersede or preempt the rights, remedies and procedures afforded to school employees or labor organizations under Federal or State law, including the act of July 23, 1970 (P.L.563, No.195), known as the Public Employe Relations Act, or any provision of a collective bargaining agreement negotiated between a school entity and an exclusive representative of the employees in accordance with that act.

Section 1509-I. Grant awards received by school districts.

Notwithstanding any other provision of law, a grant award received by a school district under this article shall not be included in the school district's budgeted total expenditure per average daily membership used to calculate the amount to be paid to a charter school or to a regional charter school under section 1725-A(a)(2) and (3).

Section 1510-I. Distribution of funding.

The department shall ensure that not less than 15% of money appropriated or made available to the department for grants under this article is allocated to school entities that rank in the lowest 5% of school entities based on combined mathematics and reading scores from annual State assessments administered in the previous school year and, to the greatest extent possible, the department shall ensure that all money appropriated or made available to the department for grants under this article is distributed geographically throughout this Commonwealth.

Section 8. Section 1605 of the act is amended by adding a subsection to read:

Section 1605. Courses of Study.—* * *

(c) (1) Beginning with those students graduating from a public high school at the end of the 2016-2017 school year, and continuing in each school year thereafter, a student who successfully completes a course in computer science or information technology during grades nine through twelve shall be permitted to apply up to one credit earned for successful completion of such course to satisfy the student's mathematics or science credit requirement for graduation, provided that the governing body of the student's public high school shall have discretion to determine the graduation credit requirement to which the credit earned by the student shall be applied.

(2) As used in this subsection, "public high school" shall mean a public school, including a school within a school district, a charter school, a cyber charter school, a regional charter school or an area vocational-technical school, that offers twelfth grade.

Section 8.1. Section 1703-A of the act is amended by adding a definition to read:

Section 1703-A. Definitions.—As used in this article,

"Aid ratio" and "market value/income aid ratio" shall be:

(1) the aid ratio and market value/income aid ratio for the school district that granted a charter to the charter school;

(2) for a regional charter school, the aid ratio and market value/income aid ratio shall be a composite, as determined by the department, based on the school districts that granted the charter; or

(3) for a cyber charter school, the aid ratio and market value/income aid ratio shall be that of the school district in which the administrative offices of the cyber charter school are located.

* * *

Section 8.2. Section 1724-A(c) of the act, amended June 30, 2011 (P.L.112, No.24), is amended to read:

Section 1724-A. School Staff.—* * *

(c) All employes of a charter school shall be enrolled in the Public School Employees' Retirement System in the same manner as set forth in 24 Pa.C.S. § 8301(a) (relating to mandatory and optional membership) unless at the time of the application for the charter school the sponsoring district or the board of trustees of the charter school has a retirement program which covers the employes or the employe is currently enrolled in another retirement program. **[The Commonwealth shall make contributions on behalf of charter school employes enrolled in the Public School Employees' Retirement System.]** The charter school shall be considered a *public school [district] as defined in 24 Pa.C.S. § 8102 (relating to definitions)* and shall make *quarterly* payments by employers to the Public School Employees' Retirement System and *monthly* payments on account of Social Security as established under 24 Pa.C.S. Pt. IV (relating to retirement for school employes). **[The market value/income aid ratio used in calculating payments as prescribed in this subsection shall be the market value/income aid ratio for the school district in which the charter school is located or, in the case of a regional charter school, shall be a composite market value/income aid ratio for the participating school districts as determined by the department.]** Except as otherwise provided, employes of a charter school shall make regular member contributions as required for active members under 24 Pa.C.S. Pt. IV. If the employes of the charter school participate in another retirement plan, then those employes shall have no concurrent claim on the benefits provided to public school employes under 24 Pa.C.S. Pt. IV. **[For purposes of this subsection, a charter school shall be deemed to be a "public school" as defined in 24 Pa.C.S. § 8102 (relating to definitions).] Notwithstanding any other provision of law to the contrary, nothing in this article shall be construed to require the Commonwealth to make payments to charter schools or contributions on behalf of charter school employes from**

appropriated funds, as provided in 24 Pa.C.S. §§ 8326 (relating to contributions by the Commonwealth) and 8535 (relating to payments to school entities by Commonwealth) on account of charter school employes enrolled in the Public School Employees' Retirement System and 24 Pa.C.S. § 8329(a) (relating to payments on account of social security deductions from appropriations) on account of Social Security payments made by a charter school.

* * *

Section 8.3. Section 1725-A(a)(5) of the act, amended June 29, 2002 (P.L.524, No.88), is amended to read:

Section 1725-A. Funding for Charter Schools.—(a) Funding for a charter school shall be provided in the following manner:

* * *

(5) Payments shall be made to the charter school in twelve (12) equal monthly payments, by the fifth day of each month, within the operating school year. A student enrolled in a charter school shall be included in the average daily membership of the student's district of residence for the purpose of providing basic education funding payments and special education funding pursuant to Article XXV. If a school district fails to make a payment to a charter school as prescribed in this clause, the secretary shall deduct the estimated amount, as documented by the charter school, from any and all State payments made to the district after receipt of documentation from the charter school. *No later than October 1 of each year, a charter school shall submit to the school district of residence of each student final documentation of payment to be made based on the average daily membership for the students enrolled in the charter school from the school district for the previous school year. If a school district fails to make payment to the charter school, the secretary shall deduct and pay the amount as documented by the charter school from any and all State payments made to the district after receipt of documentation from the charter school from the appropriations for the fiscal year in which the final documentation of payment was submitted to the school district of residence.*

* * *

Section 9. Section 1855 of the act, amended June 22, 2001 (P.L.530, No.35), is amended to read:

Section 1855. [**Vocational**] *Career and Technical* Education Equipment Grants.—(a) For the 2000-2001 fiscal year and the 2001-2002 fiscal year, the Department of Education shall establish a grant program to assist area vocational-technical schools, school districts offering approved vocational-technical programs and the Thaddeus Stevens State College of Technology in purchasing equipment that meets industry standards for the purpose of providing training to students. Grants shall be limited to the purchase of equipment in the following program areas: automotive technology, auto body, diesel technology, precision machine technology, heating ventilation and air conditioning, printing, dental assisting, electronics, building trades and other program areas approved by the Secretary of Education. Grants shall be awarded by the Department of Education on a matching basis, two

State dollars (\$2) for every local dollar (\$1), and shall be limited to funds appropriated for that purpose.

(b) For the 2016-2017 school year and for each school year thereafter, the Department of Education shall establish a grant program to assist each area vocational-technical school and school district with an approved vocational program that applies for and is approved for funding by the Department of Education to purchase equipment that meets industry standards. Grants shall be distributed in an amount to be calculated as follows:

(1) A base amount of three thousand dollars (\$3,000).

(2) A per-student amount calculated as follows:

(i) Multiply the average daily membership in approved vocational education programs for the most recent year available for each area vocational-technical school or school district that has been approved for funding by the Department of Education by the difference between the amount appropriated for career and technical education equipment grants and the sum of the funding distributed under paragraph (1) to all area vocational-technical schools and school districts.

(ii) Divide the product from subparagraph (i) by the sum of the average daily membership in approved vocational education programs for the most recent year available for all area vocational-technical schools and school districts that have been approved for funding by the Department of Education.

(c) The application to apply for funding under subsection (b) shall be developed by the Department of Education within thirty days of the effective date of this section and only require the following, which may be collected electronically:

(1) Name, address, e-mail address and telephone number of the area vocational-technical school or school district.

(2) Name, e-mail address and telephone number of an employe of the area vocational-technical school or school district who will be available to answer questions regarding the funding application.

(3) Description of the equipment for which the requested funding will be used, the career and technical education program in which the equipment will be used, the date on which the occupational advisory committee recommended the purchase of the equipment and verification that the equipment will be used for technical classroom instruction.

(d) The Department of Education may not request or consider any information other than the information provided in the funding application.

(e) Each area vocational-technical school or school district with an approved vocational program that submits a completed funding application shall receive funding in the amount determined under subsection (b).

(f) If insufficient funds are appropriated to make payments under subsection (b), payments shall be made on a pro rata basis.

(g) For purposes of this section, "occupational advisory committee" shall mean an occupational advisory committee established under 22 Pa. Code Ch. 339 (relating to vocational education).

Section 9.1. Section 1904-A(d) of the act, added July 4, 2004 (P.L.536, No.70), is amended to read:

Section 1904-A. Election or Appointment; Term and Organization of Board of Trustees.—* * *

(d) Notwithstanding the provisions of subsections (a) and (b), the board of trustees of a community college may appoint a trustee from each county where a campus or satellite classroom is located for which no local sponsor exists[.] *and, for a community college that is located in a county of the third class with a population between 290,000 and 310,000 as of the 2010 census, may appoint up to two trustees from a county where a campus is located for which no local sponsor exists.* The trustee shall be selected by the board of trustees of the community college. Trustees appointed under the provisions of this subsection shall be appointed for terms of two years.

Section 10. Section 1913-A(b)(1.6)(v) and (1.7)(ii) of the act, amended July 9, 2008 (P.L.846, No.61) and July 9, 2013 (P.L.408, No.59), are amended and paragraph (1.6) is amended by adding a subparagraph to read:

Section 1913-A. Financial Program; Reimbursement of Payments.—

* * *

(b) * * *

(1.6) For the 2006-2007 fiscal year and each fiscal year thereafter, the payment for a community college shall consist of the following:

* * *

(v) Subclauses (i), (ii), (iii) and (iv) shall not apply to the 2011-2012, 2012-2013 and 2013-2014 fiscal years, *and each fiscal year thereafter.*

* * *

(ix) *For the 2016-2017 fiscal year, each community college shall receive an amount equal to the following:*

(A) *An amount equal to the reimbursement for operating costs received in fiscal year 2013-2014 under subclause (viii)(A) plus the increase received in fiscal year 2014-2015 under section 1722-J(17) of "The Fiscal Code" and the increase received in fiscal year 2015-2016 under section 1722-L(18.1) of "The Fiscal Code."*

(B) *An amount equal to the economic development stipend received in fiscal year 2013-2014 under subclause (viii)(B).*

(C) *An additional amount for operating costs determined for each community college as follows:*

(I) *Multiply the audited full-time equivalent enrollment as verified under subsection (k.1) for the most recent year available for the community college by the difference between the appropriation for payment of approved operating expenses of community colleges in the 2016-2017 fiscal year and the sum of the amounts in units (A) and (B).*

(II) *Divide the product in subunit (I) by the sum of the audited full-time equivalent enrollment as verified under subsection (k.1) for the most recent year available for all community colleges.*

(1.7) The payment for a community college shall include an economic development stipend which shall consist of the following:

* * *

(ii) For the 2006-2007 *through* 2008-2009 fiscal [year and each fiscal year thereafter] years, each community college shall receive, subject to the provisions of subclause (iii), an amount determined by:

(A) Adding the following:

(I) the number of full-time equivalent students enrolled in high-priority and high-instructional-cost occupation programs at the community college multiplied by 1.50;

(II) the number of full-time equivalent students enrolled in high-priority occupation programs at the community college multiplied by 1.25; and

(III) the number of full-time equivalent students enrolled in noncredit workforce development courses at the community college.

