

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1210 Session of
2019

INTRODUCED BY JONES, PICKETT, RYAN, HICKERNELL AND GROVE,
APRIL 15, 2019

REFERRED TO COMMITTEE ON EDUCATION, APRIL 15, 2019

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," repealing provisions relating to
6 report of racial and ethnic groupings, to study of public
7 schools that provide Internet instruction, to corporate seal,
8 to submission of plans, to approval of plans, to disapproval
9 of plans, to Department of Public Instruction to prepare
10 plans, to establishment of reorganized school districts, to
11 advance establishment, to special school watchmen-school
12 districts in townships of the second class, to copies of
13 school laws, to educational broadcasting, to residences for
14 teachers and janitors, to heating stoves to be shielded, to
15 ventilation and thermometer, to fireproof construction, to
16 doors to open outward and fire escapes, etc., to completion
17 of abandoned WPA projects in districts of the third and
18 fourth class, to condition of grounds and shade trees, to
19 summer schools, etc., to possession of telephone pagers
20 prohibited, to nonprofit school food program, to antitruancy
21 programs, to medical care for children under six with
22 defective hearing, to report, to care and treatment of pupils
23 and to local wellness policy; in terms and courses of study,
24 further providing for fire and emergency evacuation drills;
25 and repealing provisions relating to foreign language
26 academies, to monthly reports to school directors of the
27 districts second, third and fourth class, to Read to Succeed
28 Program, to department duties and powers, to schools or
29 classes, supervisors, principals, instructors, etc., to
30 estimate of expenses and reimbursements and appropriations,
31 to teachers of evening schools, to duties of public
32 institutions of higher education, to medical education loan
33 assistance and to special study on the revenue impact of out-
34 of-State tax credits.

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

Section 1. Sections 112, 113, 212, 292, 293, 294, 295, 296,
297, 510.1, 519, 523(a), 705, 736, 737, 738, 739, 760, 772,
1208, 1317.1, 1337(f), 1338.2, 1378, 1308-A, 1414 and 1422.1 of
the act of March 10, 1949 (P.L.30, No.14), known as the Public
School Code of 1949, are repealed:

[Section 112. Report of Racial and Ethnic Groupings.--The
Department of Education shall conduct a thorough review of the
1991-1992 PennData report "Statistical Summary for 1991-1992"
and identify those school districts that have special education
enrollments whose gender and ethnic representation exceeds by
five percent (5%) the gender and ethnic makeup of the student
population for the 1991-1992 school year. The Department of
Education shall report to the Committee on Education in the
Senate and the Committee on Education in the House of
Representatives by October 1993 the findings of the review by
the Department of Education, an outline of what further
investigative steps should be taken, recommendations for
appropriate actions to be taken by the Department of Education
and any technical assistance services to be provided by the
Department of Education to school districts.

Section 113. Study of Public Schools that Provide Internet
Instruction.--(a) The Department of Education shall conduct a
study of public schools that provide instruction primarily
through the Internet. The study shall include:

- (1) a review of academic accountability methods and systems;
- (2) a summary of governance structures, approval processes
and oversight mechanisms of each public school that provides
instruction primarily through the Internet;

1 (3) an analysis and verification of the actual and
2 reasonable instructional cost per student for each public school
3 that provides instruction primarily through the Internet; and
4 (4) recommendations regarding funding alternatives.

5 (b) The Department of Education shall prepare a report that
6 includes its findings and recommendations from the study and
7 shall provide the report to the chairman and the minority
8 chairman of the Education Committee of the Senate and the
9 chairman and minority chairman of the Education Committee of the
10 House of Representatives by October 30, 2001.

11 (c) In the event that the report required under subsection
12 (b) is not provided by October 30, 2001, no school district
13 shall pay to any public school that provides instruction
14 primarily through the Internet an amount to exceed two thousand
15 dollars (\$2,000) per resident student enrolled.

16 Section 212. Corporate Seal.--Each school district in this
17 Commonwealth may, by a majority vote of the members of the board
18 of school directors of such district, adopt a corporate seal for
19 the use of said district. The seal shall have engraved thereon
20 the following: "School District of,
21 Pennsylvania," and such other inscription or design as the board
22 of school directors may direct.

23 Section 292. Submission of Plans.--Each county board of
24 school directors, on or before July 1, 1964, shall prepare a
25 plan of organization of administrative units for the county,
26 conforming to the standards for approval of administrative units
27 adopted by the State Board of Education. The plan shall be
28 submitted to the Department of Public Instruction not less than
29 thirty (30) days nor more than sixty (60) days after it is
30 prepared. Any school district which considers itself aggrieved

1 by the plan may set forth its specific objections in a petition
2 which shall be served by registered or certified mail on the
3 secretary of the county board of school directors. All such
4 petitions filed shall be appended to the plan prior to
5 submission to the Department of Public Instruction. No plan of
6 organization of administrative units shall be submitted which
7 violates any written agreement entered into by several school
8 districts for the establishment of a joint school or department,
9 unless the agreement is amended to provide that it shall be
10 discontinued at the time the proposed administrative unit is
11 deemed established as a school district. A plan of organization
12 of administrative units shall be deemed to violate a written
13 agreement entered into by several school districts for the
14 establishment of a joint school or department only when it
15 formulates an administrative unit, which in whole or in part
16 comprises less than all of the school districts joined by such
17 agreement. In preparing its plans, a county board of school
18 directors shall confer with school directors and administrators
19 of all school districts of the county, and may confer with the
20 staff of the Department of Public Instruction and upon written
21 request shall confer with other interested persons. Each plan
22 shall assure the continuity of special education and area
23 technical school programs by providing special education and
24 area technical school attendance areas established in accordance
25 with standards approved by the State Board of Education.

