

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 996 Session of 2001

INTRODUCED BY LEWIS, ALLEN, M. BAKER, BELARDI, BROWNE, BUNT,
CALTAGIRONE, L. I. COHEN, M. COHEN, COLAFELLA, COLEMAN,
DALEY, DALLY, DeLUCA, FLICK, FRANKEL, GEIST, GEORGE, GRUCELA,
HALUSKA, HENNESSEY, HERMAN, KAISER, LAUGHLIN, MACKERETH,
MANN, MARSICO, McILHATTAN, McNAUGHTON, MELIO, R. MILLER,
MYERS, PIPPY, PISTELLA, RAYMOND, RUBLEY, SAINATO, SAYLOR,
SCHRODER, SCRIMENTI, SEMMEL, SHANER, SOLOBAY, STAIRS,
E. Z. TAYLOR, J. TAYLOR, TRELLO, WANSACZ, YOUNGBLOOD,
STEELMAN, BASTIAN, THOMAS, CIVERA AND BARD, MARCH 14, 2001

AMENDMENTS TO SENATE AMENDMENTS, HOUSE OF REPRESENTATIVES,
MAY 7, 2001

AN ACT

1 ~~Authorizing payments to certain entities for the purchase of~~ <--
2 ~~automatic external defibrillators; providing for powers and~~
3 ~~duties of the Department of Education; requiring certain~~
4 ~~training; and providing for civil immunity for certain users~~
5 ~~of automated external defibrillators.~~
6 AMENDING THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), ENTITLED "AN <--
7 ACT RELATING TO THE PUBLIC SCHOOL SYSTEM, INCLUDING CERTAIN
8 PROVISIONS APPLICABLE AS WELL TO PRIVATE AND PAROCHIAL
9 SCHOOLS; AMENDING, REVISING, CONSOLIDATING AND CHANGING THE
10 LAWS RELATING THERETO," PROVIDING FOR THE ESTABLISHMENT OF
11 INDEPENDENT SCHOOLS; FURTHER PROVIDING FOR CONTRACTS WITH
12 PRIVATE RESIDENTIAL REHABILITATIVE INSTITUTIONS; PROVIDING
13 FOR PROFESSIONAL TEACHER ASSESSMENT, FOR AUTOMATIC EXTERNAL
14 DEFIBRILLATORS, FOR AN EDUCATION SUPPORT SERVICES PROGRAM AND
15 FOR AN EDUCATIONAL IMPROVEMENT TAX CREDIT; AND FURTHER
16 PROVIDING FOR SPECIAL EDUCATION PAYMENTS TO SCHOOL DISTRICTS.

17 The General Assembly of the Commonwealth of Pennsylvania
18 hereby enacts as follows:
19 ~~Section 1. Short title.~~ <--
20 ~~This act shall be known and may be cited as the School~~

1 ~~Automatic External Defibrillator Access Act.~~
2 ~~Section 2. Declaration of policy.~~
3 ~~The General Assembly finds and declares as follows:~~

4 ~~(1) A number of school-age students and adults in this~~
5 ~~Commonwealth have been tragically stricken with sudden~~
6 ~~cardiac arrest while in school or participating in school-~~
7 ~~sponsored activities.~~

8 ~~(2) In recent years, the use of automated external~~
9 ~~defibrillators has been proven to strengthen the chain of~~
10 ~~survival for cardiac arrest victims.~~

11 ~~(3) It is important for the Commonwealth to ensure that~~
12 ~~school buildings are equipped with automatic external~~
13 ~~defibrillators and staffed with personnel trained to use the~~
14 ~~devices.~~

15 ~~Section 3. Definitions.~~

16 ~~The following words and phrases when used in this act shall~~
17 ~~have the meanings given to them in this section unless the~~
18 ~~context clearly indicates otherwise:~~

19 ~~"Automated external defibrillator." A portable device that~~
20 ~~uses electric shock to restore a stable heart rhythm to an~~
21 ~~individual in cardiac arrest.~~

22 ~~"Department." The Department of Education of the~~
23 ~~Commonwealth.~~

24 ~~"School entity." An area vocational-technical school, a~~
25 ~~charter school, an intermediate unit or a school district.~~

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

27 ~~Section 4. Automatic external defibrillator wholesale purchase~~
28 ~~program.~~

29 ~~(a) Establishment.--The department shall establish an~~
30 ~~automatic external defibrillator wholesale purchase program to~~

20010H0996B1878

1 ~~help ensure that school entities have automatic external~~
2 ~~defibrillators available for use in school buildings where~~
3 ~~classes or school-sponsored activities routinely occur. Under~~
4 ~~the program, the department shall pay to a school entity an~~
5 ~~amount not less than 50% of the school entity's cost to purchase~~
6 ~~up to one automatic external defibrillator per building.~~

7 ~~(b) Statewide contract.--The department shall issue an~~
8 ~~invitation to bid for the cost of automatic external~~
9 ~~defibrillators and shall enter into a contract with the~~
10 ~~successful bidder that permits any school entity to receive the~~
11 ~~contract price for the devices from the successful bidder.~~

12 ~~(c) Eligibility for program.--To be eligible for payment~~
13 ~~under the automatic external defibrillator wholesale purchase~~
14 ~~program a school entity must:~~

15 ~~(1) Employ three or more persons who are assigned to the~~
16 ~~respective building where the automatic external~~
17 ~~defibrillator will be primarily housed and who are trained to~~
18 ~~use the device.~~

19 ~~(2) Ensure that the device will be secured in a safe and~~
20 ~~readily accessible location within the school building with~~
21 ~~the appropriate supplies and agree to properly maintain and~~
22 ~~inspect the device as recommended by the department in~~
23 ~~consultation with the American Heart Association and the~~
24 ~~Department of Health.~~

25 ~~(3) Submit a valid prescription for the device from a~~
26 ~~licensed medical practitioner in this Commonwealth.~~

27 ~~(4) Purchase the device through the Statewide contract~~

28 ~~authorized under subsection (b).~~
29 ~~(5) Agree to provide the training required by section 5.~~
30 ~~(d) Voluntary nature of program.--No school entity shall be~~
20010H0996B1878 - 3 -

1 ~~required to participate in the automatic external defibrillator~~
2 ~~wholesale purchase program.~~
3 ~~Section 5. Training.~~
4 ~~(a) General rule.--All school personnel who are expected to~~
5 ~~use automated external defibrillators shall complete training in~~
6 ~~cardiopulmonary resuscitation and in the use of an automated~~
7 ~~external defibrillator provided by the American Heart~~
8 ~~Association, the American Red Cross or through an equivalent~~
9 ~~course of instruction approved by the Department of Health in~~
10 ~~consultation with a technical committee of the Pennsylvania~~
11 ~~Emergency Health Services Council.~~
12 ~~(b) Part of continuing education plan.--A school entity may~~
13 ~~include the training in its continuing education plan submitted~~
14 ~~to the department under section 1205.1 of the act of March 10,~~
15 ~~1949 (P.L.30, No.14), known as the Public School Code of 1949.~~
16 ~~Section 6. Nonpublic schools.~~
17 ~~(a) Establishment.--To the extent that funds are available~~
18 ~~beginning February 1, 2002, from the appropriation made under~~
19 ~~section 10, the department shall establish a program to furnish~~
20 ~~automatic external defibrillators to nonpublic schools through~~
21 ~~the Commonwealth's intermediate units.~~
22 ~~(b) Eligibility for program.--To be eligible to receive an~~
23 ~~automatic external defibrillator from an intermediate unit, a~~
24 ~~nonpublic school must:~~
25 ~~(1) Employ three or more persons who are assigned to the~~
26 ~~respective building where the automatic external~~
27 ~~defibrillator will be primarily housed and who are trained to~~
28 ~~use the device.~~
29 ~~(2) Ensure that the device will be secured in a safe and~~
30 ~~readily accessible location within the school building with~~
20010H0996B1878 - 4 -

1 ~~the appropriate supplies and agree to properly maintain and~~
2 ~~inspect the device as recommended by the department in~~
3 ~~consultation with the American Heart Association and the~~
4 ~~Department of Health of this Commonwealth.~~
5 ~~(3) Submit a valid prescription for the device from a~~
6 ~~licensed medical practitioner in this Commonwealth.~~
7 ~~(4) Agree to provide the training required by section 5.~~
8 ~~(c) Voluntary nature of program.--No nonpublic school shall~~
9 ~~be required to participate in the automatic external~~
10 ~~defibrillator wholesale purchase program.~~
11 ~~Section 7. Civil immunity for users of automated external~~
12 ~~defibrillators.~~
13 ~~The provisions of 42 Pa.C.S. § 8331.2 (relating to good~~
14 ~~Samaritan civil immunity for use of automatic external~~
15 ~~defibrillator) shall apply to all school employees who have~~
16 ~~received training as required under section 5 and who render~~
17 ~~care with an automated external defibrillator while in the scope~~
18 ~~of their employment.~~

19 ~~Section 8. Report.~~
20 ~~No later than June 30, 2002, the secretary shall submit a~~
21 ~~report to the General Assembly describing the effectiveness of~~
22 ~~the act in outfitting the Commonwealth's schools with automatic~~
23 ~~external defibrillators.~~
24 ~~Section 9. Regulations.~~
25 ~~The department may promulgate regulations as necessary to~~
26 ~~administer this act.~~
27 ~~Section 10. Effective date.~~
28 ~~This act shall take effect on July 1, 2001, or immediately,~~
29 ~~whichever is later.~~
30 SECTION 1. THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), KNOWN <--
20010H0996B1878 - 5 -