(B) Dividing the total from paragraph (A) by the sum of the totals from paragraph (A) for all community colleges.

(C) Multiplying the amount from paragraph (B) by the amount allocated for the economic development stipend pursuant to clause (1.6)(ii).

(D) Applying the following:

(I) For the 2006-2007 fiscal year, for the first, second and third quarter payments made in the 2007-2008 fiscal year, and for the first and second quarter payments made in the 2008-2009 fiscal year and each fiscal year thereafter, the number of full-time equivalent students shall be determined based upon the final midyear rebudget submitted by a community college for the prior fiscal year. Such rebudget shall be submitted, as required by the Department of Education, no later than May 31, 2006, and May 31 of each year thereafter.

(II) For the 2007-2008 fiscal year, the Department of Education shall provide the fourth quarter payment to each community college under this subclause based upon the number of full-time equivalent students enrolled in high-priority and high-instructional-cost occupation programs, high-priority occupation programs and noncredit workforce development courses for the 2006-2007 fiscal year, as verified in the audited financial statement required under subsection (k.1).

(III) For the 2008-2009 fiscal year [and each fiscal year thereafter], the Department of Education shall provide the third and fourth quarter payments to each community college under this subclause based upon the number of full-time equivalent students enrolled in high-priority and high-instructional-cost occupation programs, high-priority occupation programs and noncredit workforce development courses for the immediately preceding fiscal year, as verified in the audited financial statement required under subsection (k.1).

* * *

Section 11. Section 1902-C introductory paragraph of the act, added June 25, 1997 (P.L.297, No.30), is amended and the section is amended by adding a subsection to read:

Section 1902-C. Applications.—(a) Applicants shall submit applications at the time, in the manner and containing or accompanied by such information as the department may prescribe but, in any case, shall document the following:

* * *

(b) *A school district, combination of school districts or charter school that makes an application to establish an alternative education program*

shall submit initial and renewal applications along with a fee of four hundred dollars (\$400) as prescribed by the department. The money collected shall be deposited into a restricted account in the General Fund to be known as the Alternative Education Program Account. The money in the restricted account is hereby appropriated on a continuing basis to the department.

Section 12. Section 1902-E of the act is amended by adding a paragraph to read:

Section 1902-E. Contracts with Private Alternative Education Institutions.—

* * *

(5) A private alternative education institution that makes an application for approval to operate shall submit initial and renewal applications along with a fee of one thousand dollars (\$1,000) as prescribed by the Department of Education. The funds collected shall be deposited into the Alternative Education Program Account established in section 1902-C(b).

Section 13. The act is amended by adding articles to read:

ARTICLE XIX-G

RURAL REGIONAL COLLEGE FOR UNDERSERVED COUNTIES

Section 1901-G. (Reserved).

Section 1901.1-G. Legislative intent.

It is the intent of the General Assembly to provide for the continued existence, operation and administration of the rural regional college established under former Article XVII-E.1 of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code.

Section 1901.2-G. Appropriations.

Appropriations for the operation of the rural regional college shall have preferred status and be considered ordinary expenses of State government.

Section 1902-G. Scope of article.

This article provides for the establishment of a rural regional college in a multicounty rural area that is underserved by comprehensive community college education and work force development.

Section 1903-G. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Annual." A 12-month period coterminous with the Commonwealth's fiscal year beginning July 1 and ending June 30.

"Board of trustees." The board of trustees of a rural regional college established under this article.

"Certified public accountant." A member of the American Institute of Certified Public Accountants who has a minimum of five years' verifiable experience in performing audits of government funds for nonprofit organizations with a comparable or larger annual budget.

"County." Any county in this Commonwealth.

"Middle States." The Middle States Association of Colleges and Schools.

"Partner institution." *One or more Middle States-accredited institutions of higher education.*

"Rural regional college." *A public institution of higher education which is established in a rural area and operated in accordance with the provisions of this article as a college which provides up to a two-year, postsecondary education not to exceed the level of an associate of arts or sciences degree and which is active in work force development.*

"Rural regional college plan" or "plan." *A plan for the establishment and operation of a rural regional college under this article.*

"Secretary." *The Secretary of Education of the Commonwealth or such person as the secretary may designate to act on behalf of the secretary with regard to any of the duties and prerogatives imposed by this article.*

"State Board." *The State Board of Education.*

Section 1904-G. Designations by secretary.

(a) Duties of secretary.—

(1) *The secretary shall designate an established nonprofit organization as defined under section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)), which represents a rural multicounty region underserved by a comprehensive community college program, including work force development, to assist the secretary with the designation under paragraph (2).*

(2) *Within 30 days of the designation under paragraph (1), the secretary shall, in consultation with the nonprofit organization, designate contiguous counties or parts of contiguous counties to be served by establishment of a rural regional college.*

(b) Changes.—*No sooner than July 10, 2018, the secretary, with approval of the board of trustees, may add counties or parts of counties to be served by the rural regional college.*

Section 1905-G. Designation and board of trustees.

Within 60 days of the secretary's designation under section 1904-G(a)(2), a board of trustees shall be appointed to establish a rural regional college. The board of trustees shall consist of not fewer than seven members nor more than 15 members appointed by the secretary in consultation and jointly with the nonprofit organization designated under section 1904-G(a)(1). The following shall apply to the board of trustees established under this section:

(1) *Members of the board of trustees shall be representative of the area designated under section 1904-G(a)(2) and may include school administrators, community education council officials, business leaders and government officials.*

(2) *Members of the board of trustees shall be appointed for terms of three years each, except that those persons initially appointed shall draw lots to determine which trustees shall serve for a term of three years, which trustees shall serve for a term of two years and which trustees shall serve for a term of one year. To the extent practicable, from those trustees initially appointed, an equal number shall draw lots to serve for a term of three years, for a term of two years and for a term*

of one year. Thereafter, all members shall be appointed for terms of three years each.

(3) Vacancies on the board shall be filled by the existing board. A trustee may succeed himself, provided that no member shall serve for longer than 10 years.

(4) The secretary shall convene an initial meeting of the board of trustees within 30 days of the secretary's appointment of a board of trustees under this section. After the initial meeting, the board of trustees shall meet at such times each year as the board of trustees determines to be necessary to satisfy the requirements of this article.

(5) The board of trustees shall adopt standing operating rules and procedures, bylaws and articles of incorporation.

(6) The board of trustees shall establish an advisory council of presidents, or their designees, from institutions with postsecondary education programs within the region designated under section 1904-G(a)(2). The advisory council shall meet quarterly to discuss employer and work force needs, new educational offerings and general coordination of service and facilities. One advisory council member representing a community college and one advisory council member that is a president of a college or university shall serve as cochairperson.

(7) The board of trustees shall choose from among its members a chairperson, vice chairperson and secretary.

(8) A majority of the members of the board of trustees shall constitute a quorum.

(9) Trustees shall serve without compensation, except that they shall be reimbursed by the rural regional college for their actual and necessary expenses incurred in the performance of their duties.

Section 1906-G. Establishment.

(a) General rule.—No later than December 31, 2016, the board of trustees appointed under section 1905-G shall submit to the secretary a proposed rural regional college plan in such form and containing such information as the secretary may require. In addition to other information which may be required by the secretary, the plan shall include the following:

(1) A designation of the name of the proposed rural regional college which shall be the "Rural Regional College of _____" or " _____ Rural Regional College."

(2) A survey of the educational, vocational and occupational needs of the area and the means by which the proposed rural regional college will meet those needs, reengage high school dropouts to earn their secondary credentials and postsecondary credentials or industry certification, reduce unemployment and improve the employable skills of residents of the area to be served by the rural regional college.

(3) An operating and financial plan for the proposed rural regional college, including a plan for the capital needs and expenses of the proposed rural regional college.

(4) *A plan by which the rural regional college shall seek accreditation by an accrediting association which is recognized by the United States Department of Education.*

(b) *Submission of plan.—Within 60 days of the submission of the rural regional college plan to the secretary, the secretary shall issue an approval or rejection of the plan. A rejection of the plan shall be accompanied by a written statement of the reasons for the rejection of the plan. If the plan is rejected, the board of trustees shall submit a revised plan to the secretary within 60 days of the plan's rejection.*

(c) *Plan approval.—Upon the approval of the plan by the secretary, the rural regional college shall be considered established.*

Section 1907-G. Powers and duties of board of trustees.

(a) *General rule.—The board of trustees appointed under section 1905-G shall administer and supervise the affairs of the rural regional college established under this article. Subject to any other law and to any regulations promulgated by the State Board pertaining to rural regional colleges, the board of trustees shall have the following powers and duties:*

(1) *To advance the mission of the rural regional college in service to residents of the region designated under section 1904-G(a)(2).*

(2) *To appoint and fix the salary of a president of the rural regional college.*

(3) *To appoint and fix the salary of a chief financial officer of the rural regional college.*

(4) *To hold, rent, lease, sell, purchase and improve land, buildings, furnishings, equipment, materials, books and supplies.*

(5) *To enter into contracts for services with community education councils, schools, colleges or universities, or with school districts or municipalities, and other applicable or appropriate agencies and organizations to effectuate the purposes of this article.*

(6) *To accept and receive gifts of real and personal property and Federal, State and local money, loans and grants and to expend the same.*

(7) *To make policies providing for the admission and expulsion of students, the courses of instruction, the tuition and fees to be charged and for all matters related to the government and administration of the rural regional college, provided that policies related to admission, tuition and fees give preference to residents of the area designated by the secretary under section 1904-G(a)(2).*

(8) *To submit to the secretary for approval proposed amendments to the rural regional college plan.*

(9) *To enter into contracts for services to high schools located in the area designated by the secretary under section 1904-G to provide services, including area vocational-technical education services.*

(10) *To approve an annual budget to be submitted to the secretary for funding.*

(11) *To work with the president in the appointment of all faculty and staff necessary for the rural regional college's operation, to affix their compensation and benefits and to manage all personnel matters.*

(12) *To appoint legal counsel.*

(13) To exercise such other powers and perform such other duties as are necessary to effectuate the purposes of this article.

(b) Duties of board.—The board of trustees shall enter into contracts, hold property and take other actions in the name of the rural regional college.

(c) Initial partnership.—

(1) The board of trustees shall select initially a partner institution to develop and offer accredited courses and programs of study at the approved sites of operation.

(2) The partner institution shall select programs only with approval of the board of trustees and consistent with the partner institution's accreditation and shall be responsible for staffing and evaluation and provision of other support services as may be required for students.

(3) The board of trustees may contract with other colleges to provide curricula not available through the partner institution.

(4) As the rural regional college is able to operate on its own, a transition plan and budget shall be included in the contract between the rural regional college and the partner institution to efficiently expedite the transition.

(5) Nothing in this article shall be construed to preclude the board of trustees from contracting for specific services or programs following the transition from the initial partner institution.