26 Each county board of school directors which prepared and
27 submitted to the Department of Public Instruction prior to
28 January 1, 1963, a plan of organization of administrative units
29 for the county, shall, in compliance with the provisions hereof,
30 reconsider such plan and submit the same or a revised plan on or

1 before July 1, 1964, irrespective of the action taken on the
2 prior plan. In those cases where the prior plan was approved by
3 the State Council of Education, the plan submitted when approved
4 by the Council of Basic Education shall supersede the prior
5 approved plan as the plan of organization of administrative
6 units for the county.

7 Section 293. Approval of Plans.--(a) When any plan of
8 organization of administrative units for a county is found to
9 conform to the standards for approval of administrative units
10 adopted by the State Board of Education, the Department of
11 Public Instruction shall cause such plan to be placed upon the
12 agenda of the Council of Basic Education. The Council of Basic
13 Education shall review all plans placed upon its agenda, and
14 approve such plans as it deems wise in the best interests of the
15 educational system of the Commonwealth. Except as hereinafter
16 provided, no plan of organization of administrative units shall
17 be approved in which any proposed school district contains a
18 pupil population of less than four thousand (4,000), unless when
19 factors of topography, pupil population, community
20 characteristics, transportation of pupils, use of existing
21 school buildings, existing administrative units, potential
22 population changes and the capability of providing a
23 comprehensive program of education are considered by the Council
24 of Basic Education as requiring the approval of a plan of
25 organization of administrative units in which one or more
26 proposed school districts contains a pupil population of less
27 than four thousand (4,000). (b) A plan of organization of
28 administrative units for a county shall be approved by the
29 Council of Basic Education, if the plan contains (i) no unit
30 with a pupil population less than that of the unit with the

1 smallest pupil population in the last previous county-wide plan
2 submitted to and approved by the State Council of Education
3 prior to September 12, 1961, and (ii) no more units than were in
4 the aforesaid county-wide plan plus an additional unit for each
5 second class district which was not required to be a part of
6 such county-wide plan and which was not included in an
7 administrative unit thereof. (c) Pupil population as used in
8 this section shall mean the average daily membership for the
9 school year 1961-1962 including kindergarten or grade one
10 through grade twelve.

11 Section 294. Disapproval of Plans.--When any plan of
12 organization of administrative units for a county is disapproved
13 by the Council of Basic Education, it shall be returned to the
14 county board of school directors which submitted the plan for
15 reconsideration, amendment and resubmission in accordance with
16 the recommendations of the Council of Basic Education.

17 Section 295. Department of Public Instruction to Prepare
18 Plans.--In the event that no plan of organization of
19 administrative units is approved by the Council of Basic
20 Education for a county prior to January 1, 1965, the Department
21 of Public Instruction shall prepare and place upon the agenda of
22 the Council of Basic Education a plan of organization of
23 administrative units for the county. When approved by the
24 Council of Basic Education, such plan shall be deemed the
25 approved plan of organization of administrative units for the
26 county.

27 Any school district which considers itself aggrieved by a
28 plan of organization of administrative units approved by the
29 Council of Basic Education may appeal to the State Board of
30 Education by filing a petition, within thirty (30) days after

1 approval of the plan, setting forth the grounds for such appeal.
2 A copy of such petition shall be served by registered or
3 certified mail on the secretary of the county board of school
4 directors. The State Board of Education, or its representative,
5 shall fix a day and time for hearing, shall give written notice
6 to all parties interested, and may hear and consider such
7 testimony as it may deem advisable to enable it to make a
8 decision. After reaching its decision, the State Board of
9 Education shall enter such order as appears to it just and
10 proper, either directing the Council of Basic Education to
11 approve the plan in an amended form or confirming the plan in
12 the form previously approved by the Council of Basic Education.
13 The decision of the State Board of Education shall be final,
14 unless an appeal is taken as now provided under the provisions
15 of the "Administrative Agency Law."

16 Section 296. Establishment of Reorganized School
17 Districts.--On July 1, 1966, or on the date of advance
18 establishment, all administrative units contained in plans of
19 organization of administrative units approved by the Council of
20 Basic Education shall constitute and be deemed established as
21 school districts, and shall belong to the class to which they
22 are entitled as provided by law: Provided, however, if any
23 approved administrative unit includes any district or districts
24 of the second, third, or fourth class with any district of the
25 first class A, such district or districts of the second, third,
26 or fourth class shall be merged into and become part of said
27 district of the first class A, and said district of the first
28 class A as thus enlarged shall be the reorganized district and
29 shall be considered as having had continued existence.

30 Section 297. Advance Establishment.--(a) Any administrative

unit contained in a plan of organization of administrative units approved by the Council of Basic Education may constitute and be deemed established as a school district on July 1, 1964, or on July 1, 1965, when the following conditions have been satisfied:

(1) All appeals to the State Board of Education from the action of the Council of Basic Education approving the plan of organization of administrative units have been finally determined;

(2) At a regular meeting or at a special meeting called for such purpose, the board of school directors of each school district composing the administrative unit has approved by majority vote the establishment in advance of July 1, 1966, of the proposed school district contained in the plan of organization of administrative units approved by the Council of Basic Education;

(3) A copy of the resolution of each school district is filed with the Department of Public Instruction; and

(4) The Superintendent of Public Instruction certifies to the Council of Basic Education that all school districts composing the administrative unit have filed resolutions with the Department of Public Instruction approving the establishment of the school district in advance of July 1, 1966. The certification shall state the date when the school district shall be deemed established.