1 AS THE PUBLIC SCHOOL CODE OF 1949, IS AMENDED BY ADDING A
2 SECTION TO READ:
3 SECTION 502.1. ESTABLISHMENT OF INDEPENDENT SCHOOLS.-- (A) A
4 SCHOOL DISTRICT MAY, UPON APPROVAL OF THE BOARD OF SCHOOL
5 DIRECTORS, DESIGNATE ANY SCHOOL OF THE DISTRICT AS AN
6 INDEPENDENT SCHOOL OPERATING UNDER AN AGREEMENT WITH THE BOARD
7 OF SCHOOL DIRECTORS THAT GRANTS OPERATIONAL CONTROL TO THE
8 GOVERNING BODY OF THE INDEPENDENT SCHOOL. THE GOVERNING BODY OF
9 THE INDEPENDENT SCHOOL, INCLUDING ITS COMPOSITION, MEMBERSHIP
10 AND SELECTION PROCESS, SHALL BE ESTABLISHED BY THE BOARD OF
11 SCHOOL DIRECTORS. THE GOVERNING BODY SHALL INCLUDE
12 REPRESENTATIVES OF PARENTS AND TEACHERS. THE BOARD OF SCHOOL
13 DIRECTORS SHALL CONSIDER RECOMMENDATIONS FROM TEACHERS OR
14 PARENTS REGARDING THE COMPOSITION OF THE GOVERNING BODY. TEACHER
15 REPRESENTATIVES SHALL BE SELECTED BY A VOTE OF TEACHERS EMPLOYED
16 IN THE SCHOOL BEING DESIGNATED AS AN INDEPENDENT SCHOOL. THE
17 GOVERNING BODY OF A SCHOOL DESIGNATED AS AN INDEPENDENT SCHOOL
18 UNDER THIS SECTION SHALL HAVE THE AUTHORITY TO DECIDE ALL
19 MATTERS RELATED TO THE OPERATION OF THE SCHOOL, PURSUANT TO THE
20 AGREEMENT ESTABLISHED IN SUBSECTION (B).
21 (B) THE AGREEMENT BETWEEN THE BOARD OF SCHOOL DIRECTORS AND
22 THE GOVERNING BODY OF THE INDEPENDENT SCHOOL SHALL:
23 (1) DESCRIBE THE GOVERNANCE STRUCTURE OF THE INDEPENDENT
24 SCHOOL.
25 (2) PRESCRIBE THE EDUCATIONAL GOALS AND MISSION OF THE
26 INDEPENDENT SCHOOL AND THE CURRICULUM TO BE OFFERED.
27 (3) DESCRIBE THE ACADEMIC, FISCAL AND OTHER GOALS AND
28 OBJECTIVES FOR WHICH THE INDEPENDENT SCHOOL WILL BE HELD
29 ACCOUNTABLE AND THE EVALUATION CRITERIA AND PROCEDURES THAT WILL
30 BE EMPLOYED TO DETERMINE IF THAT SCHOOL IS MEETING ITS GOALS AND
20010H0996B1878 - 6 -

1 OBJECTIVES.
2 (4) GRANT THE INDEPENDENT SCHOOL ALLOCATION OF, AND CONTROL
3 OVER, ITS FUNDING AND BUDGET. THE INDEPENDENT SCHOOL'S FUNDING
4 SHALL BE DETERMINED BY THE AGREEMENT.
5 (5) GRANT THE INDEPENDENT SCHOOL CONTROL OF ITS EDUCATIONAL
6 PROGRAM AND CURRICULUM.
7 (6) PRESCRIBE THE AUTHORITY OF THE INDEPENDENT SCHOOL TO
8 ESTABLISH WORKING CONDITIONS, SELECT AND ASSIGN PROFESSIONAL AND
9 NONPROFESSIONAL EMPLOYEES INCLUDING AUTHORITY TO APPLY SECTION

10 1724-A AS IT PERTAINS TO CERTIFICATION, ESTABLISH NONTEACHING
11 DUTIES, EXTEND THE LENGTH OF THE SCHOOL YEAR AND SCHEDULE OF THE
12 SCHOOL DAY, INCLUDING HOLDING CLASS AFTER REGULAR HOURS.

13 (7) DEFINE THE TERMS BY WHICH THE AGREEMENT MAY BE
14 TERMINATED, MODIFIED, EXTENDED OR RENEWED.

15 (8) AN INDEPENDENT SCHOOL AGREEMENT SHALL BE FOR A PERIOD OF
16 NO LESS THAN THREE (3) NOR MORE THAN FIVE (5) YEARS, AND MAY BE
17 RENEWED FOR FIVE (5) YEAR PERIODS UPON REAUTHORIZATION BY THE
18 BOARD OF SCHOOL DIRECTORS.

19 (C) EMPLOYEES ASSIGNED TO AN INDEPENDENT SCHOOL SHALL BE
20 EMPLOYEES OF THE SCHOOL DISTRICT.

21 (D) INDEPENDENT SCHOOLS SHALL BE SUBJECT TO THE FOLLOWING:
22 SECTIONS 108, 110, 111, 321, 325, 326, 327, 431, 436, 443,
23 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753, 771,
24 776, 777, 808, 809, 810, 1006, 1109, 1111, 1112(A), 1310, 1317,
25 1317.1, 1317.2, 1318, 1327, 1330, 1332, 1303-A, 1513, 1517,
26 1518, 1521, 1523, 1547, 2014-A, 2513, ARTICLE XI EXCEPT AS
27 LIMITED BY SUBSECTION (B)(6), ARTICLE XII EXCEPT AS LIMITED BY
28 SUBSECTION (B)(6), AND ARTICLES XIII-A AND XIV.

29 ACT OF JULY 17, 1961 (P.L.776, NO.341), KNOWN AS THE
30 "PENNSYLVANIA FAIR EDUCATIONAL OPPORTUNITIES ACT."

20010H0996B1878

- 7 -

1 ACT OF JULY 19, 1965 (P.L.215, NO.116), ENTITLED "AN ACT
2 PROVIDING FOR THE USE OF EYE PROTECTIVE DEVICES BY PERSONS
3 ENGAGED IN HAZARDOUS ACTIVITIES OR EXPOSED TO KNOWN DANGERS IN
4 SCHOOLS, COLLEGES AND UNIVERSITIES."

5 SECTION 4 OF THE ACT OF JANUARY 25, 1966 (1965 P.L.1546,
6 NO.541), REFERRED TO AS THE HIGHER EDUCATION SCHOLARSHIP LAW.

7 ACT OF JULY 12, 1972 (P.L.765, NO.181), ENTITLED "AN ACT
8 RELATING TO DRUGS AND ALCOHOL AND THEIR ABUSE, PROVIDING FOR
9 PROJECTS AND PROGRAMS AND GRANTS TO EDUCATIONAL AGENCIES, OTHER
10 PUBLIC OR PRIVATE AGENCIES, INSTITUTIONS OR ORGANIZATIONS."

11 ACT OF DECEMBER 15, 1986 (P.L.1595, NO.175), KNOWN AS THE
12 "ANTIHAZING LAW."

13 THE FOLLOWING PROVISIONS OF 22 PA. CODE:

14 SECTION 4.4 (RELATING TO GENERAL POLICIES).

15 SECTION 4.26 (RELATING TO ESOL).

16 CHAPTER 4 (RELATING TO ACADEMIC STANDARDS AND ASSESSMENT).

17 CHAPTER 11 (RELATING TO PUPIL ATTENDANCE).

18 CHAPTER 12 (RELATING TO STUDENTS).

19 CHAPTER 14 (RELATING TO SPECIAL EDUCATION SERVICES AND
20 PROGRAMS).

21 CHAPTER 16 (RELATING TO GIFTED EDUCATION).

22 SECTION 32.3 (RELATING TO ASSURANCES).

23 SECTION 121.3 (RELATING TO DISCRIMINATION PROHIBITED).

24 SECTION 235.4 (RELATING TO PRACTICES).

25 SECTION 235.8 (RELATING TO CIVIL RIGHTS).

26 (E) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO SUPERSEDE
27 OR PREEMPT ANY PROVISIONS OF A COLLECTIVE BARGAINING AGREEMENT
28 IN EFFECT ON THE EFFECTIVE DATE OF THIS ACT.

29 (F) THE DEPARTMENT MAY AWARD GRANTS FOR THE CONVERSION OF
30 SCHOOLS TO INDEPENDENT SCHOOLS. THE TOTAL AMOUNT OF GRANTS

20010H0996B1878

- 8 -

1 AWARDED SHALL BE LIMITED TO FUNDS APPROPRIATED FOR THIS PURPOSE.
2 GRANT APPLICATIONS SHALL BE FILED IN ACCORDANCE WITH PROCEDURES
3 DEVELOPED BY THE DEPARTMENT.

4 SECTION 2. SECTION 914.1-A OF THE ACT, AMENDED OR ADDED
5 APRIL 6, 1980 (P.L.86, NO.30), DECEMBER 17, 1982 (P.L.1378,
6 NO.316), JUNE 29, 1984 (P.L.438, NO.93), JULY 11, 1996 (P.L.633,
7 NO.107) AND NOVEMBER 23, 1999 (P.L.529, NO.48), IS AMENDED TO
8 READ:

9 SECTION 914.1-A. CONTRACTS WITH PRIVATE RESIDENTIAL
10 REHABILITATIVE INSTITUTIONS; CERTAIN CRITERIA IN DEPARTMENT
11 AUDITS.--(A) INTERMEDIATE UNITS AND LOCAL SCHOOL DISTRICTS
12 SHALL HAVE THE POWER TO CONTRACT WITH PRIVATE RESIDENTIAL
13 REHABILITATIVE INSTITUTIONS FOR EDUCATIONAL SERVICES TO BE
14 PROVIDED TO CHILDREN AS PART OF ANY REHABILITATIVE PROGRAM
15 REQUIRED IN CONJUNCTION WITH THE PLACEMENT OF A CHILD IN ANY
16 SUCH INSTITUTION OR IN A DAY TREATMENT PROGRAM OF THAT
17 INSTITUTION PURSUANT TO A PROCEEDING UNDER 42 PA.C.S. CH. 63
18 (RELATING TO JUVENILE MATTERS).

19 (B) [THE] REIMBURSEMENT FOR EDUCATIONAL SERVICES SHALL BE
20 DETERMINED AS FOLLOWS:

21 (1) FOR PRIVATE RESIDENTIAL REHABILITATIVE INSTITUTIONS THAT
22 HAD FIVE HUNDRED (500) OR FEWER PENNSYLVANIA RESIDENT FULL-TIME
23 EQUIVALENT STUDENTS IN THE SCHOOL YEAR 1998-1999, FOR SCHOOL
24 YEAR 1999-2000 AND EACH SCHOOL YEAR THEREAFTER, THE COST OF THE
25 EDUCATIONAL SERVICES AS PROVIDED IN SUBSECTION (C) SHALL BE
26 DETERMINED UNDER SECTION 2561(6) OF THIS ACT. [IF THE SCHOOL
27 DISTRICT OF RESIDENCE OF THE CHILD CANNOT BE DETERMINED, THE
28 COSTS SHALL BE BORNE BY THE DEPARTMENT OF EDUCATION.] THE
29 DEPARTMENT SHALL PROMULGATE AUDIT STANDARDS WHICH SHALL BE USED
30 BY THE CONTRACTING PARTIES IN DETERMINING THE ACTUAL COSTS WHICH
20010H0996B1878

- 9 -

1 ARE SUBJECT TO REIMBURSEMENT TO THE PRIVATE RESIDENTIAL
2 REHABILITATIVE INSTITUTION. THE AUDIT STANDARDS, PROMULGATED BY
3 THE DEPARTMENT, SHALL SPECIFY AS REASONABLE COSTS ASSOCIATED
4 WITH THE OPERATION OF THE EDUCATIONAL PROGRAM OFFERED.