Section 1908-G. Officers of rural regional college.

(a) President.—The president shall be the chief executive and administrative officer of the rural regional college and shall perform all duties which the board of trustees may prescribe. The president shall have the right to attend meetings of the board of trustees and to be heard on all matters before it but shall have no right to vote on any matter.

(b) Chief financial officer.—The chief financial officer of the rural regional college shall give a proper bond in such amount and with such corporate surety as is approved by the board of trustees. The chief financial officer shall file the bond with the board of trustees. The account of the chief financial officer shall be audited annually by a certified public accountant or other qualified public accountant selected by the board of trustees.

Section 1909-G. Students.

Any individual may apply for admission to the rural regional college established under this article, provided that preference in admissions, tuition and fees may be given to residents of the multicounty area designated by the secretary under section 1904-G(a)(2). In considering applicants for admission, the rural regional college shall not discriminate on the basis of race, color, gender, marital status, ethnic group or religion.

Section 1910-G. Tuition.

The tuition and fees charged by the rural regional college shall be an amount determined by the board of trustees, in accordance with the budget submitted to the secretary. The board of trustees shall annually establish a separate schedule of tuition and fees for students that reside inside the region designated under section 1904-G(a)(2) and students that reside outside the region.

Section 1911-G. Dissolution and transition of rural regional college.

The rural regional college established under this article may not be dissolved without the approval of the secretary. Upon dissolution of the rural regional college, the Commonwealth shall assume all assets and liabilities of the rural regional college, except that such assets that are the property of any partner institution that may be operating for and within the rural regional college shall remain the property of the partner institution.

Section 1912-G. Degrees.

The rural regional college established under this article may award any type of diploma, technical or career training certificate or associate degrees in the arts, sciences, technologies or general education upon successful completion of programs authorized by the board of trustees. As long as the partner institution provides the accredited curricula and courses under contract to the rural regional college, the requirements of the accrediting agency shall pertain to the granting of such awards.

Section 1913-G. Funding.

The rural regional college established under this article shall be funded by tuition and fees established by the board of trustees and may accept appropriations from the General Assembly, grants from the Federal Government, grants from the Commonwealth, grants from private foundations, donations from persons or any combination thereof.

Section 1914-G. Financial aid.

(a) Initial partnership period.—During the rural regional college's initial partnership with a partner institution, a student enrolled in the rural regional college shall be eligible for consideration for a Pennsylvania State Grant and other Commonwealth-funded financial aid administered by the Pennsylvania Higher Education Assistance Agency, provided that the partner institution is an institution of higher education as approved by and in accordance with rules and regulations of the Pennsylvania Higher Education Assistance Agency.

(b) Posttransition period.—Upon the rural regional college operating on its own without a partner institution, a student shall only be eligible for consideration for a Pennsylvania State Grant and any other Commonwealth-funded financial aid if the rural regional college is approved by the Department of Education, is accredited or a recognized candidate for accreditation with an accrediting body recognized under rules and regulations of the Pennsylvania Higher Education Assistance Agency and satisfies any other institutional and administrative program requirements as the Pennsylvania Higher Education Assistance Agency may require.

Section 1915-G. Regulations.

The State Board may promulgate regulations under the act of June 25, 1982 (P.L.633, No.181), known as the Regulatory Review Act, as necessary to implement this article.

Section 1916-G. Reports.

The Legislative Budget and Finance Committee shall prepare and submit to the General Assembly written interim and final reports evaluating the operation of this article. The interim report shall be submitted by June 30, 2018, and the final report shall be submitted by

June 30, 2022. Each report shall include, but may not be limited to, the following:

(1) A review of the success of the rural regional college established under this article in satisfying the goals set forth in the rural regional college plan approved by the secretary and in satisfying the needs of the multicounty area the rural regional college was established to serve.

(2) Demographic and program data, including the following:

(i) Numbers of full-time and part-time faculty and student enrollments, in total and within curricular areas.

(ii) Dual enrollment participation.

(iii) Credit hours taught by faculty.

(iv) Distance learning courses offered.

(v) Articulation agreements with higher education institutions.

(vi) Lists of courses with fewer than 20 students.

(vii) Lists of courses with more than 50 students.

Where available, student data shall be disaggregated by categories, including gender, race and age.

(3) Student progress and achievement measures, including the following:

(i) Retention rates related to student goals.

(ii) Graduation and completion rates after two, three and four years.

(iii) Passing rates on certification and licensure examinations.

(iv) Number of students employed within one year of program completion.

(v) Placement into additional education or employment in the student's field of study.

Where available, data shall be disaggregated by categories, including gender, race and age.

(4) Economic and work force development measures, including:

(i) Employer satisfaction.

(ii) Customized job training offerings.

(iii) Employment status.

(iv) Numbers of businesses and organizations served.

(5) Recommendations for future legislation.

Section 1917-G. Transfers of credits.

For purposes of facilitating the transfer of credits attained by students of the rural regional college, the rural regional college shall be considered a public institution of higher education as defined in section 2001-C and, upon the rural regional college being able to operate on its own, shall be required to fulfill all the duties and obtain for its students all the benefits of Article XX-C within two years of operation of the established rural regional college.

**ARTICLE XX-B
EDUCATIONAL TAX CREDITS**

Section 2001-B. Scope of article.

This article establishes the educational improvement and opportunity scholarship tax credits.

Section 2002-B. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Applicable taxes." *Any of the taxes due under Article III, IV, VI, VII, VIII, IX, XV or XX of the Tax Reform Code of 1971 or a tax under Article XVI of the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921.*

"Applicant." *An eligible student who applies for a scholarship.*

"Assessment." *The Pennsylvania System of School Assessment test, the Keystone Exam, an equivalent local assessment or another test established or approved by the State Board of Education or the General Assembly to meet the requirements of section 2603-B(d)(10)(i), or required under the Every Student Succeeds Act (Public Law 114-95, 129 Stat. 1802) or its successor statute or another test required to achieve other standards established by the Department of Education for the public school or school district under 22 Pa. Code § 403.3 (relating to single accountability system).*

"Attendance boundary." *A geographic area of residence used by a school district to assign a student to a public school.*

"Average daily membership." *As defined in section 2501(3).*

"Business firm." *An entity authorized to do business in this Commonwealth and subject to taxes imposed under Article III, IV, VI, VII, VIII, IX, XV or XX of the Tax Reform Code of 1971 or a tax under Article XVI of The Insurance Company Law of 1921. The term includes a pass-through entity, including a pass-through entity, the purpose of which is the making of contributions under this article and whose shareholders, partners or members are composed of owners or employes of other business firms.*

"Career and technical school." *A public secondary school established under the provisions of Article XVIII.*

"Contribution." *A donation of cash, personal property or services, the value of which is the net cost of the donation to the donor or the pro rata hourly wage, including benefits, of the individual performing the services.*

"Department." *The Department of Community and Economic Development of the Commonwealth.*

"Educational improvement organization." *A nonprofit entity which:*

(1) *is exempt from Federal taxation under section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.); and*

(2) *contributes at least 80% of its annual receipts as grants to a public school, a chartered school as defined in section 1376.1, or a private school approved under section 1376, for innovative educational programs.*

For purposes of this definition, a nonprofit entity "contributes" its annual cash receipts when it expends or otherwise irrevocably encumbers those funds for expenditure during the then-current fiscal year of the nonprofit

entity or during the next succeeding fiscal year of the nonprofit entity. A nonprofit entity shall include a school district foundation, public school foundation, charter school foundation or cyber charter school foundation.

"Elementary school." A school which is not a secondary school.

"Eligible pre-kindergarten student." A student, including an eligible student with a disability, who is enrolled in a pre-kindergarten program and is a member of a household with a maximum annual household income as increased by the applicable income allowance.

"Eligible student." A school-age student, including an eligible student with a disability, who is enrolled in a school and is a member of a household with a maximum annual household income as increased by the applicable income allowance.

"Eligible student with a disability." A pre-kindergarten student or a school-age student who meets all of the following:

(1) Is enrolled in a special education school or has otherwise been identified, in accordance with 22 Pa. Code Ch. 14 (relating to special education services and programs), as a "child with a disability," as defined in 34 CFR § 300.8 (relating to child with a disability).

(2) Needs special education and related services.

(3) Is enrolled in a pre-kindergarten program or in a school.

(4) Is a member of a household with a household income of not more than the maximum annual household income.

"Household." An individual living alone or with the following: a spouse, parent and their unemancipated minor children, other unemancipated minor children who are related by blood or marriage or other adults or unemancipated minor children living in the household who are dependent upon the individual.

"Household income." All money or property received of whatever nature and from whatever source derived. The term does not include the following:

(1) Periodic payments for sickness and disability other than regular wages received during a period of sickness or disability.

(2) Disability, retirement or other payments arising under workers' compensation acts, occupational disease acts and similar legislation by any government.

(3) Payments commonly recognized as old-age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of employment.

(4) Payments commonly known as public assistance or unemployment compensation payments by a governmental agency.

(5) Payments to reimburse actual expenses.

(6) Payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, strike benefits, Social Security and retirement.

(7) Compensation received by United States servicemen serving in a combat zone.

"Income allowance." The base amount of \$15,000 for each eligible student, eligible pre-kindergarten student and dependent member of the household. Beginning July 1, 2014, the department shall annually adjust

the base amount to reflect upward changes in the Consumer Price Index for All Urban Consumers for the Pennsylvania, New Jersey, Delaware and Maryland area for the preceding 12 months. The department shall immediately submit the adjusted amounts to the Legislative Reference Bureau for publication as a notice in the Pennsylvania Bulletin.

"Innovative educational program." An advanced academic or similar program that is not part of the regular academic program of a public school but that enhances the curriculum or academic program of the public school, chartered school or private school or provides pre-kindergarten programs to public school students, students of a chartered school or students of a private school. For the purposes of this definition, a chartered school shall mean a chartered school as defined in section 1376.1, and a private school shall mean a private school approved under section 1376.

"Kindergarten." A one-year formal educational program that occurs during the school year immediately prior to first grade. The term includes a part-time and a full-time program.

"Low-achieving school." A public school that ranked in the lowest 15% of the school's designation as an elementary school or a secondary school based on combined mathematics and reading scores from the annual assessment administered in the previous school year and for which the Department of Education has posted results on the Department of Education's publicly accessible Internet website. The term does not include a charter school, cyber charter school or area vocational-technical school.

"Maximum annual household income."

(1) Subject to adjustment under paragraphs (2) and (3), the amount of \$75,000, plus the applicable income allowance.

(2) With respect to an eligible student with a disability, as calculated by multiplying:

(i) the applicable amount under paragraph (1); by

(ii) the applicable support level factor according to the following table:

Support Level	Support Level Factor
1	1.50
2	2.993

(3) Beginning July 1, 2014, the department shall annually adjust the income amounts under paragraphs (1) and (2) to reflect any upward changes in the Consumer Price Index for All Urban Consumers for the Pennsylvania, New Jersey, Delaware and Maryland area in the preceding 12 months and shall immediately submit the adjusted amounts to the Legislative Reference Bureau for publication as a notice in the Pennsylvania Bulletin.