(b) Any school district established in advance of July 1, 1966, shall be entitled to all the benefits of this act and shall be subject to all of the provisions of this act as if the school district were constituted and deemed established on July 1, 1966: Provided, however, That in the case of school districts established on July 1, 1964, the provisions of section 303.1 of

1 this act relating to election of school directors shall be
2 advanced two years: And provided further, That in the case of
3 school districts established on July 1, 1965, the provisions of
4 section 303.1 of this act shall not be advanced.

5 Section 510.1. Special School Watchmen-School Districts in
6 Townships of the Second Class.--The board of school directors of
7 school districts in townships of the second class may, by
8 resolution, appoint and fix the salary of special school
9 watchmen, who shall have the duty of patrolling school grounds
10 and protecting school property.

11 Section 519. Copies of School Laws.--The Superintendent of
12 Public Instruction shall send to each member of every board of
13 school directors in the State, a bound copy of each new edition
14 of the School Laws, as soon as possible after the same shall
15 have been published.]

16 Section 523. Educational Broadcasting.--

17 [(a) The State Board of Education shall adopt and amend,
18 when necessary, a State Plan for Educational Broadcasting. The
19 State plan shall provide for the development of educational
20 broadcasting facilities in the Commonwealth and shall define
21 educational broadcasting service areas which shall be served by
22 specified broadcasting centers. The Department of Education
23 shall promulgate regulations to implement the State plan. Prior
24 to adoption or amendment of the State plan, the board shall
25 submit the plan to the Pennsylvania Public Television Network
26 Commission and receive its comments thereon.]

27 * * *

28 [Section 705. Residences for Teachers and Janitors.--The
29 board of directors of any school district of the fourth class,
30 when they consider it necessary, may purchase or build a

1 residence or residences for the use of the principal or teacher
2 or janitor, or any of them, as shall be deemed advisable, in the
3 same manner and upon the same procedure as other school
4 buildings are purchased or erected. Such school districts, with
5 the approval of the Department of Public Instruction, are
6 authorized to expend the funds of the school district and to
7 borrow money for the purchase or erection of such residences in
8 the same manner as for other school buildings. Any such district
9 may fix and charge a rental for the use of such building, which
10 rental shall be paid into the school treasury. All property
11 acquired under this section shall be held by the school district
12 the same as other school property.

13 Section 736. Heating Stoves to be Shielded.--No board of
14 school directors in this Commonwealth shall use a common heating
15 stove for the purpose of heating any school room, unless such
16 stove is in part enclosed within a shield or jacket made of
17 galvanized iron, or other suitable material, and of sufficient
18 height, and so placed, as to protect all pupils while seated at
19 their desks from direct rays of heat.

20 Section 737. Ventilation; Thermometer.--No school room or
21 recitation room shall be used in any public school which is not
22 provided with ample means of ventilation, and whose windows,
23 when they are the only means of ventilation, shall not admit of
24 ready adjustment both at the top and bottom, and which does not
25 have some device to protect pupils from currents of cold air.
26 Every school room or recitation room shall be furnished with a
27 thermometer.

28 Section 738. Fireproof Construction.--All school buildings,
29 two or more stories high, hereafter erected or leased in any
30 school district of the first class in this Commonwealth shall be

1 of fireproof construction; and in any school district of the
2 second, third, or fourth class, every building more than two
3 stories high, hereafter built or leased for school purposes,
4 shall be of fireproof construction.

5 Section 739. Doors to Open Outward; Fire Escapes; etc.--All
6 doors of entrance into any building used for public school
7 purposes shall open outward.

8 In all school buildings erected after the first day of May,
9 one thousand nine hundred twenty-five, or buildings leased or
10 used for school purposes, all entrance and exit doors, as well
11 as all doors leading to or from all regular, special, or general
12 rooms, shall open outward.

13 Every school building shall be provided with necessary fire-
14 escapes and safety-appliances as required by law.

15 On and after January 1, 1973, each new school building and
16 every addition to an existing school building equipped with
17 windows and with no emergency fire rescue door to the outside,
18 shall be equipped with escape windows of such type and at such
19 locations as may be approved by the Department of Labor and
20 Industry.

21 Section 760. Completion of Abandoned WPA Projects, Districts
22 Third and Fourth Class.--Whenever any school district of the
23 third or fourth class, pursuant to contract with the Works
24 Projects Administration or any other agency of the United States
25 Government, shall have expended money for the erection of a
26 school building to be erected by such agency, and after the
27 erection of such building has been begun, but before the
28 completion thereof the project is abandoned by the Works
29 Projects Administration or other agency of the United States
30 Government, the board of directors of such school district may,

1 with the approval of the Superintendent of Public Instruction,
2 enter into a contract for the immediate continuation of the work
3 of erecting such school building to an extent necessary to
4 protect the work already completed from loss or damage by the
5 elements. Such contract may be let on competitive bids solicited
6 from at least three responsible bidders and approved by the
7 Superintendent of Public Instruction.

