

Section 121: Keystone Exam Delay-Delays implementation of Keystone exams as a graduation requirement and as a benchmark for participation in a project-based assessment until the 2019-20 school year.

Section 126: ESSA State Plan-Requires any state plan developed under ESSA to include meaningful consultation with the education committee chairmen. Future submissions to the US Department of Education shall only occur after the House and Senate Education Committees have had 15 days to review and comment on the proposed submission. All submissions to the US Department of Education shall include the comments submitted by the education committee chairmen. PDE shall give the education committees quarterly progress reports on plan implementation.

Section 328: School Board Training-Requires school board members and charter school trustees to receive 4 hours of training upon election and 2 hours of training upon reelection (or during the 5th year of service for a trustee). The training will cover instruction and academic programs, personnel, fiscal management, operations, governance and ethics. PDE will provide the training free of charge and can approve alternative training programs provided by others. PDE must consult with PSBA and PASBO as it develops the training.

Section 694-A: Education Access Funds-A school district that receives at least \$4 million of Educational Access Program funds beginning in the 2017-18 school year will be notified that it has been identified for financial watch status. This does not apply to a school district that is placed under the supervision of a financial administrator.

Section 695-A: Financial Administrator-Requires appointment of a financial administrator for a school district in financial watch status that receives at least \$4 million in Education Access Program funding beginning in the 2017-18 fiscal year. Requires the financial administrator to create a financial improvement plan for the district that must be approved by the Secretary. The plan can recommend changes to staffing levels, school district policy, accounting procedures, performance goals for administrative staff, sale, lease or conveyance of school district assets, consolidation of buildings and greater use of IU programs. The plan must include performance goals, benchmarks and timetables to ensure financial solvency, a cash flow analysis, 5 year revenue and expenditure projections, 10 hours of annual school board training and facility maintenance and improvement proposals. If the school board does not implement the approved plan, the financial administrator will assume authority of the school board and continue to implement the plan.

Section 732.1: PlanCon Moratorium Extension-Prohibits PDE from accepting or approving new PlanCon applications for new projects through the 2017-18 fiscal year (NOTE: the effective date of this section of the bill makes this provision retroactive to July 1, 2017).

Section 1006: Superintendent Reporting-Removes language that requires superintendents to furnish PDE with reports on or before the first Monday of August each year that include suggested improvements or changes to the public school system. Maintains language requiring submission of reports at PDE's request.

Section 1073: Superintendent Contract-Changes the date of the required board action on a superintendent or assistant superintendent's contract from 150 days prior to expiration of the contract to 90 days prior to expiration of the contract. Extends an existing contract by one year for failure to take action, but limits extension of a contract under this section to one time.

Sections 1124 and 1125.1: Economic Furloughs-Allows school entities to furlough professional employees for economic reasons. School districts must also furlough an equal percentage of administrative staff; however, 5 administrative positions in each school district are exempt from this requirement (1 of the 5 must be the business manager or employee responsible for managing the business operations of the district), and a school district can apply for a waiver from PDE and the State Board to furlough fewer administrative positions if the district's operations are already streamlined or additional furloughing would cause harm to school stability and programs.

A school board may suspend professional employees if the district adopted a resolution at least 60 days prior to adoption of a final budget that states the reasons the furloughs are necessary, the total cost savings of the furloughs, other cost saving measures being taken, projected expenditures for the following year with and without the furloughs, projected revenues for the next fiscal year, the number and percentage of employees to be suspended who are professional employees and who are administrative staff, the educational impact of the furloughs and how it will be mitigated.

Professional employees to be furloughed will be furloughed based on their most recent 2 years of evaluations in their area of certification in which they currently teach. Employees receiving 2 consecutive unsatisfactory ratings will be furloughed first, followed by employees receiving 1 unsatisfactory and 1 satisfactory rating on their 2 most recent evaluations.

Employees receiving 2 consecutive years of proficient ratings or 1 proficient or 1 distinguished rating and 1 needs improvement rating in the most recent 2 years will be furloughed next, followed by employees receiving 2 distinguished ratings or 1 proficient and 1 distinguished rating in the most recent 2 years of evaluations.

Within each group, employees will be furloughed based on seniority. Employees are reinstated in reverse order of furloughing and based on seniority.

Section 1131: Appeals to PDE-Reduces the time for filing with the Secretary an appeal by a professional employee who considers him or herself aggrieved by an action of the school board from 30 days from receipt of the written notice of the decision of the board to 15 days from receipt of the written notice of the decision of the board.

Section 1204: Provisional College Certificates-PDE shall process applications for provisional college certifications submitted by individuals who are members of the US armed forces, veterans or the spouse of a veteran within 14 days of receipt of a completed application.