"Nonpublic school." A school which is a nonprofit organization and which is located in this Commonwealth. The term does not include a public school.

"Opportunity scholarship." An award given to an applicant to pay tuition and school-related fees necessary to attend a participating nonpublic school or a participating public school located in a school district which is not the recipient's school district of residence.

"Opportunity scholarship organization." *A nonprofit entity which:*

(1) *Is exempt from Federal taxation under section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.); and*

(2) *Contributes at least 80% of the entity's annual cash receipts to an opportunity scholarship program.*

For the purposes of this definition, a nonprofit entity contributes the entity's cash receipts to an opportunity scholarship program when the entity expends or otherwise irrevocably encumbers those funds for distribution during the then-current fiscal year of the nonprofit entity or during the next succeeding fiscal year of the nonprofit entity.

"Opportunity scholarship program." *A program to provide opportunity scholarships to eligible students who reside within the attendance area of a low-achieving school.*

"Parent." *An individual who:*

(1) *is a resident of this Commonwealth; and*

(2) *either:*

(i) *has legal custody or guardianship of a student; or*

(ii) *keeps in the individual's home a student and supports the student gratis as if the student were a lineal descendant of the individual.*

"Participating nonpublic school." *A nonpublic school which notifies the Department of Education under section 2011-B that the school wishes to accept opportunity scholarship recipients.*

"Participating public school." *A public school in a school district which notifies the Department of Education under section 2011-B that the school wishes to accept opportunity scholarship recipients. The term does not include a low-achieving school.*

"Pass-through entity." *A partnership as defined in section 301(n.0) of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, a single-member limited liability company treated as a disregarded entity for Federal income tax purposes or a Pennsylvania S corporation as defined in section 301(n.1) of the Tax Reform Code of 1971. The term includes a pass-through entity that owns an interest in a pass-through entity.*

"Pre-kindergarten program." *A program of instruction for three-year-old, four-year-old, five-year-old or six-year-old students, other than a kindergarten, that utilizes a curriculum aligned with the curriculum of the school with which it is affiliated and which provides one of the following:*

(1) *A minimum of two hours of instructional and developmental activities per day at least 60 days per school year.*

(2) *A minimum of two hours of instructional and developmental activities per day at least 20 days over the summer recess.*

"Pre-kindergarten scholarship organization." *A nonprofit entity which:*

(1) *is exempt from Federal taxation under section 501(c)(3) of the Internal Revenue Code of 1986 or is operated as a separate segregated fund by a scholarship organization that has been qualified under section 2003-B; and*

(2) *contributes at least 80% of its annual cash receipts to a pre-kindergarten scholarship program by expending or otherwise irrevocably encumbering those funds for distribution during the then-current fiscal year of the organization or during the next succeeding fiscal year of the organization.*

"Pre-kindergarten scholarship program." A program to provide tuition to eligible pre-kindergarten students to attend a pre-kindergarten program operated by or in conjunction with a school located in this Commonwealth and that includes an application and review process for the purpose of making awards to eligible pre-kindergarten students and awards scholarships to eligible pre-kindergarten students without limiting availability to only students of one school or one building within a school district or nonpublic school entity.

"Public school." A public pre-kindergarten where compulsory attendance requirements do not apply or a public kindergarten, elementary school, secondary school or career and technical school at which the compulsory attendance requirements of this Commonwealth may be met and which meets the applicable requirements of Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241).

"Recipient." An applicant who receives a scholarship.

"Scholarship." An award under a scholarship program to pay tuition and school-related fees to attend a school.

"Scholarship organization." A nonprofit entity which:

(1) is exempt from Federal taxation under section 501(c)(3) of the Internal Revenue Code of 1986; and

(2) contributes at least 80% of its annual cash receipts to a scholarship program.

For purposes of this definition, a nonprofit entity "contributes" its annual cash receipts to a scholarship program when it expends or otherwise irrevocably encumbers those funds for distribution during the then-current fiscal year of the nonprofit entity or during the next succeeding fiscal year of the nonprofit entity.

"Scholarship program." A program to provide tuition and school-related fees to eligible students to attend a school located in this Commonwealth. A scholarship program must include an application and review process for the purpose of making awards to eligible students. The award of scholarships to eligible students shall be made without limiting availability to only students of one school or one building within a school district or nonpublic school entity.

"School." A public or nonpublic pre-kindergarten, kindergarten, elementary school or secondary school at which the compulsory attendance requirements of the Commonwealth may be met and which meets the applicable requirements of Title VI of the Civil Rights Act of 1964.

"School age." Children from the earliest admission age to a school's pre-kindergarten or kindergarten program or, when no pre-kindergarten or kindergarten program is provided, the school's earliest admission age for beginners, until the end of the school year, the student attains 21 years of age or graduation from high school, whichever occurs first.

"School district of residence." *The school district in which the student's primary domicile is located.*

"School-related fees." *Fees charged by a school to all students for books, instructional materials, technology equipment and services, uniforms and activities.*

"Secondary school." *A school with an eleventh grade.*

"Special education school." *A school or program within a school that is designated specifically and exclusively for students with any of the disabilities listed in 34 CFR § 300.8 and meets one of the following:*

(1) *Is licensed under the act of January 28, 1988 (P.L.24, No.11), known as the Private Academic Schools Act.*

(2) *Is accredited by an accrediting association approved by the State Board of Education.*

(3) *Is a school for the blind or deaf receiving Commonwealth appropriations.*

(4) *Is operated by or under the authority of a bona fide religious institution or by the Commonwealth or any political subdivision thereof.*

"Student." *An individual who meets all of the following:*

(1) *Is school age.*

(2) *Is a resident of this Commonwealth.*

(3) *Attends or is about to attend a school.*

"Support level." *The level of support needed by an eligible student with a disability, as set forth in the following matrix:*

Support Level 1 - *The student is not enrolled in a special education school.*

Support Level 2 - *The student is enrolled as a student in a special education school.*

"Tax Reform Code of 1971." *The act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.*

Section 2003-B. Qualification and application by organizations.

(a) **Establishment.**—*In accordance with section 14 of Article III of the Constitution of Pennsylvania, the educational improvement and opportunity scholarship tax credit programs are hereby established to enhance the educational opportunities available to all students in this Commonwealth.*

(b) **Information.**—*In order to qualify under this article, an educational improvement organization, a scholarship organization, a pre-kindergarten scholarship organization or an opportunity scholarship organization must submit information to the department that enables the department to confirm that the organization is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986.*

(c) **Scholarship organizations and pre-kindergarten scholarship organizations.**—*A scholarship organization or pre-kindergarten scholarship organization must certify to the department that the organization is eligible to participate in the educational improvement tax credit program established under this article and must agree to annually report the following information to the department by September 1 of each year:*

(1) (i) *The number of scholarships awarded during the immediately preceding school year to eligible pre-kindergarten students.*

(ii) *The total and average amounts of the scholarships awarded during the immediately preceding school year to eligible pre-kindergarten students.*

(iii) *The number of scholarships awarded during the immediately preceding school year to eligible students in grades kindergarten through eight.*

(iv) *The total and average amounts of the scholarships awarded during the immediately preceding school year to eligible students in grades kindergarten through eight.*

(v) *The number of scholarships awarded during the immediately preceding school year to eligible students in grades nine through 12.*

(vi) *The total and average amounts of the scholarships awarded during the immediately preceding school year to eligible students in grades nine through 12.*

(vii) *Where the scholarship organization or pre-kindergarten scholarship organization collects information on a county-by-county basis, the total number and the total amount of scholarships awarded during the immediately preceding school year to residents of each county in which the scholarship organization or pre-kindergarten scholarship organization awarded scholarships.*

(viii) *The total number of scholarship applications processed and the amounts of any application fees charged, either per scholarship application or in the aggregate through a third-party processor.*

(ix) *The organization's Federal Form 990 or other Federal form indicating the tax status of the organization for Federal tax purposes, if any, and a copy of a compilation, review or audit of the organization's financial statements conducted by a certified public accounting firm.*

(2) *The information required under paragraph (1) shall be submitted on a form provided by the department. No later than May 1 of each year, the department shall annually distribute such sample forms, together with the forms on which the reports are required to be made, to each listed scholarship organization and pre-kindergarten scholarship organization.*

(3) *The department may not require any other information to be provided by scholarship organizations or pre-kindergarten scholarship organizations, except as expressly authorized in this article.*

(d) *Educational improvement organization.—*

(1) *An application submitted by an educational improvement organization must describe its proposed innovative educational program or programs in a form prescribed by the department. The department shall consult with the Department of Education as necessary. The department shall review and approve or disapprove the application. In order to be eligible to participate in the educational improvement tax*

credit program established under this article, an educational improvement organization must agree to annually report the following information to the department by September 1 of each year:

(i) The name of the innovative educational program or programs and the total amount of the grant or grants made to those programs during the immediately preceding school year.

(ii) A description of how each grant was utilized during the immediately preceding school year and a description of any demonstrated or expected innovative educational improvements.

(iii) The names of the public schools and school districts where innovative educational programs that received grants during the immediately preceding school year were implemented.

(iv) Where the educational improvement organization collects information on a county-by-county basis, the total number and the total amount of grants made during the immediately preceding school year for programs at public schools in each county in which the educational improvement organization made grants.

(v) The organization's Federal Form 990 or other Federal form indicating the tax status of the organization for Federal tax purposes, if any, and a copy of a compilation, review or audit of the organization's financial statements conducted by a certified public accounting firm.

(2) The information required under paragraph (1) shall be submitted on a form provided by the department. No later than May 1 of each year, the department shall annually distribute such sample forms, together with the forms on which the reports are required to be made, to each listed educational improvement organization.

(3) The department may not require any other information to be provided by educational improvement organizations, except as expressly authorized in this article.

(d.1) Opportunity scholarship organizations.—

(1) An opportunity scholarship organization must enhance the educational opportunities available to students in this Commonwealth by providing opportunity scholarships to eligible students who reside within the attendance boundary of low-achieving schools to attend schools which are not low-achieving schools and which are not public schools within the eligible student's school district of residence. By February 15 of each year, an opportunity scholarship organization must certify to the department that the organization is eligible to participate in the opportunity scholarship tax credit program.

(2) An opportunity scholarship organization must agree to report the following information on a form provided by the department by September 1 of each year:

(i) The total number of applications for opportunity scholarships received during the immediately preceding school year from eligible students in grades kindergarten through eight.

(ii) The number of opportunity scholarships awarded during the immediately preceding school year to eligible students in grades kindergarten through eight.