8 Section 772. Condition of Grounds; Shade Trees.--The board
9 of school directors in each school district shall put the
10 grounds about every school building in a neat, proper and
11 sanitary condition and so maintain the same and shall provide
12 and maintain a proper number of shade trees.

13 Section 1208. Summer Schools, etc.--The State Board of
14 Education shall provide for summer schools in State colleges,
15 colleges, universities and other educational institutions, and
16 for extension courses and correspondence courses for all
17 teachers employed in the public school system of the
18 Commonwealth who wish to acquire the minimum qualifications
19 prescribed herein, or such further qualifications as may be
20 desirable.

21 Section 1317.1. Possession of Telephone Pagers Prohibited.--
22 (a) The possession by students of telephone paging devices,
23 commonly referred to as beepers, shall be prohibited on school
24 grounds, at school sponsored activities and on buses or other
25 vehicles provided by the school district.

26 (b) The prohibition contained in subsection (a) shall not
27 apply in the following cases, provided that the school
28 authorities approve of the presence of the beeper in each case:

29 (1) A student who is a member of a volunteer fire company,
30 ambulance or rescue squad.

1 (2) A student who has a need for a beeper due to the medical
2 condition of an immediate family member.]

3 Section 1337. Nonprofit School Food Program.--* * *

4 [(f) Studies, Appraisals and Reports to Governor. The
5 Department of Education is hereby authorized, to the extent that
6 funds are available for that purpose and in cooperation with
7 other appropriate agencies and organizations, to conduct studies
8 of methods of improving and expanding school food programs and
9 promoting nutritional education in the schools, to conduct
10 appraisals of the nutritive benefits of school food programs and
11 to report its findings and recommendations, from time to time,
12 to the Governor.

13 Section 1338.2. Antitruancy Programs.--The Department of
14 Education shall formulate recommendations for the General
15 Assembly concerning the establishment and funding of effective
16 community-based antitruancy pilot programs. In formulating these
17 recommendations, the Department of Education shall seek advice
18 and counsel from educators, parents, students, district
19 attorneys, law enforcement representatives, attendance officers,
20 social service agencies experienced in providing services to
21 truant children, counselors, judges, probation officers and
22 representatives from the Pennsylvania Commission on Crime and
23 Delinquency and the Juvenile Court Judges' Commission.

24 Section 1378. Medical Care for Children Under Six with
25 Defective Hearing.--Whenever the county medical director of the
26 Department of Health reports to the medical examiner of any
27 school district a case of a minor under six (6) years of age,
28 who is totally deaf or whose hearing is impaired, who is not
29 receiving adequate care and treatment, and whose parent or
30 guardian is financially unable to provide the same, such medical

1 examiner shall provide such care and treatment at the expense of
2 the school district or of the Commonwealth, as the case may be,
3 charged by law with the providing of medical examinations for
4 the schools of the school district. Such care and treatment may
5 be administered by the medical examiner or by some doctor of
6 medicine selected by him.

7 Section 1308-A. Report.--The Secretary of Education shall
8 survey all school districts and nonpublic schools to determine
9 the extent to which additional costs have been incurred in
10 implementing administrative and reporting requirements
11 established for public and nonpublic schools in section 1317.2
12 and in sections 1304-A through 1307-A. The Secretary of
13 Education shall issue a report to the chairman and the minority
14 chairman of the Appropriations Committee and the Education
15 Committee of the Senate and the Appropriations Committee and
16 Education Committee of the House of Representatives by April 1,
17 1996, concerning the extent to which additional costs have been
18 incurred by school districts and nonpublic schools.

19 Section 1414. Care and Treatment of Pupils.--Any school
20 district or joint school board may provide for the care and
21 treatment of defective eyes, ears and teeth of all children of
22 school age within the district.

23 Section 1422.1. Local Wellness Policy.--(a) Not later than
24 the first day of the school year beginning after June 30, 2006,
25 each local education agency shall, pursuant to section 204 of
26 the Child Nutrition and WIC Reauthorization Act of 2004 (Public
27 Law 108-265, 118 Stat. 729), establish a local wellness policy
28 for schools within the local education agency.

29 (c) A local education agency may submit its local wellness
30 policy or information on other initiatives regarding child

1 health, nutrition, food allergy reaction management and physical
2 education to the Department of Education for inclusion in the
3 clearinghouse established under section 1422.3(3).]

4 Section 2. Section 1517(d) of the act is amended to read:

5 Section 1517. Fire and Emergency Evacuation Drills.--* * *

6 (d) (1) All school entities using or contracting for school
7 buses for the transportation of school children shall conduct on
8 school grounds two emergency evacuation drills on buses during
9 each school year, the first to be conducted during the first
10 week of the first school term and the second during the month of
11 March, and at such other times as the chief school administrator
12 may require. Each such drill shall include the practice and
13 instruction concerning the location, use and operation of
14 emergency exit doors and fire extinguishers and the proper
15 evacuation of buses in the event of fires or accidents.

16 (2) Bus operators shall be provided with proper training and
17 instructions to enable them to carry out the provisions of this
18 subsection and may be required to attend classes and drills in
19 connection therewith.

20 * * *

21 Section 3. Sections 1522, 1534, Article XV-B, sections 1503-
22 E(10), 1804, 1811, 1923 and 2002-C(b), Article XXII-A and
23 section 2596 of the act are repealed:

24 [Section 1522. Foreign Language Academies.--(a) The
25 Department of Education shall establish a summer foreign
26 language academy grant program utilizing Federal education funds
27 and matching grants for students in this Commonwealth. To the
28 greatest extent possible, the department shall establish
29 guidelines for the programs which involve the universities and
30 colleges, local school districts and intermediate units. Those

1 students who are to participate in the program shall be selected
2 by the local school districts.