Section 1216: Teacher Preparation Programs-Teacher prep programs cannot require a student to obtain a passing score on the PRAXIS to graduate or include the student's score as a component of a course grade.

Section 1337: Prohibition on Lunch Shaming-Requires school boards to establish a requirement that a school food program meal is provided to every student who requests one regardless of whether can pay or owes money (unless a student's parents have provided directive to the school to withhold a meal).

When a student owes money for five or more school meals, a school board shall require schools under its jurisdiction to make at least 2 attempts to reach the student's parent to have them apply for participation in the free/reduced lunch program and may offer assistance in helping them apply.

School boards must require schools to direct all communications regarding money owed by a student to the student's parent/guardian and not to the student. Additionally, school boards must allow schools to contact the student's parent via a letter addressed to the parent but delivered by the student.

Finally, school boards must prohibit schools under their jurisdiction from publically identifying or stigmatizing a student who cannot pay or who owes money for school meals, requiring a student who cannot pay to perform chores or requiring a student to discard a school meal after it was served if the student can't pay or owes money (NOTE: this new provision takes effect in 30 days).

Section 1402-A: Drug and Alcohol Recovery High School Pilot Program-Delays implementation of the pilot program to the 2017-18 school year.

Section 1517: School Security Drills-Permits public schools to replace one of their fire drills each year with a school security drill, completed in coordination with local law enforcement and local emergency management associations and with prior parent notification. A school security drill is a drill designed to practice procedures to respond to an emergency situation that may include, but is not limited to, an act of terrorism, armed intruder situation or other violent threat.

Section 1547: Alcohol, Chemical and Tobacco Abuse Program-Requires schools to include information about opioid and prescription drug abuse and prevention in their drug abuse programming education for students in grades 6-12, beginning with the 2018-19 school year. PDE and the Department of Health will develop a model curriculum for schools and shall develop in service training on the instruction requirements and curriculum for those with teaching relevant teaching responsibilities.

Section 1549.1: Agricultural Education-Creates a Commission for Agricultural Education Excellence to assist in developing a plan for agricultural education and coordinate the implementation of agricultural education programming with the Department of Agriculture and PDE (NOTE: This section takes effect in 60 days).

Section 1729.2-A: Multiple Charter Organizations—Allows two or more charter schools to apply to form multiple charter organizations. PDE will develop a standard application, and an MCO can only be formed if both PDE and the authorizing school districts for each individual charter school involved approve of the consolidation. If approved, it allows multiple charter schools to operate under one administrator and one board, participate in the assessment system in the same way that a school district can and allow students to matriculate from one school to another to create a k-12 program. Local authorizing school districts maintain responsibility for renewal and termination decisions for each individual charter under the MCO.

To be eligible to consolidate, within either of most recent two years, the charter schools proposing to consolidate must:

- Meet the academic standards for student performance and assessment
- Meet the accepted standards of fiscal management and audit requirements; and
- Have an SPP score that is among the 25 percentile of all charter schools

If one school does not meet these criteria, it may only consolidate with a charter school that has met all criteria for the most recent two years.

Sections 2501 and 2502.53: Basic Education Funding-Makes technical changes to the calculation of the basic education funding formula (NOTE: these changes are retroactive to July 1, 2017):

- Codifies the fix to lock data elements in place, fixing the data as of June 1 of the preceding school year. Allows modification of data elements only when an error or inaccuracy exists.
- Modifies the definition of “current expenditures” in the formula to exclude revenue received for tuition from patrons. This impacts the calculation of the local effort index to more accurately reflect a school district’s local effort, instead of artificially inflating expenditures without the corresponding ADMs.
- Includes Philadelphia’s sales and use tax and cigarette tax in the definition of “local tax-related revenue” beginning in 2017-18.
- Clarifies that for the fiscal year that began on July 1, 2017, a school district’s market value cannot exceed \$47 billion, and in each subsequent year, the maximum market value will increase by the percentage increase in market value for all school districts.

Section 2509.1: IU Funding-Funds IUs at 5.5% of the special education funding appropriation for the 2017-18 fiscal year, the same percentage as provided from 2016-17 (NOTE: this change is retroactive to July 1, 2017).

Section 2510.3: Undistributed Funds-Allows PDE to use up to \$5 million in undistributed funds in 2017-18 for districts in financial distress or financial watch status.

Section 2599.6: Ready-to-Learn Block Grants-Distributes Ready-to-Learn Block Grants to each school entity in the same amount as in fiscal year 2016-17 (NOTE: this change is retroactive to July 1, 2017).

Section 2006-B: EITC/OSTC -Increases the tax credits available to business firms for their donations under the EITC programs by \$10 million. The additional tax credits and donations are directed to scholarship organizations only.