(iii) *The total and average amounts of the opportunity scholarships awarded during the immediately preceding school year to eligible students in grades kindergarten through eight.*

(iv) *The total number of applications for opportunity scholarships received during the immediately preceding school year from eligible students in grades nine through 12.*

(v) *The number of opportunity scholarships awarded during the immediately preceding school year to eligible students in grades nine through 12.*

(vi) *The total and average amounts of the opportunity scholarships awarded during the immediately preceding school year to eligible students in grades nine through 12.*

(vii) *Where the opportunity scholarship organization collects information on a county-by-county basis, the total number and the total amount of opportunity scholarships awarded during the immediately preceding school year to residents of each county in which the opportunity scholarship organization awarded opportunity scholarships.*

(viii) *The number of opportunity scholarships awarded during the immediately preceding school year to applicants with a household income that does not exceed 185% of the Federal poverty level.*

(ix) *The total and average amounts of opportunity scholarships awarded during the immediately preceding school year to applicants with a household income that does not exceed 185% of the Federal poverty level.*

(x) *The number of opportunity scholarships awarded during the immediately preceding school year to applicants with a household income that does not exceed 185% of the Federal poverty level and who reside within a first class school district.*

(xi) *The total and average amounts of opportunity scholarships awarded during the immediately preceding school year to applicants with a household income that does not exceed 185% of the Federal poverty level and who reside within a first class school district.*

(xii) *The number of opportunity scholarships awarded during the immediately preceding school year to applicants with a household income that does not exceed 185% of the Federal poverty level and who reside within a school district that was designated as a financial recovery school district under Article VI-A at the time of the award.*

(xiii) *The total and average amounts of opportunity scholarships awarded during the immediately preceding school year to applicants with a household income that does not exceed 185% of the Federal poverty level and who reside within a school district that was designated as a financial recovery school district under Article VI-A at the time of the award.*

(xiv) *The total number of opportunity scholarship applications processed and the amounts of any application fees charged either*

per opportunity scholarship application or in the aggregate through a third-party processor.

(xv) The opportunity scholarship organization's Federal Form 990 or other Federal form indicating the tax status of the opportunity scholarship organization for Federal tax purposes, if any, and a copy of a compilation, review or audit of the opportunity scholarship organization's financial statements conducted by a certified public accounting firm.

(3) No later than May 1 of each year, the department shall annually distribute such sample forms, together with the forms on which the reports are required to be made, to each listed opportunity scholarship organization.

(4) The department may not require other information to be provided by opportunity scholarship organizations, except as expressly authorized in this article.

(e) Notification.—The department shall notify the scholarship organization, pre-kindergarten scholarship organization, educational improvement organization or opportunity scholarship organization that the organization meets the requirements of and is qualified under this article for that fiscal year no later than 60 days after the organization has submitted the information required under this section.

(f) Publication.—The department shall annually publish a list of each scholarship organization, pre-kindergarten scholarship organization, educational improvement organization and opportunity scholarship organization qualified under this section in the Pennsylvania Bulletin. The list shall also be posted and updated as necessary on the publicly accessible Internet website of the department.

Section 2004-B. Application by business firms.

(a) Scholarship organization, pre-kindergarten scholarship organization or opportunity scholarship organization.—A business firm shall apply to the department for a tax credit for contributions to a scholarship organization, pre-kindergarten scholarship organization or opportunity scholarship organization under section 2005-B. A business firm shall receive a tax credit under this article if the scholarship organization, pre-kindergarten scholarship organization or opportunity scholarship organization that receives the contribution appears on the list established under section 2003-B(f), subject to the limitations in sections 2005-B and 2006-B.

(b) Educational improvement organization.—A business firm must apply to the department for a credit for a contribution to an educational improvement organization under section 2005-B. A business firm shall receive a tax credit under this article if the department has approved the program provided by the educational improvement organization that receives the contribution, subject to the limitations in sections 2005-B and 2006-B.

(c) Availability of tax credits.—Tax credits under this article shall be made available by the department on a first-come, first-served basis within the limitation established under section 2006-B(a).

(d) Contributions.—A contribution by a business firm to a scholarship organization, pre-kindergarten scholarship organization, opportunity scholarship organization or educational improvement organization shall be made no later than 60 days following the approval of an application under subsection (a) or (b).

(e) Application in the alternative.—At the time of application for an educational improvement or opportunity scholarship tax credit, the department shall advise a business firm that the firm may elect that its application for a particular credit will, in the alternative, be deemed an application received by the department on the same date as the preferred application, but for a different tax credit authorized under this section if the business firm's preferred choice of tax credit is not available. When a business firm does not receive its preferred choice of tax credit, the department shall promptly consider the business firm's application in the alternative for a different tax credit authorized under this section.

Section 2005-B. Tax credits.

(a) Scholarship or educational improvement organizations.—In accordance with section 2006-B, the Department of Revenue shall grant a tax credit against any applicable tax to a business firm providing proof of a contribution to a scholarship organization or educational improvement organization in the taxable year in which the contribution is made in accordance with the following:

(1) The tax credit shall not exceed 75% of the total amount contributed during the taxable year by the business firm.

(2) For fiscal year 2014-2015, and each fiscal year thereafter, the tax credit shall not exceed \$750,000 annually per business firm for contributions made to scholarship organizations or educational improvement organizations except as provided under subsection (i).

(a.1) Opportunity scholarship organizations.—In accordance with section 2006-B, the Department of Revenue shall grant a tax credit against any applicable tax to a business firm providing proof of a contribution to an opportunity scholarship organization in the taxable year in which the contribution is made in accordance with the following:

(1) The tax credit shall not exceed 75% of the total amount contributed during the taxable year by the business firm.

(2) For fiscal year 2014-2015, and each fiscal year thereafter, the tax credit shall not exceed \$750,000 annually per business firm for contributions made to opportunity scholarship organizations, except as provided in subsection (i).

(b) Additional amount.—In accordance with section 2006-B, the Department of Revenue shall grant a tax credit of up to 90% of the total amount contributed during the taxable year if the business firm provides a written commitment to provide the scholarship organization, educational improvement organization or opportunity scholarship organization with the same amount of contribution for two consecutive tax years. The business firm must provide the written commitment under this subsection to the department at the time of application.

(c) Pre-kindergarten scholarship organizations.—In accordance with section 2006-B, the Department of Revenue shall grant a tax credit against

any applicable tax to a business firm providing proof of a contribution to a pre-kindergarten scholarship organization in the taxable year in which the contribution is made in accordance with the following:

(1) The tax credit shall be equal to 100% of the first \$10,000 contributed during the taxable year by the business firm and shall not exceed 90% of the remaining amount contributed during the taxable year by the business firm. At the time of application, a business firm may provide a written commitment to the department to provide the pre-kindergarten scholarship organization with at least the same amount of contribution for two consecutive years.

(2) The tax credit shall not exceed \$200,000 annually per business firm for contributions made to pre-kindergarten scholarship organizations, except as provided in subsection (i).

(d) Combination of tax credits.—In accordance with section 2006-B, a business firm may receive tax credits from the Department of Revenue in any tax year for any combination of contributions under subsection (a), (a.1), (b) or (c). Except as provided in subsection (i), in no case may a business firm receive tax credits in any tax year in excess of the following:

(1) \$750,000 for combined contributions to scholarship and educational improvement organizations under subsections (a) and (b).

(2) \$750,000 for contributions to opportunity scholarship organizations under subsections (a.1) and (b).

(3) \$200,000 for contributions to pre-kindergarten scholarship organizations under subsection (c).

(e) Pass-through entity.—

(1) If a pass-through entity does not intend to use all approved tax credits under this section, it may elect in writing to distribute for no consideration all or a portion of the credit to shareholders, members or partners in proportion to the percentage interest of the shareholder, member or partner in distributions from the pass-through entity, which credits may be used by the shareholders, members or partners in the taxable year in which the contribution is made or in the taxable year immediately following the year in which the contribution is made. The election shall designate the year in which the distributed credits are to be used and shall be made according to procedures established by the Department of Revenue. A pass-through entity that received a distribution from a pass-through entity under this paragraph may make a distribution under this paragraph.

(2) A pass-through entity and a shareholder, member or partner of a pass-through entity shall not claim the credit under this section for the same contribution.

(3) The shareholder, member or partner may not carry forward, carry back, obtain a refund of or sell or assign the credit.

(4) An individual shareholder, partner or member may apply a credit distributed under this section to income taxable under Article III of the Tax Reform Code of 1971 to the shareholder, partner or member, to the spouse of the shareholder, partner or member or to both, if both the shareholder, partner or member and the spouse report income on a joint personal income tax return.

(f) Restriction on applicability of credits.—No credits granted under this section shall be applied against any tax withheld by an employer from an employee under Article III of the Tax Reform Code of 1971.

(g) Time of application for credits.—

(1) Except as provided in paragraph (2), the department may accept applications for tax credits available during a fiscal year no earlier than July 1 of each fiscal year.

(2) The application of any business firm for tax credits available during a fiscal year as part of the second year of a two-year commitment or as a renewal of a two-year commitment which was fulfilled in the previous fiscal year may be accepted no earlier than May 15 preceding the fiscal year.

(g.1) Approval of tax credits.—Unless otherwise requested by the business firm and agreed to by both the business firm and the department, and unless all authorized credits have already been awarded:

(1) For fiscal year 2016-2017, and each fiscal year thereafter, the department shall give written notice of its approval to each business firm that submitted a completed application under subsection (g) by August 15, or 30 days following receipt of the completed application, whichever is later.

(2) For fiscal year 2016-2017, and each fiscal year thereafter, the department shall give written notice of its approval to each business firm that submitted a completed application under subsection (j)(2) within 30 days following receipt of the completed application.

(h) Waiting list.—The department shall maintain a waiting list consisting of each business firm which chooses to be included on the list and whose application has not been approved because all available tax credits have been awarded. A business firm that was not awarded a tax credit due to a lack of available tax credits shall be notified of and offered a place on the waiting list. When tax credits become available, the department shall award the tax credits to the business firms in the order in which the business firms were placed on the waiting list.

(i) Temporary increase in maximum tax credits available.—

(1) If all tax credits authorized under this article for contributions to the category of scholarship organizations, opportunity scholarship organizations or pre-kindergarten scholarship organizations have not been awarded as of October 1 of any fiscal year, then for applications accepted by the department from October 1 through November 30 of such fiscal year, the limitations set forth in subsections (a), (a.1), (c) and (d) relating to the maximum amount of tax credits a business firm can receive during a fiscal year for contributions to each such category of organizations shall not apply. Under this paragraph, the department may accept applications under section 2004-B from October 1 through November 30 as follows:

(i) A business firm, including a business firm that already applied for the maximum tax credits available pursuant to subsections (a) and (d), may apply under section 2004-B(a) for up to the total amount of tax credits remaining available for contributions

to scholarship organizations for the fiscal year as set forth in section 2006-B(a)(1).

(ii) A business firm, including a business firm that already applied for the maximum tax credits available pursuant to subsections (a.1) and (d), may apply under section 2004-B(a) for up to the total amount of tax credits remaining available for contributions to opportunity scholarship organizations for the fiscal year as set forth in section 2006-B(a)(3).