5 (2) FOR PRIVATE RESIDENTIAL REHABILITATIVE INSTITUTIONS THAT
6 HAD MORE THAN FIVE HUNDRED (500) PENNSYLVANIA RESIDENT FULL-TIME
7 EQUIVALENT STUDENTS IN THE SCHOOL YEAR 1998-1999, FOR THE SCHOOL
8 YEAR 1999-2000 AND EACH SCHOOL YEAR THEREAFTER, THE COST SHALL
9 BE DETERMINED BY MULTIPLYING SIX THOUSAND FOUR HUNDRED FIFTY
10 DOLLARS AND FIFTY-NINE CENTS (\$6,450.59) TIMES THE CUMULATIVE
11 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX FOR ALL URBAN
12 CONSUMERS FROM THE 1998-1999 SCHOOL YEAR, TIMES THE NUMBER OF
13 PENNSYLVANIA RESIDENT FULL-TIME EQUIVALENT STUDENTS, WITHIN THE
14 LIMITATIONS OF SUBSECTION (C).

15 (3) THE DEPARTMENT SHALL EFFECTUATE NECESSARY PROCEDURES FOR
16 THE TRANSFER OF FUNDS FROM THE SCHOOL DISTRICT OF RESIDENCE TO
17 THE SCHOOL DISTRICT OR INTERMEDIATE UNIT IN WHICH THE PRIVATE
18 RESIDENTIAL REHABILITATIVE INSTITUTION IS LOCATED. IN
19 EFFECTUATING THE TRANSFER OF FUNDS, THE DEPARTMENT MAY DEDUCT
20 THE APPROPRIATE AMOUNT FROM THE BASIC INSTRUCTIONAL SUBSIDY OF
21 ANY SCHOOL DISTRICT WHICH HAD RESIDENT STUDENTS THAT WERE
22 PROVIDED EDUCATIONAL SERVICES BY A PRIVATE RESIDENTIAL
23 REHABILITATIVE INSTITUTION. IF THE SCHOOL DISTRICT OF RESIDENCE
24 OF THE CHILD CANNOT BE DETERMINED, THE COSTS SHALL BE BORNE BY

25 THE DEPARTMENT OF EDUCATION.

26 (C) FOR THE PURPOSE OF THIS SECTION, A "PRIVATE RESIDENTIAL
27 REHABILITATIVE INSTITUTION" MEANS A FACILITY, OTHER THAN ONE
28 OPERATED BY A PUBLIC AGENCY, WHICH AS OF DECEMBER 31, 1977
29 PROVIDED TO JUVENILES LEGALLY COMMITTED THERETO OR LEGALLY
30 COMMITTED TO A DAY TREATMENT PROGRAM OF THAT INSTITUTION
20010H0996B1878 - 10 -

1 PURSUANT TO A PROCEEDING UNDER THE ACT OF DECEMBER 6, 1972
2 (P.L.1464, NO.333), KNOWN AS THE "JUVENILE ACT," EDUCATIONAL
3 SERVICES AS PART OF A TOTAL REHABILITATIVE PACKAGE, FUNDED, AT
4 LEAST IN PART, THROUGH CONTRACTUAL AGREEMENTS WITH THE COUNTY OF
5 WHICH EACH CHILD IS A RESIDENT, WHEREBY THE INSTITUTION RECEIVED
6 FROM THE COUNTY AN AMOUNT PER DIEM FOR EACH CHILD LEGALLY
7 COMMITTED THERETO OR LEGALLY COMMITTED TO A DAY TREATMENT
8 PROGRAM THEREOF. FOR THE PURPOSE OF THIS SECTION, EDUCATIONAL
9 SERVICES SHALL BE DEFINED AS DIRECT EXPENDITURES FOR INSTRUCTION
10 AND THE ADMINISTRATION OF THE INSTRUCTIONAL PROGRAM. ANY
11 EXPENDITURES NOT PERTAINING DIRECTLY TO INSTRUCTION AND THE
12 ADMINISTRATION OF THE INSTRUCTIONAL PROGRAM OF THE STUDENTS
13 SHALL BE CONSIDERED A COST OF CHILD WELFARE SERVICES AS PROVIDED
14 FOR IN SECTIONS 704.1 AND 704.2, ACT OF JUNE 13, 1967 (P.L.31,
15 NO.21), KNOWN AS THE "PUBLIC WELFARE CODE," AND AS A SOCIAL
16 SERVICE AS DEFINED IN THE REGULATIONS PROMULGATED PURSUANT TO
17 THAT ACT. UNDER NO CIRCUMSTANCES SHALL A SCHOOL DISTRICT OR THE
18 DEPARTMENT OF EDUCATION BE REQUIRED TO PROVIDE FUNDING FOR
19 PROGRAMS OPERATED IN EXCESS OF ONE HUNDRED EIGHTY (180) DAYS OF
20 INSTRUCTION OR NINE HUNDRED (900) HOURS OF INSTRUCTION AT THE
21 ELEMENTARY LEVEL OR NINE HUNDRED NINETY (990) HOURS OF
22 INSTRUCTION AT THE SECONDARY LEVEL DURING ANY ONE SCHOOL YEAR.
23 HOWEVER, NOTHING IN THIS SECTION SHALL BE CONSTRUED TO ALTER OR
24 LIMIT THE EDUCATIONAL RIGHTS OF EXCEPTIONAL CHILDREN.

25 (D) A PRIVATE RESIDENTIAL REHABILITATIVE INSTITUTION SHALL
26 BE EXEMPT FROM ADMINISTRATIVE CONTROL BY THE INTERMEDIATE UNIT
27 CONTRACTING THEREWITH OTHER THAN THOSE CONTROLS NECESSARY TO
28 ASSURE THE PROPER EXPENDITURE OF FUNDS FOR THE MAINTENANCE OF
29 THE MINIMUM EDUCATION PROGRAM PROVIDED FOR IN THE CONTRACT. SUCH
30 CONTRACTS SHALL NOT REQUIRE COMPLIANCE WITH THIS ACT TO ANY
20010H0996B1878 - 11 -

1 EXTENT GREATER THAN SUCH COMPLIANCE EXISTED ON THE EFFECTIVE
2 DATE OF THIS AMENDATORY ACT.

3 [(F) THE EDUCATIONAL PROGRAM COST CRITERIA OF A PRIVATE
4 RESIDENTIAL REHABILITATIVE INSTITUTION THAT ARE DEEMED ALLOWABLE
5 BY THE DEPARTMENT FOR THE PRIVATE RESIDENTIAL REHABILITATIVE
6 INSTITUTION'S 1998-1999 SCHOOL YEAR SHALL BE ACCEPTABLE FOR ALL
7 FUTURE AUDITS CONDUCTED BY THE DEPARTMENT.]

8 SECTION 3. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ:
9 ARTICLE XII-A

10 PROFESSIONAL TEACHER ASSESSMENT

11 SECTION 1201-A. SHORT TITLE OF ARTICLE.

12 THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE
13 PROFESSIONAL TEACHER ASSESSMENT ACT.

14 SECTION 1202-A. DEFINITIONS.

15 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE

16 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
17 CONTEXT CLEARLY INDICATES OTHERWISE:

18 "ACADEMIC STANDARDS." THE STANDARDS ADOPTED UNDER 22 PA.
19 CODE CH. 4 (RELATING TO ACADEMIC STANDARDS AND ASSESSMENT).

20 "AREA OF ASSIGNMENT OR CERTIFICATION." ANY COMPONENT OF THE
21 EDUCATION PROFESSION AS IT RELATES TO THE CURRENT JOB TITLE OR
22 DESCRIPTION OF A TEACHER OR TO ANY AREA OF CERTIFICATION LISTED
23 ON THE TEACHER'S INSTRUCTIONAL CERTIFICATE ISSUED BY THE
24 DEPARTMENT OF EDUCATION.

25 "DEPARTMENT." THE DEPARTMENT OF EDUCATION OF THE
26 COMMONWEALTH.

27 "PROFESSIONAL TEACHER ASSESSMENT." AN ASSESSMENT DESIGNED BY
28 THE DEPARTMENT OF EDUCATION TO MEASURE A TEACHER'S KNOWLEDGE OF
29 THE ACADEMIC STANDARDS INCLUDED IN THE PENNSYLVANIA SYSTEM OF
30 SCHOOL ASSESSMENT TEST, AS DEFINED IN SECTION 102(6).

20010H0996B1878

- 12 -

1 "SCHOOL ENTITY." A SCHOOL DISTRICT, INTERMEDIATE UNIT, JOINT
2 SCHOOL DISTRICT, AREA VOCATIONAL-TECHNICAL SCHOOL, CHARTER
3 SCHOOL, INDEPENDENT SCHOOL, THE SCOTLAND SCHOOL FOR VETERANS'
4 CHILDREN OR THE SCRANTON SCHOOL FOR THE DEAF.

5 "SCIENCE." INCLUDES GENERAL SCIENCE, PHYSICS, CHEMISTRY,
6 BIOLOGY AND EARTH AND SPACE SCIENCE.

7 "TEACHER." AN INDIVIDUAL WHO HOLDS AN INSTRUCTIONAL
8 CERTIFICATE ISSUED BY THE DEPARTMENT OF EDUCATION UNDER THIS ACT
9 AND IS EMPLOYED FULL TIME AS A TEMPORARY PROFESSIONAL OR
10 PROFESSIONAL EMPLOYEE BY A SCHOOL ENTITY AND PROVIDES LEARNING
11 EXPERIENCES DIRECTLY TO STUDENTS DURING THE INSTRUCTIONAL DAY.
12 THIS TERM ALSO INCLUDES AN UNCERTIFIED TEACHER WHO IS EMPLOYED
13 FULL TIME BY A CHARTER SCHOOL OR AN INDEPENDENT SCHOOL.
14 SECTION 1203-A. PROFESSIONAL TEACHER ASSESSMENT PROGRAM.

