

**February 8, 2008** [More Info](#)

## Legislative Report

### **Governor proposes 2008-09 budget**

This week Gov. Rendell presented a \$28.3 billion state budget proposal for fiscal year 2008-09, an increase of \$1.1 billion, or 4.2% over 2007-08. The governor's plan for preK-12 education includes:

- **Basic Education Funding** - This subsidy would receive a \$291.3 million increase (5.9%) over last year's appropriation. The governor described this as a down payment on a new funding formula that would be phased in over the next six years at a total cost of \$2.6 billion. The new formula is being proposed in response to the State Board of Education's costing-out study that showed that the state is \$4.4 billion short in helping school districts prepare students to meet the academic standards.

Each district would receive an amount equal to its 2007-08 basic subsidy amount. Then the state would calculate an adequacy target for each district by summing the base cost, poverty supplement, district size supplement, English language learner supplement, and an adjustment for geographic price differences. In addition to the adequacy target, the plan calls for additional funding to districts for an adequacy shortfall, state funding target and a state share phase-in allocation. Transition assistance funding also would be provided for districts that are either already at their adequate funding level or close to it. All districts would be guaranteed at least a 1.5% basic education funding increase.

In addition, the plan would require any school district that receives a basic education subsidy increase that is more than the Act 1 inflation index (4.4% for 2008-09) to spend 80% of its increase above the index for specific activities that are listed in the plan, including extra time for learning, new curriculum, teacher training, class size reduction, early childhood education, recruiting effective teachers and principals and performance contracts for superintendents and principals. Up to 10% of the new resources could be used to maintain the programs listed if they already exist, and an additional 10% could be used for other strategies. All districts would be required to submit plans to PDE to show how they will use the money and the department would review the plans and could suggest changes. Districts that are identified under NCLB for Warning, Improvement or Corrective Action or have at least one school identified for Improvement or Corrective Action would be required to have their plans approved by PDE before they could implement them.

- **Special Education** - Rendell proposed a \$30.3 million increase (3%) for special education. For the base supplement, each district would receive a pro rata share of \$26.7 million based on its 2008-09 market value/personal income aid ratio multiplied by 16% of its 2007-08 average daily membership. For the inflation index supplement, each district would be provided additional funding so that the total increase including the base supplement would equal a minimum 4.4% multiplied by its MV/PI AR over its 2007-08 special education funding allocation. Each district would be provided additional funding, if necessary, so that the total increase including the base supplement and inflation index supplement would equal a minimum 2% increase over 2007-08.

- **Accountability Block Grants** - Funds for this program would be maintained at the current level of \$275 million.

- **Pennsylvania Pre-K Counts** - The budget provides a \$12.6 million increase (16.7%), for a new total of \$87.6 million for pre-kindergarten programs.
- **Science: It's Elementary** - \$15 million, a \$1.5 million increase (11.1%), for upgraded science curriculum in 85 more elementary schools in addition to the 74 currently participating.
- **Educational Assistance Tutoring Program** - The budget maintains level funding of \$66 million for this program. This is targeted to struggling students in 175 school districts and career and technical centers where a school failed to make Adequate Yearly Progress.
- **Classrooms for the Future** - The plan provides level funding of \$90 million for this program that provides high schools with laptop computers for all students and teachers.
- **Dual Enrollment** - Rendell is proposing \$12 million, a \$2 million increase (20%), to allow high school students to take college credit courses.
- **Project 720** - The budget maintains \$11 million level funding for this high school reform program.
- **GCAs/State Assessments** - The budget includes \$15 million to develop three Graduation Competency Assessments in high school major subject areas (not listed). In addition, \$11.781 million is provided for "school district assessments and analysis," including resources for Project 720 schools to participate in the Achieve Algebra II multi-state assessment and to develop an alternative assessment with modified achievement standards for certain students with IEPs.

Additional information on the governor's budget is located on PDE's web site at <http://www.pdenewsroom.state.pa.us/newsroom/cwp/view.asp?a=256&Q=138533&PM=1>.

Throughout February and into the beginning of March, the Senate and House Appropriations committees will conduct public hearings with various state agencies to discuss aspects of Gov. Rendell's budget proposal. The Department of Education will meet with the House Appropriations Committee on March 3, and with the Senate Appropriations Committee on March 5.

### **PSBA testifies on bill to eliminate some Act 1 exceptions**

This week PSBA's Assistant Executive Director for Governmental and Member Relations **Tim Allwein** presented testimony to the Senate Finance Committee opposing [SB 1202](#) that would eliminate or limit some of the 10 allowed exceptions under Act 1 of the Special Session of 2006. The bill would:

- Eliminate all exceptions related to new school construction;
- Modify the special education exception so that only costs above 250% of the index are excepted (it is currently set at 100% of the index);
- Eliminate the exception related to maintenance of "per-student local tax revenue," "actual instructional expense per average daily membership," and "maintenance of revenues."