(iii) A business firm, including a business firm that already applied for the maximum tax credits available pursuant to subsections (c) and (d), may apply under section 2004-B(a) for up to the total amount of tax credits remaining available for contributions to pre-kindergarten scholarship organizations for the fiscal year as set forth in section 2006-B(a)(2).

(2) The provisions of subsection (b) shall not apply to applications for tax credits made under this subsection. Tax credits awarded under this subsection shall not exceed 75% of the total amount contributed during the taxable year by a business firm pursuant to an application filed under this subsection.

(3) Prior to the award of tax credits applied for under this subsection, the department shall first award tax credits applied for by a business firm during the period October 1 through November 30 in an amount no greater than the maximum amount of tax credits for which a business firm is eligible under subsections (a), (a.1), (c) and (d). The tax credits shall be awarded on a first-come, first-served basis as set forth in section 2004-B(c).

(4) After the department has awarded tax credits under paragraph (3), any tax credits remaining available within the category of scholarship organizations, opportunity scholarship organizations and pre-kindergarten scholarship organizations shall be awarded based on the total amount of tax credits within each category of organization for which applications are received under this subsection from October 1 through November 30 of the fiscal year as follows:

(i) If the total amount of tax credits applied for by all business firms under this subsection does not exceed the total amount of tax credits that remained available for award within a category as of October 1, less those tax credits awarded under paragraph (3), then each business firm may be awarded the full amount of tax credits applied for.

(ii) If the total amount of tax credits applied for by all business firms under this subsection exceeds the total amount of tax credits that remained available for award within a category as of October 1, less those tax credits awarded under paragraph (3), then each business firm may be awarded an amount of tax credits determined by multiplying the amount of tax credits applied for by the business firm by a ratio, the numerator of which is the total amount of tax credits that remained available for award within the category as of October 1, less those awarded as set forth in paragraph (3), and the

denominator of which is the total amount of tax credits applied for by all business firms under this subsection.

(5) Notwithstanding a temporary increase in maximum tax credits available under this subsection, the limitations set forth in subsections (a), (a.1), (c) and (d) relating to the maximum amount of tax credits a business firm can receive during a year for contributions to a category of scholarship organizations, opportunity scholarship organizations or pre-kindergarten scholarship organizations shall be reinstated for all applications accepted by the department on or after December 1 of the fiscal year.

(j) Reallocation of tax credits.—

(1) Beginning on January 1 of any fiscal year, if any tax credits authorized under this article for contributions to any of the categories of scholarship organizations, opportunity scholarship organizations or pre-kindergarten scholarship organizations remain unawarded, such unawarded tax credits may be reallocated to any of the categories of scholarship organizations, opportunity scholarship organizations or pre-kindergarten scholarship organizations for which all available tax credits have been awarded. The department shall, within 10 business days, inform each business firm on the waiting list maintained by the department under subsection (h) that tax credits remain available under another category for which the business firm has not yet applied. If a business firm notified under this paragraph elects, the department shall reallocate available tax credits for award to the business firm in the business firm's preferred tax credit category, notwithstanding the limitations contained in section 2006-B(a). The amount of tax credits to be awarded to a business firm under this paragraph shall not exceed the amount of tax credits available for reallocation or the maximum amount of tax credits for which a business firm is eligible under subsections (a), (a.1), (c) and (d). Each business firm shall have 10 business days from the date of the department's notice to elect a reallocation of tax credits under this paragraph. The department shall award tax credits on a first-come, first-served basis.

(2) After the department has awarded tax credits under paragraph (1), the department shall accept new applications for reallocation of tax credits from any of the categories of scholarship organizations, opportunity scholarship organizations or pre-kindergarten scholarship organizations for which tax credits remain available to the applicant's preferred category of scholarship organizations, opportunity scholarship organizations or pre-kindergarten scholarship organizations for which all available tax credits have been awarded, notwithstanding any limitations contained in section 2006-B(a). The amount of tax credits to be awarded to a business firm under this paragraph shall not exceed the amount of tax credits available for reallocation or the maximum amount of tax credits for which a business firm is eligible under subsections (a), (a.1), (c) and (d). The department shall award tax credits on a first-come, first-served basis.

(2.1) In any fiscal year, the first \$10,000,000 in tax credits available for reallocation under paragraphs (1) and (2) shall be set aside for

contributions to pre-kindergarten scholarship organizations. If \$10,000,000 in tax credits have not been awarded to pre-kindergarten scholarship organizations under paragraphs (1) and (2) prior to March 1 of any fiscal year, the remaining tax credits available for reallocation under paragraphs (1) and (2) shall be made available for contributions to any of the categories of scholarship organizations, opportunity scholarship organizations or pre-kindergarten scholarship organizations.

(3) No tax credits shall be awarded under this subsection until the department has completed the award of tax credits for applications made under subsection (i).

(4) The department shall not reallocate tax credits from any of the categories of scholarship organizations, opportunity scholarship organizations or pre-kindergarten scholarship organizations to the category of educational improvement organizations.

(5) Subsections (b) and (g) shall not apply to an application for reallocation of tax credits under this subsection.

Section 2006-B. Limitations.

(a) Amount.—

(1) The total aggregate amount of all tax credits approved for contributions from business firms to scholarship organizations, educational improvement organizations and pre-kindergarten scholarship organizations shall not exceed \$125,000,000 in a fiscal year.

(i) No less than \$75,000,000 of the total aggregate amount shall be used to provide tax credits for contributions from business firms to scholarship organizations.

(ii) No less than \$37,500,000 of the total aggregate amount shall be used to provide tax credits for contributions from business firms to educational improvement organizations.

(iii) The total aggregate amount of all tax credits approved for contributions from business firms to pre-kindergarten scholarship organizations shall not exceed \$12,500,000 in a fiscal year.

(2) The total aggregate amount of all tax credits approved for contributions from business firms to opportunity scholarship organizations shall not exceed \$50,000,000 in a fiscal year.

(b) Activities.—No tax credit shall be approved for activities that are a part of a business firm's normal course of business.

(c) Tax liability.—

(1) Except as provided in paragraph (2), a tax credit granted for any one taxable year may not exceed the tax liability of a business firm.

(2) In the case of a credit granted to a pass-through entity which elects to distribute the credit according to section 2005-B(e), a tax credit granted for any one taxable year and distributed to a shareholder, member or partner may not exceed the tax liability of the shareholder, member or partner.

(d) Use.—A tax credit not used by the applicant in the taxable year the contribution was made or in the year designated by the shareholder, member or partner to whom the credit was transferred under section 2005-

B(e) may not be carried forward or carried back and is not refundable or transferable.

(e) Nontaxable income.—A scholarship from any category of organization received by an eligible student or eligible pre-kindergarten student shall not be considered to be taxable income for the purposes of Article III of the Tax Reform Code of 1971.

(f) Financial assistance.—A scholarship from any category of organization received by an eligible student or eligible pre-kindergarten student shall not constitute an appropriation or financial assistance to the school attended by the recipient.

Section 2007-B. Lists.

The Department of Revenue shall provide a list of all scholarship organizations, pre-kindergarten scholarship organizations, educational improvement organizations and opportunity scholarship organizations receiving contributions from business firms granted a tax credit under this article to the General Assembly by June 30th of each year.

Section 2008-B. Guidelines.

The department in consultation with the Department of Education shall develop guidelines to determine the eligibility of an innovative educational program.

Section 2009-B. Opportunity scholarships.

(a) Notice.—By February 1 of each year, the department shall provide all opportunity scholarship organizations with a list of the low-achieving schools located within each school district.

(b) Award.—An opportunity scholarship organization may award an opportunity scholarship to an applicant who resides within the attendance boundary of a low-achieving school to attend a participating public school or a participating nonpublic school selected by the parent of the applicant. If an applicant who received an opportunity scholarship for the prior school year resides within the attendance boundary of a school that was removed from the list of low-achieving schools provided by the department under subsection (a), the applicant may receive an opportunity scholarship. The opportunity scholarship may be for each year of enrollment in a participating public school or participating nonpublic school for up to the lesser of five years or until completion of grade 12, provided the applicant otherwise remains eligible. In awarding scholarships, an opportunity scholarship organization shall give preference to any of the following:

(1) An applicant who received an opportunity scholarship for the prior school year.

(2) An applicant of a household with a household income that does not exceed 185% of the Federal poverty level for the school year preceding the school year for which the application is being made.

(3) An applicant of a household with a household income that does not exceed 185% of the Federal poverty level for the school year preceding the school year for which the application is being made and who resides within any of the following:

(i) A first class school district.

(ii) *A school district designated as a financial recovery school district under Article VI-A for the year for which the award is made.*

(c) *Home schooling.—An opportunity scholarship organization shall not award an opportunity scholarship to an applicant for enrollment in a home education program under section 1327.1.*

(d) *Funding.—The aggregate amount of opportunity scholarships shall not exceed the aggregate amount of contributions made by business firms to the opportunity scholarship organization.*

(e) *Amount.—*

(1) *The maximum amount of an opportunity scholarship awarded to an applicant without a disability shall be \$8,500.*

(2) *The maximum amount of an opportunity scholarship awarded to an applicant with a disability shall be \$15,000.*

(3) *In no case shall the combined amount of the opportunity scholarship awarded to a recipient and any additional financial assistance provided to the recipient exceed the tuition rate and school-related fees for the participating public school or participating nonpublic school that the recipient will attend.*

Section 2010-B. Low-achieving schools.

(a) *List of low-achieving schools.—By February 1 of each year, the Department of Education shall publish on the Department of Education's publicly accessible Internet website and in the Pennsylvania Bulletin a list of the low-achieving schools for the following school year.*

(b) *Notice.—By February 1 of each year, the Department of Education shall notify every school district identified as having at least one low-achieving school of such identification and shall furnish the school district with a list of the low-achieving schools located within the school district.*

(c) *Publication.—Within 15 days of receipt of a notification under subsection (b), a school district shall post on the district's publicly accessible Internet website notice of all of the following:*

(1) *A description of the opportunity scholarship program.*

(2) *Instructions for applying for an opportunity scholarship.*

(3) *A list of schools in the school district that have been designated by the Department of Education as low-achieving schools.*

(4) *Notice that a parent must directly contact a school district of a participating public school or a participating nonpublic school if the parent seeks to enroll the student in the opportunity scholarship program.*

(d) *Notification to parents.—*

(1) *Within 15 days of receipt of a notification under subsection (b), a school district shall notify the parents of each student who is currently attending or residing within the attendance boundary of a low-achieving school during the school year of the school's designation.*

(2) *Upon registration of a kindergarten student, a school district shall notify the parents of the kindergarten student that the student will be assigned to a low-achieving school during the school year of the school's designation.*

(3) The notice shall be in a form provided by the Department of Education and shall provide the following information regarding the opportunity scholarship program:

(i) A description of the opportunity scholarship program.

(ii) Instructions for obtaining information about applying for an opportunity scholarship under the opportunity scholarship program.

(iii) Notice of the parent's responsibilities with regard to applying to a school district of a participating public school or a participating nonpublic school if the parent seeks to enroll the student in the opportunity scholarship program.