15 (A) PROGRAM ESTABLISHED.--THE DEPARTMENT SHALL DEVELOP A
16 PROFESSIONAL TEACHER ASSESSMENT PROGRAM TO MEASURE A TEACHER'S
17 KNOWLEDGE OF THE ACADEMIC STANDARDS APPLICABLE TO THAT TEACHER'S
18 AREA OF ASSIGNMENT OR CERTIFICATION.

19 (B) ASSESSMENTS.--THE DEPARTMENT SHALL DEVELOP SEPARATE
20 PROFESSIONAL TEACHER ASSESSMENTS FOR ELEMENTARY SCHOOL TEACHERS,
21 FOR MIDDLE SCHOOL TEACHERS AND FOR HIGH SCHOOL TEACHERS AS
22 FOLLOWS:

23 (1) ALL ELEMENTARY SCHOOL TEACHERS SHALL BE ADMINISTERED
24 A PROFESSIONAL TEACHER ASSESSMENT IN READING AND MATHEMATICS.

25 (2) ALL MIDDLE SCHOOL TEACHERS AND HIGH SCHOOL TEACHERS
26 SHALL BE ADMINISTERED A PROFESSIONAL TEACHER ASSESSMENT IN
27 READING.

28 (3) MIDDLE SCHOOL TEACHERS AND HIGH SCHOOL TEACHERS
29 WHOSE AREA OF ASSIGNMENT OR CERTIFICATION INCLUDES
30 MATHEMATICS OR SCIENCE SHALL BE ADMINISTERED A PROFESSIONAL

20010H0996B1878

- 13 -

1 TEACHER ASSESSMENT IN MATHEMATICS.

2 (4) IN ADDITION TO THE REQUIREMENTS SET FORTH IN
3 PARAGRAPHS (1) AND (2), SHOULD ADDITIONAL ACADEMIC STANDARDS
4 BE ADOPTED, TEACHERS SHALL BE FURTHER ASSESSED BASED ON THEIR
5 AREA OF ASSIGNMENT OR CERTIFICATION.

6 (C) ADMINISTRATION.--THE PROFESSIONAL TEACHER ASSESSMENT

7 SHALL BE ADMINISTERED THROUGH USE OF THE INTERNET IN ADDITION TO
8 ANY OTHER FORM PRESCRIBED BY THE DEPARTMENT.
9 (D) ADMINISTRATION OF PROFESSIONAL TEACHER ASSESSMENT.--
10 (1) BEGINNING IN THE 2001-2002 SCHOOL YEAR, THE
11 DEPARTMENT SHALL ANNUALLY ADMINISTER THE PROFESSIONAL TEACHER
12 ASSESSMENT IN SCHOOL ENTITIES IDENTIFIED IN A MANNER THAT
13 WILL ENABLE APPROXIMATELY 20% OF ALL TEACHERS IN THIS
14 COMMONWEALTH TO BE ASSESSED.
15 (2) THE DEPARTMENT SHALL DEVELOP A ROTATIONAL SCHEDULE
16 THAT SETS FORTH THE SCHOOL ENTITIES THAT WILL PARTICIPATE IN
17 THE PROFESSIONAL TEACHER ASSESSMENT EACH YEAR. NO SCHOOL
18 ENTITY SHALL BE REQUIRED TO PARTICIPATE IN THE PROFESSIONAL
19 TEACHER ASSESSMENT MORE THAN ONCE EVERY FIVE YEARS. THE
20 ROTATIONAL SCHEDULE SHALL BE PROVIDED TO EACH SCHOOL ENTITY
21 IN THIS COMMONWEALTH.
22 (3) THE DEPARTMENT SHALL USE DATA SUBMITTED UNDER
23 SECTIONS 1006 AND 2513 TO DEVELOP THE ROTATIONAL SCHEDULE
24 UNDER PARAGRAPH (2). FOR PURPOSES OF THIS ARTICLE, A CHARTER
25 SCHOOL AND AN INDEPENDENT SCHOOL SHALL SUBMIT THE DATA
26 REGARDING CERTIFIED TEACHERS REQUIRED UNDER SECTIONS 1006 AND
27 2513 IN A MANNER PRESCRIBED BY THE DEPARTMENT.
28 (E) SCHOOL ENTITY PROCEDURES.--
29 (1) PARTICIPATING SCHOOL ENTITIES SHALL RETURN COMPLETED
30 PROFESSIONAL TEACHER ASSESSMENTS TO THE DEPARTMENT IN A
20010H0996B1878 - 14 -

1 MANNER PRESCRIBED BY THE DEPARTMENT.
2 (2) THE DEPARTMENT SHALL ADOPT GUIDELINES REGARDING
3 PARTICIPATION REQUIREMENTS FOR SCHOOL ENTITIES INCLUDING
4 STANDARDS TO EXCUSE TEACHERS FROM THE PROFESSIONAL TEACHER
5 ASSESSMENT.
6 (3) A TEACHER MAY APPLY TO THE DEPARTMENT FOR AN
7 ALTERNATE ASSESSMENT DATE IN ACCORDANCE WITH GUIDELINES
8 ADOPTED UNDER PARAGRAPH (2).
9 (F) CONTINUING EDUCATION CREDIT.--A TEACHER MAY COUNT ONE
10 HOUR FOR EACH COMPLETED PROFESSIONAL TEACHER ASSESSMENT TOWARD
11 THE HOURS OF CONTINUING PROFESSIONAL EDUCATION REQUIRED BY
12 SECTION 1205.2.
13 SECTION 1204-A. SCORING PROCESS.
14 (A) SCORING.--THE DEPARTMENT SHALL PROVIDE FOR THE SCORING
15 OF THE PROFESSIONAL TEACHER ASSESSMENT.
16 (B) AVAILABILITY.--INDIVIDUAL SCORES MAY BE ACCESSED BY A
17 TEACHER PARTICIPATING IN THE PROFESSIONAL TEACHER ASSESSMENT. IF
18 A TEACHER FAILS TO ACCESS OR REQUEST THE TEACHER'S INDIVIDUAL
19 TEST SCORE WITHIN SIX MONTHS OF THE ADMINISTRATION OF THE TEST,
20 THE TEACHER'S NAME SHALL BE DELETED FROM ANY RECORD RELATED TO
21 THE TEST.
22 (C) FORMAT.--THE DEPARTMENT AND SCHOOL ENTITIES SHALL
23 RECEIVE AGGREGATE SCORES AT THE BUILDING AND SCHOOL ENTITY LEVEL
24 IN A FORMAT ESTABLISHED BY THE DEPARTMENT. RESULTS SHALL BE
25 REPORTED TO SCHOOL ENTITIES BY SUBJECT AREA, CONTENT AREA
26 CERTIFICATION, TEACHING ASSIGNMENT, YEARS OF SERVICE AND OTHER
27 DEMOGRAPHIC CATEGORIES AS DETERMINED BY THE DEPARTMENT.
28 AGGREGATE DATA SHALL BE RELEASED ONLY IF THERE ARE AT LEAST TEN
29 SCORES IN A CATEGORY. THE DEPARTMENT IS PROHIBITED FROM
30 RELEASING INFORMATION WHICH COULD REASONABLY BE EXPECTED TO

1 REVEAL THE IDENTITY OF ANY INDIVIDUAL TEACHER.
2 SECTION 1205-A. FURTHERING CONTINUING PROFESSIONAL DEVELOPMENT.
3 A SCHOOL ENTITY SHALL USE THE RESULTS OF THE PROFESSIONAL
4 TEACHER ASSESSMENT TO DEVELOP ITS PROFESSIONAL DEVELOPMENT PLANS
5 UNDER SECTION 1205.1.
6 SECTION 1206-A. COMPLIANCE.
7 A SCHOOL ENTITY THAT FAILS TO COMPLY WITH THE REQUIREMENTS OF
8 THIS ARTICLE OR AN INDIVIDUAL TEACHER WHO REFUSES TO PARTICIPATE
9 IN THE ASSESSMENT SHALL BE INELIGIBLE TO PARTICIPATE IN
10 PROFESSIONAL DEVELOPMENT PROGRAMS SPONSORED BY THE DEPARTMENT
11 UNTIL SUCH TIME AS THE SCHOOL ENTITY COMES INTO COMPLIANCE WITH
12 THIS ARTICLE OR THE INDIVIDUAL TEACHER APPLIES TO THE DEPARTMENT
13 FOR AN ALTERNATE ASSESSMENT DATE.
14 SECTION 1207-A. PROFESSIONAL DEVELOPMENT ASSISTANCE.
15 BEGINNING IN THE 2002-2003 SCHOOL YEAR, A SCHOOL ENTITY WHICH
16 DETERMINES THAT A SUBSTANTIAL NUMBER OF ITS TEACHERS WHO
17 PARTICIPATED IN THE ASSESSMENT AND SCORED AT A LEVEL WHICH
18 REQUIRES ADDITIONAL ACADEMIC OPPORTUNITIES FOR TEACHERS SHALL,
19 UPON REQUEST, RECEIVE ASSISTANCE FROM THE DEPARTMENT IN
20 IMPLEMENTING A PROFESSIONAL DEVELOPMENT PROGRAM THAT IS DESIGNED
21 TO STRENGTHEN THE SKILLS COVERED BY THE ASSESSMENT.
22 SECTION 1208-A. COLLECTIVE BARGAINING AGREEMENTS.
23 NOTHING CONTAINED IN THIS ARTICLE SHALL SUPERSEDE OR PREEMPT
24 A COLLECTIVE BARGAINING AGREEMENT BETWEEN A SCHOOL ENTITY AND AN
25 EMPLOYEE ORGANIZATION IN EFFECT ON THE EFFECTIVE DATE OF THIS
26 ARTICLE.
27 SECTION 1209-A. CONFIDENTIALITY.
28 EXCEPT AS SET FORTH IN SECTION 1204-A(C), NO INFORMATION
29 RELATING TO AN INDIVIDUAL TEACHER OR AN INDIVIDUAL ASSESSMENT
30 TEST SCORE SHALL BE RELEASED BY THE DEPARTMENT OR AN AGENT OF
20010H0996B1878