Allwein said that the exceptions under Act 1 were carefully crafted to protect the facilities and instructional services provided to students and to recognize that some expenses are uncontrollable by school boards. Because statutory costs have remained unchanged, PSBA maintains they continue to be the most important provisions in Act 1 for school districts. "They are the only recognition by the General Assembly that uncontrollable expenses, namely those expenses for which there is an exception, must be funded and that since state funding has not

kept pace with certain increasing expenses; those costs must be financed by local taxpayers," he said.

Allwein urged the committee members to consider the impact on students and communities if districts are not able to maintain their current levels of funding for instructional services, school buildings and special education. He said that adjustments to Act 1's revenue controls will not lower districts' costs or require lower investments in public education.

"PSBA believes that it would be irresponsible, especially after only one year, to simply eliminate or limit exceptions based on one year's experience of 500 school districts. Quick fixes in the name of controlling school district costs won't help resolve any problems; it will only hurt students by forcing school boards to curtail or eliminate programs, the only real option they have. Instead of jeopardizing the ability for school districts to maintain the high level of educational services provided to students by limiting revenue streams, we should be looking for ways for the commonwealth to invest more state dollars in the basic and special education subsidies and help school boards reduce costs. If we do this within the framework of Act 1, school boards won't be forced to turn to local taxpayers by seeking exceptions to continually finance uncontrollable expenses," Allwein told the committee.

He said that PSBA has recently focused its efforts to revise the school funding formula by joining with other education stakeholders and advocacy groups to form the Pennsylvania School Funding Campaign. The group presented a new education funding formula that prioritizes both state and local investments in public education. Allwein also said that PSBA has worked with Rep. Steve Nickol on a comprehensive property tax reform proposal that addresses school district controls by investing state tax dollars in mandate relief and requiring corresponding millage reductions.

### **This week on the Hill...**

The Senate passed [SB 295](#), which would limit the amount of time commercial diesel vehicles, including school buses, may idle. Under the bill, these vehicles may not idle for more than 5 minutes in any 60-minute period, unless it meets one of several exceptions provided in the bill. A bus may idle for up to 15 minutes when necessary to provide heat or air conditioning if passengers are on board, or for active loading or unloading of the bus. The original bill included an exemption that allowed buses to idle if engine propulsion was used to power "work-related mechanical or electrical operations." As amended, this exception also covers the operation of safety equipment in this exemption.

Legislation to amend the open records law under [SB 1](#) remains pending in the House of Representatives. This week the House Rules Committee voted to move the bill as it was amended and passed by the Senate to the House floor. If the House rejects the Senate version, a conference committee between the chambers will be appointed to draft a compromise bill. If the House concurs with the Senate language, the bill will be presented to the governor for his approval.

Also this week, the House passed [House Resolution 501](#) that directs the Health and Human Services Committee to develop recommendations for sports nutrition education programs for teenage athletes.

The House Education Committee approved [HB 1227](#) that would establish a grant program to fund institutions of higher education that partner with public and nonpublic schools to enhance their science curricula.

The Senate Local Government Committee approved [HB 1330](#), which would amend Title 42 of the Pennsylvania Consolidated Statutes in response to the recent State Supreme Court decision in *Glen-Gery Corporation v. Zoning Hearing Board of Dover Township*. The court ruled that, due to a procedural defect, an appeal of an ordinance, resolution, map or similar action made by a political subdivision is not exempt from the 30-day timetable, despite the exception codified in §5517(c)(5) of Title 42.

This bill would correct the statute by eliminating the voided clause and create a new procedure for appeal of the actions in question:

- The appeal of a political subdivision's ordinance should be brought within 30 days of the intended effective date of the ordinance.
- The time limitation on the appeals would not apply if the defect in statutory procedure resulted in an impermissible deprivation of constitutional rights.
- Ordinances are presumed valid and adopted with compliance to statutory procedure.
- Burden of proof lies with the challenger.
- In cases brought more than one year after the intended effective date, the public and the political subdivision is presumed to have relied on the validity and effective of the ordinance of the ordinance.
- Appeals exempt from the 30-day limitation must meet the burden of proving that there was a strict failure to comply with statutory procedure and the defect in statutory procedure resulted in insufficient notification to the public regarding changes to the law therefore preventing them from commenting on the changes.

#### **PSBA offers sample resolution opposing GCAs; issues survey to schools on graduation requirements**

PSBA is reminding school districts that the association has drafted a sample resolution opposing the State Board of Education's plan to amend the Chapter 4 regulations to implement the high stakes Graduation Competency Assessments. **PSBA is urging school boards to adopt the resolution and send it to the State Board of Education, members of the Senate and House Education Committees and their local legislators.** Please send a copy to Cindy Eckerd at PSBA (Fax at 717-506-2476 or email to [cindy.eckerd@psba.org](mailto:cindy.eckerd@psba.org).)

The resolution is posted on PSBA's Web site under Graduation Competency Assessments Information or you may [click here](#) to immediately access the Web site.

In addition, PSBA is reminding superintendents to complete and return to PSBA a survey regarding current high school graduation requirements and their expected actions if the GCA proposal would become enacted. **The information obtained from this survey will help our advocacy efforts - please make sure surveys are completed and returned to PSBA by Feb. 16.**