(e) Average daily membership.—

(1) Notwithstanding any other provision of law to the contrary, a recipient who was enrolled in the recipient's resident school district or in a charter school, regional charter school or cyber charter school when the recipient first received an opportunity scholarship shall continue to be counted in the average daily membership of the school district for a period of one year after enrolling in a participating public school or a participating nonpublic school.

(2) During the year referenced in paragraph (1) and each school year thereafter, a school district of a participating public school in which the recipient is enrolled shall not include the recipient in the school district's average daily membership.

Section 2011-B. School participation in program.

(a) Election.—

(1) By February 15 of each year, a nonpublic school may elect to participate in the opportunity scholarship program for the following school year.

(2) By February 15 of each year, a school district may elect to participate in the opportunity scholarship program for the following school year.

(b) Notice.—

(1) A school district or nonpublic school that elects to participate under subsection (a) must notify the Department of Education of the district's or nonpublic school's intent to participate.

(2) For a school district, the notice under paragraph (1) must be submitted on a form developed by the Department of Education and shall specify all of the following:

(i) Each school within the school district which the school district intends to make a participating public school.

(ii) The amount of tuition and school-related fees attributable to each available seat. The amount under this subparagraph shall not exceed the amount calculated under section 2561.

(3) For a nonpublic school, the notice under paragraph (1) must be submitted on a form developed by the Department of Education and shall specify the amount of tuition and school-related fees attributable to an available seat.

(c) Tuition rates.—

(1) No school district of a participating public school or participating nonpublic school may charge a recipient a higher tuition rate or school-related fee than the school district of the participating public school or participating nonpublic school would have charged to a similarly situated student who is not receiving an opportunity scholarship.

(2) Notwithstanding the provisions of section 2561, a school district of a participating public school may charge a recipient a tuition rate that is lower than that charged to students who are not recipients of opportunity scholarships.

(d) Participating public school criteria.—The following criteria apply to a participating public school:

(1) Except as otherwise provided in this article, a school district shall enroll students in a participating public school on a lottery basis from a pool of recipients who meet the application deadline set by the Department of Education until the participating public school fills the school's available seats. The pool may not include a recipient who:

(i) Has been expelled or is in the process of being expelled under section 1317.2 or 1318 and applicable regulations of the State Board of Education.

(ii) Has been recruited by the school district or its representatives for athletic purposes.

(2) The enrollment of recipients may not place the school district in violation of a valid and binding desegregation order.

(3) Priority shall be given to:

(i) An existing recipient.

(ii) A recipient who is a sibling of a student currently enrolled in the school district.

(e) Participating nonpublic school criteria.—The following criteria apply to a participating nonpublic school:

(1) The participating nonpublic school may not discriminate on a basis which is illegal under Federal or State laws applicable to nonpublic schools.

(2) The participating nonpublic school shall comply with section 1521.

(3) The participating nonpublic school or its representatives may not recruit a student for athletic purposes.

(f) Student rules, policies and procedures.—

(1) Prior to enrollment of a recipient, a school district of a participating public school or a participating nonpublic school shall inform the parent of a recipient of any and all rules, policies and procedures of the participating public school or participating nonpublic school, including any academic policies, disciplinary rules and administrative procedures of the participating public school or participating nonpublic school.

(2) Enrollment of a recipient in a participating public school or participating nonpublic school shall constitute acceptance of any rules, policies and procedures of the participating public school or participating nonpublic school.

(g) Transportation.—

(1) Transportation of recipients shall be provided under section 1361.

(2) Reimbursement shall be as follows:

(i) Transportation of a recipient attending a participating public school shall be subject to reimbursement under section 2541.

(ii) Transportation of a recipient attending a participating nonpublic school shall be subject to reimbursement under sections 2509.3 and 2541.

(h) Construction.—Nothing in this article shall be construed to:

(1) Prohibit a participating nonpublic school from limiting admission to a particular grade level, a single gender or areas of concentration of the participating nonpublic school, including mathematics, science and the arts.

(2) Authorize the Commonwealth or any of its agencies or officers or political subdivisions to impose any additional requirements on a participating nonpublic school which are not otherwise authorized under the laws of this Commonwealth or to require a participating nonpublic school to enroll a recipient if the participating nonpublic school does not offer appropriate programs or is not structured or equipped with the necessary facilities to meet the special needs of the recipient or does not offer a particular program requested.

Section 2012-B. Tuition grants by school districts.

(a) General rule.—The board of school directors of a school district may use funds received from the Commonwealth for educational purposes to establish a program of tuition grants to provide for the education of students who reside within the district and attend or will attend a public or nonpublic school on a tuition-paying basis.

(b) Nonpublic school grant amount.—For students who attend or will attend a nonpublic school, the grant amount for each student shall not exceed the amount of the per pupil State subsidy for basic education of the school district of residence.

(c) Average daily membership.—

(1) A student who receives a tuition grant under this section shall be included in the average daily membership for purposes of determining the school district of residence's basic education funding.

(2) A student who receives a grant under this section to attend a public school outside the school district awarding the tuition grant shall not be included in the average daily membership of the school district the student attends.

(d) Guidelines.—

(1) The board of school directors of a school district shall prepare guidelines on all the following:

(i) Establishment of an application form and approval process.

(ii) Standards for verification of the accuracy of application information.

(iii) Confirmation of attendance by a student who receives a tuition grant.

(iv) Restrictive endorsement of grant checks by parents to the school chosen by the parents.

(v) Pro rata refunds of grants for students who withdraw during the school year.

(vi) Repayment of refunded grants to the school district.

(vii) Reasonable deadline dates for submission of grant applications.

(2) The board of school directors of a school shall announce the award of grants no later than August 1 of the school year in which the grants will be utilized.

(3) Upon receipt of written confirmation of enrollment from the student's school of choice, grants shall be paid to the parents of a student by a check that may only be endorsed to the selected school.

(4) In the event a student is no longer enrolled prior to the completion of the school term, the school shall send written notice to the school district.

(e) Nontaxable.—Grants awarded to students under this section shall not:

(1) Be considered taxable income for purposes of a local taxing ordinance or for purposes of Article III of the Tax Reform Code of 1971.

(2) Constitute financial assistance or appropriations to the school attended by the student.

(f) Construction.—Nothing in this section shall be construed to empower the Commonwealth or a school district or any of their agencies or officers to do any of the following:

(1) Prescribe the course content or admissions criteria for any religiously affiliated school.

(2) Compel any private school to accept or enroll a student.

(3) Impose any additional requirements on any private school that are not otherwise authorized.

(4) Require any school to accept or retain a student if the school does not offer programs or is not structured or equipped with the necessary facilities to meet the special needs of the student or does not offer a particular program requested.

Section 2013-B. Original jurisdiction.

The Pennsylvania Supreme Court shall have exclusive and original jurisdiction to hear a challenge or to render a declaratory judgment concerning the constitutionality of this article. The Pennsylvania Supreme Court may take such action as the court deems appropriate, consistent with the Pennsylvania Supreme Court's retaining jurisdiction over such a matter, to find facts or to expedite a final judgment in connection with a challenge or request for declaratory relief.

Section 14. The act is amended by adding a section to read:

Section 2320. State aid for fiscal year 2016-2017.

Notwithstanding any other provision of law to the contrary, each library subject to 24 Pa.C.S. Ch. 93 (relating to public library code), shall be eligible for State aid for fiscal year 2016-2017, as follows:

(1) Funds appropriated for libraries shall be distributed to each library under the following formula:

(i) Divide the amount of funding that the library received in fiscal year 2015-2016 under section 1722-L(19) of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, by the total State-aid subsidy for fiscal year 2015-2016.

(ii) Multiply the quotient under subparagraph (i) by the total State-aid subsidy for fiscal year 2016-2017.

(2) Following distribution of funds appropriated for State aid to libraries under paragraph (1), any remaining funds may be distributed at the discretion of the State Librarian.

(3) If funds appropriated for State aid to libraries in fiscal year 2016-2017 are less than funds appropriated in fiscal year 2002-2003, the State Librarian may waive standards as prescribed in 24 Pa.C.S. Ch. 93.

(4) Each library system receiving State aid under this section may distribute the local library share of that aid in a manner as determined by the board of directors of the library system.

(5) In the case of a library system that contains a library operating in a city of the second class, changes to the distribution of State aid to the library shall be made by mutual agreement between the library and the library system.

(6) In the event of a change in district library center population prior to the effective date of this section as a result of:

(i) a city, borough, town, township, school district or county moving from one library center to another; or

(ii) a transfer of district library center status to a county library system;

funding of district library center aid shall be paid based on the population of the newly established or reconfigured district library center.

(7) In the event of a change in direct service area from one library to another, the State Librarian, upon agreement of the affected libraries, may redistribute the local library share of aid to the library currently servicing the area.

Section 15. Sections 2509.1 and 2509.5 of the act are amended by adding subsections to read:

Section 2509.1. Payments to Intermediate Units.—* * *

(c.2) (1) For the 2016-2017 school year, five and five-tenths percent (5.5%) of the State special education appropriation shall be paid to intermediate units on account of special education services.

(2) Thirty-five percent (35%) of the amount under paragraph (1) shall be distributed equally among all intermediate units.

(3) Sixty-five percent (65%) of the amount under paragraph (1) shall be distributed to each intermediate unit in proportion to the number of average daily membership of the component school districts of each intermediate unit as compared to the Statewide total average daily membership.

* * *

Section 2509.5. Special Education Payments to School Districts.—* * *

(bbb) (1) During the 2016-2017 school year and each school year thereafter, each school district shall receive an amount equal to the amount it received for the 2013-2014 school year under subsection (aaa) and a student-based allocation. The total amount available to distribute to school districts through the student-based allocation shall equal the difference between the amount allocated for special education payments for school districts and the sum of the amounts received under subsection (aaa) for the 2013-2014 school year to all school districts. The student-based allocation for each school district shall be calculated as follows:

(i) Multiply the sum of the school district's weighted special education student headcount and its sparsity/size adjustment calculated under paragraph (2)(v) by its market value/income aid ratio and its equalized millage multiplier calculated under paragraph (2)(vi).

(ii) Multiply the product under subparagraph (i) by the total amount available for the student-based allocation.

(iii) Divide the product under subparagraph (ii) by the sum of the products under subparagraph (i) for all school districts.

(2) For the purposes of paragraph (1)(i):

(i) The weighted special education student headcount for each school district shall be the sum of the following:

(A) The number of special education students who reside in the school district for which the annual expenditure is in Category 1 multiplied by one and fifty-one hundredths (1.51).

(B) The number of special education students who reside in the school district for which the annual expenditure is in Category 2 multiplied by three and seventy-seven hundredths (3.77).

(C) The number of special education students who reside in the school district for which the annual expenditure is in Category 3 multiplied by seven and forty-six hundredths (7.46).

(ii) The sparsity ratio shall be calculated for each school district as follows:

(A) Divide the school district's average daily membership per square mile by the Commonwealth's average daily membership per square mile.