1 THE DEPARTMENT. A PERSON WHO VIOLATES THIS SECTION COMMITS A
2 MISDEMEANOR OF THE THIRD DEGREE.
3 SECTION 1210-A. ANNUAL REPORT.
4 THE DEPARTMENT SHALL SUBMIT AN ANNUAL REPORT TO THE GENERAL
5 ASSEMBLY THAT SETS FORTH THE SCHOOL ENTITIES THAT PARTICIPATED
6 EACH YEAR AND THE AGGREGATE SCORES OF EACH SCHOOL ENTITY.
7 SECTION 4. THE ACT IS AMENDED BY ADDING A SECTION TO READ:
8 SECTION 1423. AUTOMATIC EXTERNAL DEFIBRILLATORS.-- (A) FOR
9 THE FISCAL YEAR 2001-2002, THE DEPARTMENT SHALL ESTABLISH A ONE-
10 TIME AUTOMATIC EXTERNAL DEFIBRILLATOR PROGRAM TO ASSIST SCHOOL
11 ENTITIES IN ACQUIRING AUTOMATIC EXTERNAL DEFIBRILLATORS.
12 (B) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF
13 GENERAL SERVICES, SHALL ISSUE AN INVITATION TO BID FOR THE COST
14 OF AUTOMATIC EXTERNAL DEFIBRILLATORS. THE DEPARTMENT SHALL
15 ACCEPT THE BID OF THE LOWEST RESPONSIBLE BIDDER AND PERMIT ANY
16 SCHOOL ENTITY TO PURCHASE THE DEVICES AT THE CONTRACT BID PRICE.
17 (C) TO BE ELIGIBLE TO OBTAIN OR PURCHASE AUTOMATIC EXTERNAL
18 DEFIBRILLATORS UNDER THE PROGRAM A SCHOOL ENTITY MUST:
19 (1) ASSURE THAT TWO (2) OR MORE PERSONS ASSIGNED TO THE
20 LOCATION WHERE THE AUTOMATIC EXTERNAL DEFIBRILLATOR WILL BE
21 PRIMARILY HOUSED ARE TRAINED AS REQUIRED IN SUBSECTION (D).

13 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
14 CONTEXT CLEARLY INDICATES OTHERWISE:

15 "DEPARTMENT." THE DEPARTMENT OF EDUCATION OF THE
16 COMMONWEALTH.

17 "ELIGIBLE STUDENT." A RESIDENT OF THIS COMMONWEALTH WHO IS
18 ENROLLED IN THIRD, FOURTH, FIFTH OR SIXTH GRADE IN A SCHOOL
19 ENTITY AND IS DEEMED ELIGIBLE PURSUANT TO SECTION 1502-C(B).

20 "ELIGIBILITY TEST." THE PENNSYLVANIA SYSTEM OF SCHOOL
21 ASSESSMENT OR A COMMERCIALY PREPARED, NORM-REFERENCED,
22 STANDARDIZED ACHIEVEMENT TEST APPROVED BY THE DEPARTMENT OF
23 EDUCATION. A LIST OF APPROVED TESTS UNDER THIS ARTICLE SHALL BE
24 PUBLISHED ANNUALLY IN THE PENNSYLVANIA BULLETIN.

25 "GRANT." A GRANT AWARDED TO A GRANT RECIPIENT UNDER THIS
26 ARTICLE.

27 "GRANT RECIPIENT." A RESIDENT OF THIS COMMONWEALTH WHO IS A
28 PARENT, GUARDIAN OR PERSON IN PARENTAL RELATION TO AN ELIGIBLE
29 STUDENT.

30 "PROGRAM." THE EDUCATION SUPPORT SERVICES PROGRAM
20010H0996B1878 - 19 -

1 ESTABLISHED IN SECTION 1502-C.

2 "PROVIDER." A SCHOOL ENTITY, AN INSTITUTION OF HIGHER
3 EDUCATION, A NONPROFIT OR FOR-PROFIT ORGANIZATION OR A CERTIFIED
4 TEACHER EMPLOYED BY A SCHOOL ENTITY, THAT IS APPROVED BY THE
5 DEPARTMENT OF EDUCATION TO PROVIDE EDUCATION SUPPORT SERVICES.

6 "SCHOOL ENTITY." ANY OF THE FOLLOWING LOCATED IN THIS
7 COMMONWEALTH: A SCHOOL DISTRICT, INTERMEDIATE UNIT, JOINT SCHOOL
8 DISTRICT, AREA VOCATIONAL-TECHNICAL SCHOOL, CHARTER SCHOOL,
9 INDEPENDENT SCHOOL, LICENSED PRIVATE ACADEMIC SCHOOL, ACCREDITED
10 SCHOOL, A SCHOOL REGISTERED UNDER SECTION 1327(B), THE SCOTLAND
11 SCHOOL FOR VETERANS' CHILDREN OR THE SCRANTON SCHOOL FOR THE
12 DEAF.

13 SECTION 1502-C. ESTABLISHMENT OF PROGRAM.

14 (A) ESTABLISHMENT.--THE EDUCATION SUPPORT SERVICES PROGRAM
15 IS ESTABLISHED WITHIN THE DEPARTMENT TO PROVIDE INDIVIDUAL OR
16 SMALL GROUP INSTRUCTION IN READING AND MATHEMATICS TO STRENGTHEN
17 THE SKILLS THAT AN ELIGIBLE STUDENT NEEDS TO ACHIEVE THE
18 STANDARDS IN 22 PA. CODE CH. 4 (RELATING TO ACADEMIC STANDARDS
19 AND ASSESSMENT), WHICH SHALL BE PROVIDED AT A TIME OTHER THAN
20 THE REGULARLY SCHEDULED SCHOOL HOURS.

21 (B) ELIGIBILITY.--THE DEPARTMENT SHALL UTILIZE THE
22 PENNSYLVANIA SYSTEM OF SCHOOL ASSESSMENT TEST OR OTHER TEST
23 RESULTS TO IDENTIFY ELIGIBLE STUDENTS UNDER THIS ARTICLE. SCORES
24 USED TO DETERMINE ELIGIBLE STUDENTS IN EACH GRADE SHALL BE
25 PUBLISHED ANNUALLY IN THE PENNSYLVANIA BULLETIN.

26 (C) APPROVAL.--A PROVIDER MUST BE APPROVED BY THE DEPARTMENT
27 IN ORDER TO PROVIDE EDUCATION SUPPORT SERVICES UNDER THIS
28 ARTICLE.

29 SECTION 1503-C. APPLICATION AND APPROVAL.

30 (A) APPLICATION.--A PROSPECTIVE GRANT RECIPIENT SHALL APPLY
20010H0996B1878 - 20 -

1 ANNUALLY TO THE DEPARTMENT FOR A GRANT TO PURCHASE EDUCATION
2 SUPPORT SERVICES FOR AN ELIGIBLE STUDENT FROM AN APPROVED
3 PROVIDER IN A TIME AND MANNER PRESCRIBED BY THE DEPARTMENT.

4 (B) REQUIRED INFORMATION.--AN APPLICATION SUBMITTED UNDER
5 THIS SECTION SHALL INCLUDE VERIFICATION OF THE ELIGIBILITY TEST
6 RESULTS AND SUCH OTHER INFORMATION AS THE DEPARTMENT MAY
7 REQUIRE.
8 SECTION 1504-C. POWERS AND DUTIES OF THE DEPARTMENT.
9 THE DEPARTMENT SHALL:
10 (1) ESTABLISH CRITERIA TO ANNUALLY IDENTIFY ELIGIBLE
11 STUDENTS IN GRADES THREE, FOUR, FIVE AND SIX TO PARTICIPATE
12 IN THE PROGRAM UNDER SECTION 1502-C.
13 (2) APPROVE PROVIDERS OF EDUCATION SUPPORT SERVICES.
14 (3) ADOPT STANDARDS, PROCEDURES AND GUIDELINES TO BE
15 USED TO APPROVE PROVIDERS OF EDUCATION SUPPORT SERVICES UNDER
16 THIS ARTICLE.
17 (4) AWARD GRANTS TO A GRANT RECIPIENT IN AN AMOUNT NOT
18 TO EXCEED \$500 PER FISCAL YEAR FOR EACH ELIGIBLE STUDENT.
19 (5) ESTABLISH MINIMUM QUALIFICATIONS FOR INDIVIDUALS
20 UTILIZED BY PROVIDERS OF EDUCATION SUPPORT SERVICES.
21 (6) ESTABLISH PERIODS DURING WHICH APPLICATIONS WILL BE
22 REVIEWED TO ACCOMMODATE THE DATES WHEN RESULTS OF APPROVED
23 ELIGIBILITY TESTS BECOME AVAILABLE.
24 SECTION 1505-C. PROVIDERS.
25 A PROSPECTIVE PROVIDER SHALL SUBMIT AN APPLICATION TO THE
26 DEPARTMENT FOR APPROVAL TO PROVIDE EDUCATION SUPPORT SERVICES
27 UNDER THIS ARTICLE. THE APPLICATION SHALL INCLUDE A DESCRIPTION
28 OF THE SERVICES TO BE PROVIDED, THE COST OF THE SERVICES, THE
29 QUALIFICATION OF ALL INDIVIDUALS PROVIDING THOSE SERVICES,
30 INCLUDING EVIDENCE OF COMPLIANCE WITH SECTION 111 AND SUCH OTHER
20010H0996B1878 - 21 -