3 (b) At least one summer foreign language academy shall be in
4 operation by the summer of 1993.

5 (c) The department shall prepare an annual report of the
6 summer foreign language academies program which shall be
7 submitted to the Governor, the Education Committee of the Senate
8 and the Education Committee of the House of Representatives.

9 Section 1534. Monthly Reports to School Directors; Districts
10 Second, Third and Fourth Class.--In school districts of the
11 second, third and fourth class every teacher employed in the
12 public schools shall, at the end of each school month, or within
13 five days thereafter, make a report for the past month to the
14 board of school directors. Such reports shall state correctly
15 the number of days the schools were kept open, and, if closed on
16 any days, the reason therefor, the number, age, and sex of all
17 pupils, and the number of days attended by each. Such reports
18 shall be made on blank forms to be furnished the teachers by the
19 board of school directors. No teacher shall be paid more than
20 one-half of his salary for the current month until such report
21 is made. Such reports shall be filed with the secretary of the
22 board, and shall at all times be open to inspection by the
23 public. Any school principal may make such report for the entire
24 school.

25 ARTICLE XV-B.

26 READ TO SUCCEED PROGRAM.

27 Section 1501-B. Establishment of Program.--There is hereby
28 established in the Department of Education the Read to Succeed
29 Program. The program shall provide competitive grants to school
30 districts and charter schools to build strong reading skills in

1 Pennsylvania students. The program shall emphasize students with
2 the greatest need for intensive reading instruction and school
3 programs that will enable students to learn to read by the end
4 of the third grade.

5 Section 1502-B. Eligibility Requirements.--(a) The
6 Department of Education shall establish eligibility criteria to
7 be used to select schools and students in kindergarten through
8 third grade to participate in the Read to Succeed Program.

9 (b) The secretary shall establish matching requirements for
10 grant recipients.

11 Section 1503-B. Program Requirements.--School districts and
12 charter schools shall apply for grants as prescribed by the
13 Department of Education. The application will contain the
14 following:

15 (1) Identification of students with the greatest need.

16 (2) Methods of ongoing assessment.

17 (3) Reading instruction based on current reading research.

18 (4) Integration with the reading instruction programs and
19 activities of the school district.

20 (5) Professional development plan.

21 (6) Opportunities for extended learning time.

22 (7) Coordination with community-based reading activities,
23 including family literacy programs.

24 (8) Staff and program facilities.

25 (9) A multiyear plan that shows how the school district or
26 charter school will assume full financial and programmatic
27 responsibility for the Read to Succeed Program at the conclusion
28 of the grant period.

29 (10) The estimated budget for each specific program
30 activity.

1 Section 1504-B. Technical Assistance and Monitoring.--The
2 Department of Education shall provide technical assistance and
3 establish methods to ensure the quality of the program receiving
4 a grant, including program monitoring and onsite visitation.

5 Section 1505-B. Reports.--(a) A school district or charter
6 school participating in the Read to Succeed Program shall
7 provide program and fiscal reports as required by the Department
8 of Education.

9 (b) Beginning in the year 2000, the department shall submit
10 a report by December 31 of each year to the majority and
11 minority chairman of the Education Committee of the Senate and
12 the majority and minority chairman of the Education Committee of
13 the House of Representatives.]

14 Section 1503-E. Department duties and powers.

15 The department shall:

16 * * *

17 [(10) Prepare and submit an annual report to the
18 Education Committee of the Senate and the Education Committee
19 of the House of Representatives regarding the administration
20 and operation of programs and grants awarded under the grant
21 program. The report shall include:

22 (i) A summary of the guidelines and criteria
23 established by the department and the establishment and
24 operation of the grant program.

25 (ii) A listing of the sources of funding sought by
26 the department for use in the grant program.

27 (iii) A listing of the number of school districts
28 that established and implemented programs.

29 (iv) A description of each school district's program
30 and the integration into the curriculum.

1 (v) A description of measures utilized by school
2 districts to provide parent, professional educator and
3 community involvement.

4 Section 1804. Schools or Classes; Supervisors; Principals;
5 Instructors, etc.--In carrying out the provisions of this act,
6 the State Board for Vocational Education shall provide for
7 vocational schools or classes, with the necessary staffs, in
8 accordance with the State Plan for Vocational Education,
9 approved by the Federal Board for Vocational Education.

10 Principals, instructors and lecturers for the Public Service
11 Institute shall be elected by the State Board for Vocational
12 Education. They shall possess the qualifications established in
13 the State Plan for Vocational Education approved by the Federal
14 Board for Vocational Education.

15 Section 1811. Estimate of Expenses and Reimbursements;
16 Appropriations.--On or before the first Wednesday of January of
17 any year in which the regular session of the Legislature is
18 held, the State Board for Vocational Education shall present to
19 the Legislature an estimate of the amount of money necessary to
20 meet the expenditures to be incurred in the administration of
21 this act for the fiscal year beginning with the first day of the
22 ensuing June, 1961, and beginning with the first day of July of
23 each year thereafter; and the amount necessary to meet the
24 claims of school districts and unions of school districts
25 maintaining approved vocational schools or departments, under
26 the provisions of this act for the school year beginning with
27 the first day of the preceding July. On the basis of such
28 statement, the Legislature shall make an appropriation of such
29 amounts as may be necessary to meet the expense of carrying this
30 act into effect, and of reimbursing such school districts and

1 unions of school districts for such school year as herein
2 provided.