(B) Multiply the quotient under clause (A) by one-half (0.5).

(C) Subtract the product under clause (B) from one (1).

(iii) The size ratio for each school district shall be calculated as follows:

(A) Divide the school district's average daily membership by the average of the average daily membership of all school districts.

(B) Multiply the quotient under clause (A) by one-half (0.5).

(C) Subtract the product under clause (B) from one (1).

(iv) The sparsity/size ratio for each school district shall be calculated by adding forty percent (40%) of the sparsity ratio and sixty percent (60%) of the size ratio.

(v) The sparsity/size adjustment for qualifying school districts with a sparsity/size ratio greater than the sparsity/size ratio that represents the seventieth percentile of the sparsity/size ratio for all school districts shall be calculated as follows:

(A) Divide the school district's sparsity/size ratio by the sparsity/size ratio that represents the seventieth percentile of the sparsity/size ratio for all school districts.

(B) Subtract one (1) from the quotient under clause (A).

(C) Multiply the remainder under clause (B) by one-half (0.5).

(D) Multiply the product under clause (C) by the school district's weighted special education student headcount.

(vi) The equalized millage multiplier for each school district shall be calculated as follows:

(A) For a school district with an equalized millage rate greater than or equal to the equalized millage rate that represents the seventieth percentile of the equalized millage rate of all school districts, the school district's equalized millage multiplier shall be one (1).

(B) For a school district with an equalized millage rate less than the equalized millage rate that represents the seventieth percentile of the equalized millage rate of all school districts, the school district's equalized millage multiplier shall be calculated by dividing the school district's equalized millage rate by the equalized millage rate that represents the seventieth percentile of the equalized millage rate of all school districts.

(vii) The dollar ranges for the annual expenditure amounts designated as Category 1, Category 2 and Category 3 under subparagraph (i) shall be based on the information reported to the department under section 1372(8). For the purposes of subparagraph (i), Category 3 shall be the sum of the students reported in Categories 3A and 3B under section 1372(8).

(viii) The data used to calculate the weighted special education student headcount under subparagraph (i) shall be based on information from the most recent year for which data is available as determined by the Department of Education. The data used to calculate the provisions under subparagraphs (ii), (iii) and (vi) shall be averaged for the three most recent years for which data is available as determined by the Department of Education.

Section 16. Section 2509.8(e) of the act, added December 23, 2003 (P.L.304, No.48), is amended and the section is amended by adding a subsection to read:

Section 2509.8. Extraordinary Special Education Program Expenses.—

* * *

(e) For the 2003-2004 school year [and each school year thereafter] through the 2013-2014 school year, the Department of Education shall set aside one percent (1%) of the special education appropriation for extraordinary expenses incurred in providing a special education program or service to one or more students with disabilities as approved by the Secretary of Education. Such special education program or service shall include, but not be limited to, the transportation of students with disabilities; services related to occupational therapy, physical therapy, speech and language, hearing impairments or visual impairments; or training in orientation and mobility for children who are visually impaired or blind.

(f) (i) For the 2016-2017 school year and each school year thereafter, an amount equal to one percent (1%) of the special education appropriation shall be distributed to school districts and charter schools

for extraordinary expenses incurred in providing a special education program or service to one or more students with disabilities as approved by the Secretary of Education. Such special education program or service shall include, but not be limited to, the transportation of students with disabilities; services related to occupational therapy, physical therapy, speech and language, hearing impairments or visual impairments; or training in orientation and mobility for children who are visually impaired or blind.

(ii) Funds distributed to a school district or charter school under this subsection shall be allocated for students for which expenses are incurred on an annual basis that are equal to or greater than seventy-five thousand dollars (\$75,000) as follows:

(A) For a student for whom expenses are equal to or greater than seventy-five thousand dollars (\$75,000) and less than or equal to one hundred thousand dollars (\$100,000), subtract the State subsidies paid on behalf of the student to the school district or, for a student enrolled in a charter school, the charter school payment received by the charter school where the child is enrolled from the expense incurred for the student and multiply the difference by the school district's or charter school's market value/personal income aid ratio.

(B) For a student for which expenses are greater than one hundred thousand dollars (\$100,000), subtract the State subsidies paid on behalf of the student to the school district or, for a student enrolled in a charter school, the charter school payment received by the charter school where the child is enrolled from the expense incurred for the student.

(iii) No school district or charter school shall in any school year receive an amount under subclause (i) which exceeds the total amount of funding available multiplied by the percentage equal to the greatest percentage of the State's special education students enrolled in a school district or charter school.

Section 17. Section 2510.3 of the act, added July 9, 2013 (P.L.408, No.59), is amended to read:

Section 2510.3. Assistance to School Districts Declared to be in Financial Recovery Status or Identified for Financial Watch Status.—(a) For the 2013-2014 *and 2016-2017* fiscal [year] years, the Department of Education may utilize up to four million five hundred thousand dollars (\$4,500,000) of undistributed funds not expended, encumbered or committed from appropriations for grants and subsidies made to the Department of Education to assist school districts declared to be in financial recovery status under section 621-A or identified for financial watch status under section 611-A. The funds shall be transferred by the Secretary of the Budget to a restricted account as necessary to make payments under this section and, when transferred, are hereby appropriated to carry out the provisions of this section.

(b) For the 2013-2014 fiscal year, the amount of seven million five hundred thousand dollars (\$7,500,000) of undistributed funds not expended, encumbered or committed from appropriations for grants and subsidies made to the Department of Education shall be transferred to the Financial

Recovery School District Transitional Loan Account to make loans as provided under section 681-A.

Section 18. The act is amended by adding sections to read:

Section 2599.6. Ready-to-Learn Block Grant.—(a) *For the 2016-2017 school year, each school entity shall receive a Ready-to-Learn Block Grant as follows:*

(1) *An amount equal to the amount the school entity received during the 2013-2014 school year under section 2599.2.*

(2) *An amount equal to the amount the school entity received during the 2014-2015 school year under section 1722-J(21)(ii) of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code.*

(3) *An amount equal to the amount the school entity received during the 2015-2016 school year under section 1722-L(21)(i)(C) of The Fiscal Code.*

(b) *Funding received by a school entity under this section shall be used in accordance with the provisions contained in sections 2599.2 and 1722-J(21)(v) of The Fiscal Code and may be used for integrated student supports.*

(c) *To be eligible to receive funding under this section, each school entity shall submit a plan for approval to the department outlining how the funding will be used.*

(d) *Revenues received by a school district under subsection (a)(2) shall not be included in the school district's budgeted total expenditure per average daily membership used to calculate the amount to be paid to a charter school under section 1725-A(a)(2) and (3).*

(e) *For the purposes of this section, a "school entity" shall be a school district, charter school, cyber charter school or regional charter school.*

Section 2599.7. Payment of Required Contribution for Public School Employes' Social Security.—*Notwithstanding any other provision of law to the contrary, beginning in the 2016-2017 fiscal year and each fiscal year thereafter, each employer shall submit a report to the Department of Education documenting all wages for which payments are calculated under 24 Pa.C.S. § 8329 (relating to payments on account of social security deductions from appropriations) for each quarter by the twentieth day of the month following the end of the quarter. The department shall review the report and, if the department agrees with the amount reported, shall process and submit a payment requisition to the State Treasurer for the amount in order to make a payment to each employer that submitted a timely report on the last Thursday of the month following the submission of the required quarterly reports. An employer that submits an untimely report shall be paid for the amount due by the department in a timely manner after the required documentation has been submitted. The department shall provide a data file for each reporting period detailing the wages reported by each employer and the payments made to the employer from the appropriation and provide an electronic copy to the chairperson of the Appropriations Committee of the Senate and the chairperson of the Appropriations Committee of the House of Representatives.*

Section 19. Notwithstanding the provisions of section 1966 of the act of July 10, 2014 (P.L.3052, No.1A), known as the General Appropriation Act

of 2014, that portion of the appropriation to the Department of Education for the purpose of regional community college services in section 213 of the General Appropriation Act of 2014, and allocated as provided in section 1722-J(5) of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, shall not lapse.

Section 20. Of the amount appropriated to the Department of Education for the purpose of regional community college services in section 215 of the act of December 29, 2015 (P.L.621, No.10A), known as the General Appropriation Act of 2015, 40% shall be distributed to a nonprofit organization authorized under Article XIX-G of the act.

Section 21. Repeals are as follows:

(1) The General Assembly finds that the repeal under paragraph (2) is necessary for the addition of Article XIX-G of the act.

(2) Article XVII-E.1 of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, is repealed.

(3) The General Assembly declares that the repeal under paragraph (4) is necessary to effectuate the addition of Article XX-B of the act.

(4) Article XVII-F of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, is repealed.

Section 22. The addition of Article XIX-G of the act is a continuation of former Article XVII-E.1 of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code. The following apply:

(1) Except as otherwise provided in Article XIX-G of the act, all activities initiated under former Article XVII-E.1 of The Fiscal Code shall continue and remain in full force and effect and may be completed under Article XIX-G of the act. Orders, regulations, rules and decisions which were made under former Article XVII-E.1 of The Fiscal Code and which are in effect on the effective date of this section shall remain in full force and effect until revoked, vacated or modified under Article XIX-G of the act. Contracts, obligations and collective bargaining agreements entered into under former Article XVII-E.1 of The Fiscal Code are not affected nor impaired by the repeal of former Article XVII-E.1 of The Fiscal Code.

(2) Except as set forth in paragraph (3), any difference in language between Article XIX-G of the act and former Article XVII-E.1 of The Fiscal Code is intended only to conform to the style of the Public School Code of 1949 and is not intended to change or affect the legislative intent, judicial construction or administration and implementation of former Article XVII-E.1 of The Fiscal Code.

(3) Paragraph (2) does not apply to the addition of the following provisions:

(i) Sections 1901.1-G and 1901.2-G of the act.

(ii) The reference to December 31, 2016, in section 1906-G(a) of the act.

(iii) The phrase "donations from persons" in section 1913-G of the act.

Section 23. The addition of Article XX-B of the act is a continuation of Article XVII-F of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971. Except as otherwise provided in Article XX-B of the

act, all activities initiated under Article XVII-F of the Tax Reform Code of 1971 shall continue and remain in full force and effect and may be completed under Article XX-B of the act. Orders, regulations, rules and decisions which were made under XVII-F of the Tax Reform Code of 1971 and which are in effect on the effective date of section 21(4) of this act shall remain in full force and effect until revoked, vacated or modified under Article XX-B of the act.

Section 24. This act shall apply as follows:

- (1) Section 19 of this act shall apply retroactively to July 1, 2014.
- (2) Section 20 of this act shall apply retroactively to July 1, 2015.

Section 25. This act shall take effect as follows:

- (1) The following shall take effect in 60 days:
 - (i) The addition of section 510.2 of the act.
 - (ii) The addition of section 1201.1 of the act.
 - (iii) The amendment of section 1605 of the act.
- (2) The remainder of this act shall take effect immediately.

APPROVED—The 13th day of July, A.D. 2016

TOM WOLF