1 INFORMATION AS MAY BE REQUIRED BY THE DEPARTMENT.
2 SECTION 1506-C. NOTIFICATION OF PROGRAM.
3 A SCHOOL ENTITY IN THIS COMMONWEALTH WITH STUDENTS ENROLLED
4 IN THIRD, FOURTH, FIFTH OR SIXTH GRADE SHALL NOTIFY PARENTS OF
5 THE AVAILABILITY OF EDUCATION SUPPORT SERVICES AT SUCH TIME AS
6 THE PARENTS RECEIVE THE RESULTS OF ANY ELIGIBILITY TEST.
7 SECTION 1507-C. PAYMENT OF GRANTS.
8 (A) CERTIFICATES.--A CERTIFICATE FOR EDUCATION SUPPORT
9 SERVICES UNDER THIS ARTICLE SHALL BE ISSUED BY THE DEPARTMENT IN
10 AN AMOUNT AUTHORIZING UP TO \$500 FOR EACH ELIGIBLE STUDENT
11 IDENTIFIED ON THE CERTIFICATE. THE CERTIFICATE SHALL BE ISSUED
12 TO THE GRANT RECIPIENT AND SHALL BE VALID ONLY FOR THE FISCAL
13 YEAR IN WHICH IT IS ISSUED. AFTER RECEIVING THE CERTIFICATE FROM
14 A GRANT RECIPIENT, THE PROVIDER SHALL INCLUDE THE FOLLOWING
15 INFORMATION ON THE CERTIFICATE: NAME OF ELIGIBLE STUDENT SERVED;
16 TYPE OF INSTRUCTION; DATE AND LENGTH OF INSTRUCTION; AND COST OF
17 INSTRUCTION PROVIDED TO THE ELIGIBLE STUDENT. WHEN THE AMOUNT OF
18 THE CERTIFICATE HAS BEEN UTILIZED OR WHEN THE ELIGIBLE STUDENT
19 IS NO LONGER RECEIVING EDUCATION SUPPORT SERVICES FROM THE
20 PROVIDER, THE PROVIDER SHALL RETURN THE COMPLETED CERTIFICATE TO
21 THE GRANT RECIPIENT FOR SUBMISSION TO THE DEPARTMENT FOR
22 PAYMENT. THE DEPARTMENT SHALL MAKE PAYMENT DIRECTLY TO THE GRANT
23 RECIPIENT FOR THE AMOUNT DUE. GRANT RECIPIENTS MUST SEND ALL
24 OUTSTANDING CERTIFICATES TO THE DEPARTMENT FOR PAYMENT NO LATER
25 THAN 90 DAYS AFTER RECEIVING THE COMPLETED CERTIFICATE FROM THE
26 PROVIDER.
27 (B) PENALTY FOR GRANT RECIPIENTS.--A GRANT RECIPIENT WHO

28 KNOWINGLY DEFRAUDS THE COMMONWEALTH BY RECEIVING REIMBURSEMENT
29 FOR EDUCATION SUPPORT SERVICES NOT RENDERED TO THE ELIGIBLE
30 STUDENT AND GRANT RECIPIENT IDENTIFIED ON THE CERTIFICATE
20010H0996B1878 - 22 -

1 COMMITTS A MISDEMEANOR OF THE THIRD DEGREE AND SHALL, UPON
2 CONVICTION, BE SENTENCED TO PAY A FINE OF NOT MORE THAN \$1,000
3 PER VIOLATION, AND SHALL BE DISQUALIFIED FROM ELIGIBILITY FOR AN
4 ADDITIONAL GRANT FOR A PERIOD OF NOT LESS THAN FIVE YEARS.

5 (C) PENALTY FOR PROVIDERS.--A PROVIDER THAT KNOWINGLY
6 VIOLATES SECTION 1509-C OR KNOWINGLY DEFRAUDS THE COMMONWEALTH
7 BY RECEIVING REIMBURSEMENT FOR EDUCATION SUPPORT SERVICES NOT
8 RENDERED TO THE ELIGIBLE STUDENT AND GRANT RECIPIENT IDENTIFIED
9 ON THE CERTIFICATE COMMITTS A MISDEMEANOR OF THE THIRD DEGREE AND
10 SHALL, UPON CONVICTION, BE SENTENCED TO PAY A FINE OF NOT MORE
11 THAN \$1,000 PER VIOLATION, AND SHALL BE BARRED FROM
12 PARTICIPATION IN THE PROGRAM FOR NOT LESS THAN FIVE YEARS.
13 SECTION 1508-C. LIMITATIONS.

14 (A) AMOUNT.--THE AMOUNT OF GRANTS PROVIDED UNDER THIS
15 ARTICLE IN A FISCAL YEAR SHALL BE LIMITED TO THE FUNDS
16 APPROPRIATED FOR THAT PURPOSE. NO MORE THAN 10% OF THE TOTAL
17 FUNDS APPROPRIATED FOR THIS PROGRAM IN ANY FISCAL YEAR SHALL BE
18 AWARDED TO GRANT RECIPIENTS WITHIN A SPECIFIC SCHOOL DISTRICT,
19 EXCEPT THAT, IF THE DEPARTMENT DETERMINES THAT ALL SCHOOL
20 ENTITIES IN THE COMMONWEALTH HAVE HAD AN OPPORTUNITY TO
21 PARTICIPATE IN THE PROGRAM AND THAT FUNDS REMAIN AVAILABLE, IT
22 MAY WAIVE THE 10% LIMITATION UNDER THIS SUBSECTION.

23 (B) AVAILABILITY OF FUNDS.--IN THE EVENT THAT THE FUNDS
24 APPROPRIATED IN ANY FISCAL YEAR ARE INSUFFICIENT TO PROVIDE
25 GRANTS TO ALL GRANT RECIPIENTS, GRANTS SHALL BE AWARDED ON A
26 FIRST-COME, FIRST-SERVED BASIS. THE DEPARTMENT SHALL HOLD A
27 PORTION OF THE FUNDS IN RESERVE TO ENSURE THAT MONEY IS
28 AVAILABLE FOR EACH APPLICATION PERIOD ESTABLISHED UNDER SECTION
29 1504-C (6).

30 SECTION 1509-C. CONFIDENTIALITY.
20010H0996B1878 - 23 -

1 NOTHING IN THIS ARTICLE SHALL AUTHORIZE THE DEPARTMENT, A
2 SCHOOL ENTITY OR A PROVIDER TO RELEASE OR OTHERWISE UTILIZE
3 STUDENT IDENTIFIABLE INFORMATION OR INDIVIDUAL STUDENT TEST
4 SCORES FOR PURPOSES OTHER THAN THE ADMINISTRATION OF THIS
5 ARTICLE.

6 SECTION 1510-C. NONTAXABLE INCOME.

7 A GRANT RECEIVED BY A GRANT RECIPIENT SHALL NOT BE CONSIDERED
8 TO BE TAXABLE INCOME FOR THE PURPOSES OF ARTICLE III OF THE ACT
9 OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF
10 1971.

11 SECTION 1511-C. APPLICABILITY.

12 SERVICES PROVIDED UNDER THIS ARTICLE DO NOT CONSTITUTE
13 TUTORING OR INSTRUCTION UNDER THE ACT OF JANUARY 28, 1988
14 (P.L.24, NO.11), KNOWN AS THE PRIVATE ACADEMIC SCHOOLS ACT.

15 ARTICLE XX-B
16 EDUCATIONAL IMPROVEMENT TAX CREDIT

17 SECTION 2001-B. SHORT TITLE.

18 THIS ARTICLE DEALS WITH THE EDUCATIONAL IMPROVEMENT TAX

19 CREDIT.
20 SECTION 2002-B. DEFINITIONS.
21 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
22 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
23 CONTEXT CLEARLY INDICATES OTHERWISE:
24 "BUSINESS FIRM." AN ENTITY AUTHORIZED TO DO BUSINESS IN THIS
25 COMMONWEALTH AND SUBJECT TO TAXES IMPOSED UNDER ARTICLE IV, VI,
26 VII, VII-A, VIII, VIII-A, IX OR XV OF THE ACT OF MARCH 4, 1971
27 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.
28 "CONTRIBUTION." A DONATION OF CASH, PERSONAL PROPERTY OR
29 SERVICES THE VALUE OF WHICH IS THE NET COST OF THE DONATION TO
30 THE DONOR OR THE PRO RATA HOURLY WAGE, INCLUDING BENEFITS, OF
20010H0996B1878 - 24 -

1 THE INDIVIDUAL PERFORMING THE SERVICES.
2 "DEPARTMENT." THE DEPARTMENT OF COMMUNITY AND ECONOMIC
3 DEVELOPMENT OF THE COMMONWEALTH.
4 "EDUCATIONAL IMPROVEMENT ORGANIZATION." A NONPROFIT ENTITY
5 WHICH:
6 (1) IS EXEMPT FROM FEDERAL TAXATION UNDER SECTION
7 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW
8 99-514, 26 U.S.C. § 1 ET SEQ.); AND
9 (2) CONTRIBUTES AT LEAST 80% OF ITS ANNUAL RECEIPTS AS
10 GRANTS TO A PUBLIC SCHOOL FOR INNOVATIVE EDUCATIONAL
11 PROGRAMS.
12 "ELIGIBLE STUDENT." A SCHOOL-AGE STUDENT WHO IS ENROLLED IN
13 A SCHOOL AND IS A MEMBER OF A HOUSEHOLD WITH AN ANNUAL HOUSEHOLD
14 INCOME OF NOT MORE THAN \$50,000. AN INCOME ALLOWANCE OF \$10,000
15 SHALL BE ALLOWED FOR EACH ELIGIBLE STUDENT AND DEPENDENT MEMBER
16 OF THE HOUSEHOLD.
17 "HOUSEHOLD." AN INDIVIDUAL LIVING ALONE OR WITH THE
18 FOLLOWING: A SPOUSE, PARENT AND THEIR UNEMANCIPATED MINOR
19 CHILDREN; AND OTHER UNEMANCIPATED MINOR CHILDREN WHO ARE RELATED
20 BY BLOOD OR MARRIAGE; OR OTHER ADULTS OR UNEMANCIPATED MINOR
21 CHILDREN LIVING IN THE HOUSEHOLD WHO ARE DEPENDENT UPON THE
22 INDIVIDUAL.
23 "HOUSEHOLD INCOME." ALL MONEYS OR PROPERTY RECEIVED OF
24 WHATEVER NATURE AND FROM WHATEVER SOURCE DERIVED. THE TERM DOES
25 NOT INCLUDE THE FOLLOWING:
26 (1) PERIODIC PAYMENTS FOR SICKNESS AND DISABILITY OTHER
27 THAN REGULAR WAGES RECEIVED DURING A PERIOD OF SICKNESS OR
28 DISABILITY.
29 (2) DISABILITY, RETIREMENT OR OTHER PAYMENTS ARISING
30 UNDER WORKERS' COMPENSATION ACTS, OCCUPATIONAL DISEASE ACTS
20010H0996B1878 - 25 -