3 Section 1923. Teachers of Evening Schools.--All teachers of
4 evening schools must have proper certificates as provided in
5 this act.]

6 Section 2002-C. Duties of public institutions of higher
7 education.

8 * * *

9 [(b) Reporting requirements.--A public institution of higher
10 education shall submit to the department a series of interim
11 reports outlining the actions that the public institution of
12 higher education has undertaken or intends to undertake to
13 comply with subsection (a), which shall be filed December 31,
14 2006, June 30, 2007, and December 31, 2007.]

15 * * *

16 [ARTICLE XXII-A.

17 MEDICAL EDUCATION LOAN ASSISTANCE.

18 (a) General Provisions.

19 Section 2201-A. Scope.

20 This article deals with medical education loan assistance.

21 Section 2202-A. Purpose.

22 The purpose of this article is to provide an incentive to
23 Pennsylvania students to pursue higher education and training in
24 medicine, professional nursing, biomedicine and the life
25 sciences in order to maintain the delivery of quality health
26 care services in this Commonwealth.

27 Section 2203-A. Definitions.

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

1 "Accredited medical college." An institution of higher
2 education located in this Commonwealth that is accredited by the
3 Liaison Committee on Medical Education to provide courses in
4 medicine and empowered to grant professional and academic
5 degrees in medicine as defined in the act of December 20, 1985
6 (P.L.457, No.112), known as the Medical Practice Act of 1985.

7 "Agency." The Pennsylvania Higher Education Assistance
8 Agency.

9 "Approved institution of higher learning." An institution of
10 higher learning located in this Commonwealth and approved by the
11 agency.

12 "Approved nursing program." An institution located in this
13 Commonwealth and accredited to grant professional and academic
14 degrees or diplomas in nursing as defined in the act of May 22,
15 1951 (P.L.317, No.69), known as The Professional Nursing Law.

16 "Degree in medicine." A degree from an accredited medical
17 college that qualifies the degree recipient to be licensed as a
18 physician.

19 "Designated area." Any of the following:

20 (1) A geographic area of this Commonwealth that is
21 designated by the Secretary of Health as having a shortage of
22 physicians.

23 (2) A geographic area of this Commonwealth designated by
24 the United States Department of Health and Human Services as
25 a medically underserved area or designated to have a
26 medically underserved population.

27 "Eligible applicant." An individual who holds an
28 undergraduate degree from an institution of higher learning and
29 is enrolled in:

30 (1) an accredited medical college; or

1 (2) an approved institution of higher learning for
2 purposes of obtaining a graduate degree in biomedicine or
3 life sciences.

4 "Guarantor." An insurance company or not-for-profit
5 guarantor whose primary purpose is to provide default coverage
6 and loss prevention services to an offeror of unsecured student
7 loans.

8 "Licensed health care facility." A health care facility that
9 is enrolled in the Commonwealth's medical assistance program and
10 is licensed under Article X of the act of June 13, 1967 (P.L.31,
11 No.21), known as the Public Welfare Code, or the act of July 19,
12 1979 (P.L.130, No.48), known as the Health Care Facilities Act.

13 "Nursing school applicant." An individual who is a resident
14 of this Commonwealth and is enrolled in an approved nursing
15 program.

16 "Offeror." An institution that makes unsecured loans to
17 eligible students in cooperation with the agency.

18 "Physician." An individual licensed to practice medicine and
19 surgery within the scope of the act of October 5, 1978
20 (P.L.1109, No.261), known as the Osteopathic Medical Practice
21 Act, or the act of December 20, 1985 (P.L.457, No.112), known as
22 the Medical Practice Act of 1985.

23 "Registered nurse." An individual licensed to practice
24 professional nursing under the act of May 22, 1951 (P.L.317,
25 No.69), known as The Professional Nursing Law.

26 "Work requirement for nurses." Postgraduate, full-time
27 employment in direct patient care with a licensed health care
28 facility located in this Commonwealth in an occupation related
29 to an approved course of study. The term does not include a paid
30 student internship, a paid fellowship, volunteer service or

1 employment before graduation.

2 (b) Program.

3 Section 2211-A. Pennsylvania Medical Education Loan Assistance
4 Program.

5 The agency shall establish and administer the Pennsylvania
6 Medical Education Loan Assistance Program as set forth in
7 sections 2212-A and 2213-A to provide financial assistance to
8 individuals who acquire the required degree or diploma in
9 medicine, professional nursing, biomedicine or life sciences and
10 to recruit these individuals to practice their professions in
11 Pennsylvania.

12 Section 2212-A. Loan guarantor program.

13 (a) Establishment of program.--The agency shall administer a
14 loan guarantor program on a Statewide basis. The agency shall
15 utilize funds in the Medical School Loan Account to encourage
16 eligible applicants to attend an accredited medical college or
17 an approved institution of higher learning.

18 (b) Loan Guarantor Program.--The Loan Guarantor Program
19 shall provide for the following:

20 (1) Life of loan servicing.

21 (2) Contracting for insurance with a guarantor, approved
22 by the agency, which offers a low-cost loan with competitive
23 interest rates and loan fees to eligible applicants.

24 (3) Predetermining the eligibility of applicants who
25 receive a loan from an offeror to attend an accredited
26 medical school or an approved institution of higher learning
27 that is insured by a guarantor.

28 (4) Evaluating the benefit package of a guarantor for
29 adequacy, accessibility and availability of funds necessary
30 to provide adequate loss prevention.

1 (c) Low-cost loans.--An eligible applicant shall apply to an
2 offeror for a low-cost loan to attend an accredited medical
3 college or an approved institution of higher learning. A low-
4 cost loan made under this subsection shall be guaranteed by an
5 approved guarantor through a contract with the agency. Low-cost
6 loans made under this subsection shall provide reduced interest
7 rates and loan fees to eligible applicants compared to loans
8 made for the same purpose that are not guaranteed by this
9 article.

10 (d) Loan requirements.--Loans provided under this section
11 shall cover up to 100% of the actual cost of tuition, room and
12 board at an accredited medical college or an approved
13 institution of higher learning and the actual cost of course-
14 required textbooks and supplies for the recipient.

15 (e) Default.--If a recipient fails to repay a loan received
16 under this section, the agency shall collect the loan pursuant
17 to one of the following:

18 (1) Section 4.3 of the act of August 7, 1963 (P.L.549,
19 No.290), referred to as the Pennsylvania Higher Education
20 Assistance Agency Act.

21 (2) A process established by the applicable guarantors.

22 (3) Any other collection procedure or process deemed
23 appropriate by the agency.

24 (f) Medical Education Loan Loss Account.--An account is
25 hereby established within the agency to receive funds
26 appropriated for purposes of this section. Moneys in the account
27 are hereby appropriated to the agency to provide the loan
28 guarantor program. When funds in the account are expended, no
29 additional loans shall be offered.

30 (g) Interest rate reduction.--The agency or an offeror may

1 modify loans under this section to further reduce interest rates
2 as follows:

3 (1) The agency or the offeror may reduce the interest
4 rate of the loan by not less than 1% if the loan recipient,
5 upon completion of a graduate degree in biomedicine or life
6 sciences or upon licensure as a physician, agrees to practice
7 medicine or be employed to conduct research on a full-time
8 basis in Pennsylvania for a period of three consecutive
9 years.

10 (2) The agency or the offeror may reduce the interest
11 rate of the loan by not less than 2% if the loan recipient,
12 upon licensure as a physician, agrees to practice medicine
13 for not less than three consecutive years in a designated
14 area.

15 (h) Contract.--In addition to the requirements of subsection
16 (g), in order to be eligible for an interest rate reduction, a
17 loan recipient shall enter into a contract with the agency or an
18 offeror or its assigns at the time the loan is made. The
19 contract shall include the following:

20 (1) The loan recipient practicing in a designated area
21 shall agree to treat patients eligible for medical assistance
22 and Medicare.

23 (2) The loan recipient shall permit the agency or the
24 offeror to monitor the recipient's practice or employment to
25 determine compliance with the terms of the contract and this
26 article.

27 (3) The agency shall certify compliance with the terms
28 of the contract.

29 (4) Upon the loan recipient's death or total or
30 permanent disability, the agency or the offeror shall nullify

1 the service obligation of the recipient.

2 (5) If the loan recipient is convicted of or pleads
3 guilty or no contest to a felony or if the licensing board
4 has determined that the recipient has committed an act of
5 gross negligence in the performance of service obligations or
6 has suspended or revoked the license to practice, the agency
7 or the offeror shall terminate the loan recipient's
8 participation in the program and seek repayment of the amount
9 of the loan on the date of the conviction, determination,
10 suspension or revocation.

11 (6) A loan recipient who fails to comply with a contract
12 shall pay to the agency or the offeror the amount of loan
13 received under the original contract as of the time of
14 default. Providing false information or misrepresentation on
15 an application or verification of service shall constitute
16 default.

17 (i) Accountability.--In July 2004, the agency shall conduct
18 a performance review of the program and services provided. The
19 performance review shall include the following:

20 (1) The goals and objectives of the program.

21 (2) A determination of whether the goals and objectives
22 were achieved by the agency-participating guarantor and
23 offeror.

24 (3) The specific methodology used to evaluate the
25 results.

26 (4) Recommendations for improvement.

27 Section 2213-A. Loan forgiveness program.

28 (a) Establishment of program.--The agency shall administer a
29 loan forgiveness program for nursing school applicants on a
30 Statewide basis. The agency may provide loan forgiveness as

1 provided in subsection (b) for recipients of loans who by
2 contract with the agency agree to practice professional nursing
3 in this Commonwealth upon attainment of the required license.

4 (b) Loan forgiveness.--Agency-administered, federally
5 insured student loans for higher education provided to a nursing
6 school applicant may be forgiven by the agency as follows:

7 (1) The agency may forgive 50% of the loan, not to
8 exceed \$50,000, if a loan recipient enters into a contract
9 with the agency that requires the recipient upon successful
10 completion of an approved nursing program and licensure as a
11 registered nurse to practice nursing in this Commonwealth for
12 a period of not less than three consecutive years.

13 (2) Loan forgiveness awards made pursuant to paragraph
14 (1) shall be forgiven over a period of three years at an
15 annual rate of 33 1/3% of the award and shall be made from
16 funds appropriated for this purpose.