1 AND SIMILAR LEGISLATION BY ANY GOVERNMENT.
2 (3) PAYMENTS COMMONLY RECOGNIZED AS OLD AGE OR
3 RETIREMENT BENEFITS PAID TO PERSONS RETIRED FROM SERVICE
4 AFTER REACHING A SPECIFIC AGE OR AFTER A STATED PERIOD OF
5 EMPLOYMENT.
6 (4) PAYMENTS COMMONLY KNOWN AS PUBLIC ASSISTANCE OR
7 UNEMPLOYMENT COMPENSATION PAYMENTS BY A GOVERNMENTAL AGENCY.
8 (5) PAYMENTS TO REIMBURSE ACTUAL EXPENSES.
9 (6) PAYMENTS MADE BY EMPLOYERS OR LABOR UNIONS FOR

10 PROGRAMS COVERING HOSPITALIZATION, SICKNESS, DISABILITY OR
11 DEATH, SUPPLEMENTAL UNEMPLOYMENT BENEFITS, STRIKE BENEFITS,
12 SOCIAL SECURITY AND RETIREMENT.
13 (7) COMPENSATION RECEIVED BY UNITED STATES SERVICEMEN
14 SERVING IN A COMBAT ZONE.
15 "INNOVATIVE EDUCATIONAL PROGRAM." AN ADVANCED ACADEMIC OR
16 SIMILAR PROGRAM THAT IS NOT PART OF THE REGULAR ACADEMIC PROGRAM
17 OF A PUBLIC SCHOOL BUT THAT ENHANCES THE CURRICULUM OR ACADEMIC
18 PROGRAM OF THE PUBLIC SCHOOL.
19 "PUBLIC SCHOOL." A PUBLIC KINDERGARTEN, ELEMENTARY SCHOOL OR
20 SECONDARY SCHOOL AT WHICH THE COMPULSORY ATTENDANCE REQUIREMENTS
21 OF THIS COMMONWEALTH MAY BE MET AND WHICH MEETS THE APPLICABLE
22 REQUIREMENTS OF TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 (PUBLIC
23 LAW 88-352, 78 STAT. 241).
24 "SCHOLARSHIP ORGANIZATION." A NONPROFIT ENTITY WHICH:
25 (1) IS EXEMPT FROM FEDERAL TAXATION UNDER SECTION
26 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW
27 99-514, 26 U.S.C. § 1 ET SEQ.); AND
28 (2) CONTRIBUTES AT LEAST 80% OF ITS ANNUAL RECEIPTS TO A
29 SCHOLARSHIP PROGRAM.
30 "SCHOLARSHIP PROGRAM." A PROGRAM TO PROVIDE TUITION TO
20010H0996B1878 - 26 -

1 ELIGIBLE STUDENTS TO ATTEND A SCHOOL LOCATED IN THIS
2 COMMONWEALTH. A SCHOLARSHIP PROGRAM MUST INCLUDE AN APPLICATION
3 AND REVIEW PROCESS FOR THE PURPOSE OF MAKING AWARDS TO ELIGIBLE
4 STUDENTS. THE AWARD OF SCHOLARSHIPS TO ELIGIBLE STUDENTS SHALL
5 BE MADE WITHOUT LIMITING AVAILABILITY TO ONLY STUDENTS OF ONE
6 SCHOOL.
7 "SCHOOL." A PUBLIC OR NONPUBLIC KINDERGARTEN, ELEMENTARY
8 SCHOOL OR SECONDARY SCHOOL AT WHICH THE COMPULSORY ATTENDANCE
9 REQUIREMENTS OF THE COMMONWEALTH MAY BE MET AND WHICH MEETS THE
10 APPLICABLE REQUIREMENTS OF TITLE VI OF THE CIVIL RIGHTS ACT OF
11 1964 (PUBLIC LAW 88-352, 78 STAT. 241).
12 "SCHOOL AGE." CHILDREN FROM THE EARLIEST ADMISSION AGE TO A
13 SCHOOL'S KINDERGARTEN PROGRAM OR, WHEN NO KINDERGARTEN PROGRAM
14 IS PROVIDED, THE SCHOOL'S EARLIEST ADMISSION AGE FOR BEGINNERS,
15 UNTIL THE END OF THE SCHOOL YEAR THE STUDENT ATTAINS 21 YEARS OF
16 AGE OR GRADUATION FROM HIGH SCHOOL, WHICHEVER OCCURS FIRST.
17 SECTION 2003-B. QUALIFICATION AND APPLICATION.
18 (A) ESTABLISHMENT.--IN ACCORDANCE WITH ARTICLE III, SECTION
19 14 OF THE CONSTITUTION OF PENNSYLVANIA, AN EDUCATIONAL
20 IMPROVEMENT TAX CREDIT PROGRAM IS HEREBY ESTABLISHED TO ENHANCE
21 THE EDUCATIONAL OPPORTUNITIES AVAILABLE TO ALL STUDENTS IN THIS
22 COMMONWEALTH.
23 (B) INFORMATION.--IN ORDER TO QUALIFY UNDER THIS ARTICLE, A
24 SCHOLARSHIP ORGANIZATION OR AN EDUCATIONAL IMPROVEMENT
25 ORGANIZATION MUST SUBMIT INFORMATION TO THE DEPARTMENT THAT
26 ENABLES THE DEPARTMENT TO CONFIRM THAT THE ORGANIZATION IS
27 EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL
28 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 1 ET SEQ.).
29 (C) SCHOLARSHIP PROGRAM.--A SCHOLARSHIP ORGANIZATION MUST
30 CERTIFY TO THE DEPARTMENT THAT THE ORGANIZATION IS ELIGIBLE TO
20010H0996B1878 - 27 -

1 PARTICIPATE IN THE PROGRAM ESTABLISHED UNDER THIS ARTICLE.
2 (D) EDUCATIONAL IMPROVEMENT ORGANIZATION.--AN APPLICATION
3 SUBMITTED BY AN EDUCATIONAL IMPROVEMENT ORGANIZATION MUST
4 DESCRIBE ITS PROPOSED INNOVATIVE EDUCATIONAL PROGRAM OR PROGRAMS
5 IN A FORM PRESCRIBED BY THE DEPARTMENT. THE DEPARTMENT SHALL
6 CONSULT WITH THE DEPARTMENT OF EDUCATION AS NECESSARY. THE
7 DEPARTMENT SHALL REVIEW AND APPROVE OR DISAPPROVE THE
8 APPLICATION.
9 (E) NOTIFICATION.--THE DEPARTMENT SHALL NOTIFY THE
10 SCHOLARSHIP ORGANIZATION OR EDUCATIONAL IMPROVEMENT ORGANIZATION
11 THAT THE ORGANIZATION MEETS THE REQUIREMENTS OF THIS ARTICLE FOR
12 THAT FISCAL YEAR NO LATER THAN 60 DAYS AFTER THE ORGANIZATION
13 HAS SUBMITTED THE INFORMATION REQUIRED UNDER THIS SECTION.
14 (F) PUBLICATION.--THE DEPARTMENT SHALL ANNUALLY PUBLISH A
15 LIST OF EACH SCHOLARSHIP OR EDUCATIONAL IMPROVEMENT ORGANIZATION
16 QUALIFIED UNDER THIS SECTION IN THE PENNSYLVANIA BULLETIN. THE
17 LIST SHALL ALSO BE POSTED AND UPDATED, AS NECESSARY, ON THE
18 PUBLICLY ACCESSIBLE WORLD WIDE WEB SITE OF THE DEPARTMENT.
19 SECTION 2004-B. APPLICATION.
20 (A) SCHOLARSHIP ORGANIZATION.--A BUSINESS FIRM SHALL APPLY
21 TO THE DEPARTMENT FOR A TAX CREDIT UNDER SECTION 2005-B. A
22 BUSINESS FIRM SHALL RECEIVE A TAX CREDIT UNDER THIS ARTICLE IF
23 THE SCHOLARSHIP ORGANIZATION THAT RECEIVES THE CONTRIBUTION
24 APPEARS ON THE LIST ESTABLISHED UNDER SECTION 2003-B(F).
25 (B) EDUCATIONAL IMPROVEMENT ORGANIZATION.--A BUSINESS FIRM
26 MUST APPLY TO THE DEPARTMENT FOR A CREDIT UNDER SECTION 2005-B.
27 A BUSINESS FIRM SHALL RECEIVE A TAX CREDIT UNDER THIS ARTICLE IF
28 THE DEPARTMENT HAS APPROVED THE PROGRAM PROVIDED BY THE
29 EDUCATIONAL IMPROVEMENT ORGANIZATION THAT RECEIVES THE
30 CONTRIBUTION.
20010H0996B1878 - 28 -

1 (C) AVAILABILITY OF TAX CREDITS.--TAX CREDITS UNDER THIS
2 ARTICLE SHALL BE MADE AVAILABLE BY THE DEPARTMENT ON A FIRST-
3 COME-FIRST-SERVED BASIS WITHIN THE LIMITATION ESTABLISHED UNDER
4 SECTION 2006-B(A).
5 (D) CONTRIBUTIONS.--A CONTRIBUTION BY A BUSINESS FIRM TO A
6 SCHOLARSHIP ORGANIZATION OR EDUCATIONAL IMPROVEMENT ORGANIZATION
7 SHALL BE MADE NO LATER THAN 60 DAYS FOLLOWING THE APPROVAL OF AN
8 APPLICATION UNDER SUBSECTION (A) OR (B).
9 SECTION 2005-B. TAX CREDIT.
10 (A) GENERAL RULE.--IN ACCORDANCE WITH SECTION 2006-B(A), THE
11 DEPARTMENT OF REVENUE SHALL GRANT A TAX CREDIT AGAINST ANY TAX
12 DUE UNDER ARTICLE IV, VI, VII, VII-A, VIII, VIII-A, IX OR XV OF
13 THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM
14 CODE OF 1971, TO A BUSINESS FIRM PROVIDING PROOF OF A
15 CONTRIBUTION TO A SCHOLARSHIP ORGANIZATION OR EDUCATIONAL
16 IMPROVEMENT ORGANIZATION IN THE TAXABLE YEAR IN WHICH THE
17 CONTRIBUTION IS MADE WHICH SHALL NOT EXCEED 75% OF THE TOTAL
18 AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR BY THE BUSINESS FIRM.
19 SUCH CREDIT SHALL NOT EXCEED \$100,000 ANNUALLY PER BUSINESS
20 FIRM.
21 (B) ADDITIONAL AMOUNT.--THE DEPARTMENT OF REVENUE SHALL
22 GRANT A TAX CREDIT OF UP TO 90% OF THE TOTAL AMOUNT CONTRIBUTED
23 DURING THE TAXABLE YEAR IF THE BUSINESS FIRM PROVIDES A WRITTEN
24 COMMITMENT TO PROVIDE THE SCHOLARSHIP ORGANIZATION OR

25 EDUCATIONAL IMPROVEMENT ORGANIZATION WITH THE SAME AMOUNT OF
26 CONTRIBUTION FOR TWO CONSECUTIVE TAX YEARS. THE BUSINESS FIRM
27 MUST PROVIDE THE WRITTEN COMMITMENT UNDER THIS SUBSECTION TO THE
28 DEPARTMENT AT THE TIME OF APPLICATION.
29 SECTION 2006-B. LIMITATIONS.
30 (A) AMOUNT.--THE TOTAL AGGREGATE AMOUNT OF ALL TAX CREDITS
20010H0996B1878 - 29 -

1 APPROVED SHALL NOT EXCEED \$30,000,000 IN A FISCAL YEAR. NO LESS
2 THAN \$20,000,000 OF THE TOTAL AGGREGATE AMOUNT SHALL BE USED TO
3 PROVIDE TAX CREDITS FOR CONTRIBUTIONS FROM BUSINESS FIRMS TO
4 SCHOLARSHIP ORGANIZATIONS. NO LESS THAN \$10,000,000 OF THE TOTAL
5 AGGREGATE AMOUNT SHALL BE USED TO PROVIDE TAX CREDITS FOR
6 CONTRIBUTIONS FROM BUSINESS FIRMS TO EDUCATIONAL IMPROVEMENT
7 ORGANIZATIONS.

8 (B) ACTIVITIES.--NO TAX CREDIT SHALL BE APPROVED FOR
9 ACTIVITIES THAT ARE A PART OF A BUSINESS FIRM'S NORMAL COURSE OF
10 BUSINESS.

11 (C) TAX LIABILITY.--A TAX CREDIT GRANTED FOR ANY ONE TAXABLE
12 YEAR MAY NOT EXCEED THE TAX LIABILITY OF A BUSINESS FIRM.

13 (D) USE.--A TAX CREDIT NOT USED IN THE TAXABLE YEAR THE
14 CONTRIBUTION WAS MADE MAY NOT BE CARRIED FORWARD OR CARRIED BACK
15 AND IS NOT REFUNDABLE OR TRANSFERABLE.

16 (E) NONTAXABLE INCOME.--A SCHOLARSHIP RECEIVED BY AN
17 ELIGIBLE STUDENT SHALL NOT BE CONSIDERED TO BE TAXABLE INCOME
18 FOR THE PURPOSES OF ARTICLE III OF THE ACT OF MARCH 4, 1971
19 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

20 SECTION 2007-B. LISTS.

21 THE DEPARTMENT OF REVENUE SHALL PROVIDE A LIST OF ALL
22 SCHOLARSHIP ORGANIZATIONS AND EDUCATIONAL IMPROVEMENT
23 ORGANIZATIONS RECEIVING CONTRIBUTIONS FROM BUSINESS FIRMS
24 GRANTED A TAX CREDIT UNDER THIS ARTICLE TO THE GENERAL ASSEMBLY
25 BY JUNE 30 OF EACH YEAR.

26 SECTION 2008-B. GUIDELINES.

27 THE DEPARTMENT IN CONSULTATION WITH THE DEPARTMENT OF
28 EDUCATION SHALL DEVELOP GUIDELINES TO DETERMINE THE ELIGIBILITY
29 OF AN INNOVATIVE EDUCATIONAL PROGRAM.

30 SECTION 6. SECTION 2509.5 OF THE ACT IS AMENDED BY ADDING
20010H0996B1878 - 30 -

1 SUBSECTIONS TO READ:

2 SECTION 2509.5. SPECIAL EDUCATION PAYMENTS TO SCHOOL
3 DISTRICTS.--* * *

4 (GG) DURING THE 2001-2002 SCHOOL YEAR, EACH SCHOOL DISTRICT
5 SHALL BE PAID THE AMOUNT IT RECEIVED DURING THE 2000-2001 SCHOOL
6 YEAR UNDER SUBSECTIONS (BB), (CC), (DD), (EE) AND (FF).

7 (HH) DURING THE 2001-2002 SCHOOL YEAR, SIXTY-FOUR MILLION
8 NINE HUNDRED THOUSAND DOLLARS (\$64,900,000) OF THE FUNDS
9 APPROPRIATED TO THE DEPARTMENT OF EDUCATION FOR SPECIAL
10 EDUCATION SHALL BE USED TO PROVIDE SUPPLEMENTAL FUNDING FOR
11 SPECIAL EDUCATION TO ALL SCHOOL DISTRICTS. THE SUPPLEMENTAL
12 FUNDING SHALL BE CALCULATED AS FOLLOWS: MULTIPLY EACH SCHOOL
13 DISTRICT'S 2001-2002 MARKET VALUE/INCOME AID RATIO BY SIXTEEN
14 PER CENTUM (16%) OF THE 2000-2001 AVERAGE DAILY MEMBERSHIP AND
15 MULTIPLY THIS PRODUCT BY SIXTY-FOUR MILLION NINE HUNDRED

16 THOUSAND DOLLARS (\$64,900,000) AND DIVIDE THE RESULTANT PRODUCT
17 BY THE SUM OF THE PRODUCTS OF THE 2001-2002 MARKET VALUE INCOME
18 AID RATIO MULTIPLIED BY SIXTEEN PER CENTUM (16%) OF THE 2000-
19 2001 AVERAGE DAILY MEMBERSHIP FOR ALL SCHOOL DISTRICTS.

20 (II) DURING THE 2001-2002 SCHOOL YEAR, A SCHOOL DISTRICT
21 WITH AN INCIDENCE RATE OF MILDLY AND SEVERELY DISABLED STUDENTS
22 GREATER THAN ONE HUNDRED TWENTY-FIVE PER CENTUM (125%) OF THE
23 STATEWIDE AVERAGE INCIDENCE RATE OF MILDLY AND SEVERELY DISABLED
24 STUDENTS SHALL QUALIFY TO RECEIVE A SUPPLEMENTAL PAYMENT, AS
25 SPECIFIED IN THIS SUBSECTION, FROM FUNDS APPROPRIATED TO THE
26 DEPARTMENT OF EDUCATION FOR SPECIAL EDUCATION. A SCHOOL
27 DISTRICT'S INCIDENCE RATE OF MILDLY AND SEVERELY DISABLED
28 STUDENTS SHALL BE CALCULATED BY DIVIDING THE SCHOOL DISTRICT'S
29 1999 CHILD COUNT OF STUDENTS WITH DISABILITIES COLLECTED AND
30 REPORTED UNDER SECTIONS 611(D) (2) AND 618(A) OF THE INDIVIDUALS
20010H0996B1878 - 31 -

1 WITH DISABILITIES EDUCATION ACT (PUBLIC LAW 91-230, 20 U.S.C. §§
2 1411(D) (2) AND 1418(A)) AND 34 CFR 300.750 (RELATING TO ANNUAL
3 REPORT OF CHILDREN SERVED--REPORT REQUIREMENT) BY THE SCHOOL
4 DISTRICT'S 1999-2000 TOTAL ENROLLMENT, INCLUDING STUDENTS
5 ATTENDING PUBLIC CHARTER SCHOOLS, REPORTED TO THE DEPARTMENT OF
6 EDUCATION. THE STATEWIDE AVERAGE INCIDENCE RATE OF MILDLY AND
7 SEVERELY DISABLED STUDENTS SHALL BE CALCULATED BY DIVIDING THE
8 STATEWIDE TOTAL 1999 CHILD COUNT OF STUDENTS WITH DISABILITIES
9 FOR ALL SCHOOL DISTRICTS BY THE 1999-2000 STATEWIDE TOTAL
10 ENROLLMENT, INCLUDING STUDENTS ATTENDING PUBLIC CHARTER SCHOOLS,
11 FOR ALL SCHOOL DISTRICTS. THE PAYMENT TO A QUALIFYING SCHOOL
12 DISTRICT SHALL BE CALCULATED AS FOLLOWS:

13 (1) SUBTRACT ONE HUNDRED TWENTY-FIVE PER CENTUM (125%) OF
14 THE STATEWIDE AVERAGE INCIDENCE RATE FROM THE SCHOOL DISTRICT'S
15 INCIDENCE RATE;

16 (2) MULTIPLY THE DIFFERENCE OBTAINED IN CLAUSE (1) BY THE
17 SCHOOL DISTRICT'S 2000-2001 SCHOOL YEAR AVERAGE DAILY
18 MEMBERSHIP; AND

19 (3) MULTIPLY THE PRODUCT OBTAINED IN CLAUSE (2) BY ONE
20 THOUSAND SIX HUNDRED FIFTY DOLLARS (\$1,650).

21 (JJ) FOR THE 2001-2002 SCHOOL YEAR, EACH SCHOOL DISTRICT
22 SHALL RECEIVE ADDITIONAL FUNDING AS NECESSARY SO THAT THE SUM OF
23 THE PAYMENTS SCHOOL DISTRICTS RECEIVE UNDER SUBSECTIONS (GG),
24 (HH), (II) AND THIS SUBSECTION IS GREATER THAN OR EQUAL TO ONE
25 HUNDRED FIVE PER CENTUM (105%) OF THE PAYMENTS TO SCHOOL
26 DISTRICTS FOR THE 2000-2001 SCHOOL YEAR UNDER SUBSECTIONS (BB),
27 (CC), (DD), (EE) AND (FF).

28 SECTION 7. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

29 (1) THE FOLLOWING PROVISIONS OF THE ACT SHALL TAKE
30 EFFECT JULY 1, 2001, OR IMMEDIATELY, WHICHEVER IS LATER:

20010H0996B1878

- 32 -

1 (I) THE ADDITION OF SECTION 1423 OF THE ACT.
2 (II) THE ADDITION OF ARTICLE XV-C OF THE ACT.
3 (III) THE ADDITION OF ARTICLE XX-B OF THE ACT.
4 (IV) THE ADDITION OF SECTION 2509.5(GG), (HH), (II)
5 AND (JJ) OF THE ACT.
6 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT

7 IMMEDIATELY.