17 (3) The contract entered into with the agency pursuant
18 to paragraph (1) shall be considered a contract with the
19 Commonwealth and shall include the following terms:

20 (i) An unlicensed recipient shall apply for a
21 registered nurse's license to practice in this
22 Commonwealth at the earliest practicable opportunity upon
23 successfully completing a degree in nursing.

24 (ii) Within six months after licensure, a recipient
25 shall engage in the practice of nursing in this
26 Commonwealth according to the terms of the loan
27 forgiveness award.

28 (iii) The recipient shall agree to practice in a
29 licensed health care facility in the provision of direct
30 patient care on a full-time basis.

1 (iv) The recipient shall permit the agency to
2 determine compliance with the work requirement for nurses
3 and all other terms of the contract.

4 (v) Upon the recipient's death or total or permanent
5 disability, the agency shall nullify the service
6 obligation of the recipient.

7 (vi) If the recipient is convicted of or pleads
8 guilty or no contest to a felony or if the licensing
9 board has determined that the recipient has committed an
10 act of gross negligence in the performance of service
11 obligations or has suspended or revoked the license to
12 practice, the agency shall have the authority to
13 terminate the recipient's service in the program and
14 demand repayment of the amount of the loan as of the date
15 of the conviction, determination, suspension or
16 revocation.

17 (vii) Loan recipients who fail to begin or complete
18 the obligations contracted for shall pay to the agency
19 the amount of the loan received under the terms of the
20 contract pursuant to this section. Providing false
21 information or misrepresentation on an application or
22 verification of service shall be deemed a default.
23 Determination as to the time of default shall be made by
24 the agency.

25 (4) Notwithstanding 42 Pa.C.S. § 8127 (relating to
26 personal earnings exempt from process), the agency may seek
27 garnishment of wages in order to collect the amount of the
28 loan following default under paragraph (3)(vii).

29 Section 2214-A. Tax applicability.

30 Loan forgiveness repayments received by a student shall not

1 be considered taxable income for purposes of Article III of the
2 act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code
3 of 1971.

4 (c) Miscellaneous Provisions.

5 Section 2231-A. Annual report.

6 (a) Development of report.--The agency shall publish a
7 report by September 1, 2002, and every year thereafter for the
8 immediately preceding fiscal year. The report shall include
9 information regarding the operation of the programs established
10 under this article, including:

11 (1) The number and amount of loan guarantees and loan
12 contracts executed and renewed for eligible applicants in
13 medicine, biomedicine or life sciences and the nursing loan
14 forgiveness program.

15 (2) The number and amount of nursing loan forgiveness
16 contracts executed and renewed for nursing school applicants.

17 (3) The number of defaulted nursing loan forgiveness
18 contracts, reported by cause.

19 (4) The number of nurses participating in the nursing
20 loan forgiveness program, reported by type of institution
21 attended, including four-year educational institutions,
22 community colleges, independent two-year colleges, private
23 licensed schools, hospital-based courses of study and
24 certificate programs.

25 (5) The number and type of enforcement actions taken by
26 the agency.

27 (b) Submission.--The annual report shall be submitted to the
28 Governor, the chair and minority chair of the Appropriations
29 Committee of the Senate, the chair and minority chair of the
30 Appropriations Committee of the House of Representatives, the

1 chair and minority chair of the Education Committee of the
2 Senate, the chair and minority chair of the Education Committee
3 of the House of Representatives, the chair and minority chair of
4 the Public Health and Welfare Committee of the Senate and the
5 chair and minority chair of the Health and Human Services
6 Committee of the House of Representatives.

7 Section 2232-A. Appeals.

8 The provisions of this article shall be subject to 22 Pa.
9 Code Ch. 121 (relating to student financial aid).

10 Section 2233-A. Regulations.

11 The agency shall adopt regulations and procedures necessary
12 to carry out the purposes of this article.

13 Section 2234-A. Funding.

14 Loan guarantor program payments and loan forgiveness
15 repayments shall be made only to the extent that funds are
16 appropriated for that purpose and are sufficient to cover
17 administration of the programs. The receipt of a loan under this
18 article shall not constitute an entitlement derived from the
19 Commonwealth or a claim on any funds of the Commonwealth.

20 Section 2596. Special Study on the Revenue Impact of Out-of-
21 State Tax Credits.--(a) The Department of Education shall
22 undertake a special study to assess the revenue impact on
23 Pennsylvania school districts of residents who work in bordering
24 states. Particular emphasis shall be placed on districts meeting
25 the following criteria:

26 (1) Districts that levy a local earned income tax under the
27 act of December 31, 1965 (P.L.1257, No.511), known as "The Local
28 Tax Enabling Act"; and

29 (2) Districts that include as resident taxpayers individuals
30 who are subject to state and/or local income taxes at their out-

1 of-State place of employment and who, therefore, claim tax
2 credits in Pennsylvania as a result of these levies.

3 (b) The assessment shall include:

4 (1) Identification of all districts which meet the above
5 criteria.

6 (2) Compilation of data indicating, on a per district basis,
7 the number of resident taxpayers claiming a tax credit for out-
8 of-State payments.

9 (3) Analysis of the individual taxpayer data in order to
10 assess the effect on the local and State revenues for each
11 affected school district.

12 (c) The Secretary of Education shall present a report
13 summarizing the results of this study to the Chairman and the
14 Minority Chairman of the House Education Committee and the
15 Chairman and the Minority Chairman of the Senate Education
16 Committee no later than April 1, 1989.]

17 Section 4. This act shall take effect in 60 days.