
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2386 Session of
2024

INTRODUCED BY TOPPER, JAMES, MARCELL AND STAATS, JUNE 5, 2024

REFERRED TO COMMITTEE ON EDUCATION, JUNE 5, 2024

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," in administrative partnerships
6 between school entities, further providing for legislative
7 intent and for definitions, providing for instructional
8 programming partnerships authorized, for consolidation
9 feasibility study and for construction, further providing for
10 establishment, for application, for grant awards, for funds,
11 for technical assistance, for reports by school entities and
12 for reports by department; in reimbursements by Commonwealth
13 and between school districts, repealing provisions relating
14 to administrative/instructional consolidation incentives; and
15 making editorial changes.

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

18 Section 1. Article XV-H heading, sections 1501-H and 1502-H
19 and Subarticle B heading of Article XV-H of the act of March 10,
20 1949 (P.L.30, No.14), known as the Public School Code of 1949,
21 are amended to read:

22 ARTICLE XV-H

23 ADMINISTRATIVE AND INSTRUCTIONAL PROGRAMMING PARTNERSHIPS
24 BETWEEN SCHOOL ENTITIES AND CONSOLIDATION FEASIBILITY STUDIES

25 Section 1501-H. Legislative intent.

1 It is the intent of the General Assembly to help school
2 entities save money and operate more efficiently by encouraging
3 the following:

4 (1) partnerships of [routine] administrative functions
5 between school entities[. It is also the intent of the
6 General Assembly to provide for additional];

7 (2) opportunities between school entities to
8 cooperatively develop joint or shared educational programs
9 for students and educators[.]; and

10 (3) exploration of school district consolidations or
11 mergers through feasibility studies.

12 Section 1502-H. Definitions.

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

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

18 "Grant program." The Administrative, Instructional
19 Programming Partnership and Consolidation Feasibility Studies
20 Grant [Pilot] Program established under this article.

21 "School entity." A school district, an area career and
22 technical school or an intermediate unit.

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

24 SUBARTICLE B

25 ADMINISTRATIVE, INSTRUCTIONAL PROGRAMMING AND CONSOLIDATION

26 FEASIBILITY PROVISIONS

27 Section 2. The act is amended by adding sections to read:

28 Section 1512-H. Instructional programming partnerships
29 authorized.

30 Two or more school entities may enter into an agreement to

1 share the following between the school entities:

2 (1) Instructional programming, including services of
3 professional employees.

4 (2) Student services designed to support the
5 instructional program and to help students attain their
6 educational and career goals, including services of
7 professional employees.

8 Section 1513-H. Consolidation feasibility study.

9 Two or more school entities may jointly explore combining or
10 merging to form a single school district through a feasibility
11 study.

12 Section 1514-H. Construction.

13 Nothing contained in this subarticle shall be construed to
14 supersede or preempt any provisions of a collective bargaining
15 agreement negotiated by a school entity and the employee
16 organization that is in effect on the effective date of this
17 section.

18 Section 3. Subarticle C heading of Article XV-H and sections
19 1521-H, 1522-H, 1523-H, 1524-H, 1525-H, 1526-H and 1527-H of the
20 act are amended to read:

21 SUBARTICLE C

22 ADMINISTRATIVE, INSTRUCTIONAL PROGRAMMING PARTNERSHIP AND
23 CONSOLIDATION FEASIBILITY STUDIES

24 GRANT [PILOT] PROGRAM

25 Section 1521-H. Establishment.

26 The Administrative, Instructional Programming Partnership and
27 Consolidation Feasibility Studies Grant [Pilot] Program is
28 established in the department to provide financial assistance to
29 facilitate the sharing of administrative functions and
30 instructional programming between school entities and to explore

1 the feasibility of consolidation or merger to form a single
2 school district as authorized under Subarticle B.
3 Section 1522-H. Application.

4 (a) Procedure.--The department shall develop a procedure for
5 awarding grants under the program. Two or more school entities
6 may apply for a grant under the program as prescribed by the
7 department. [The]

8 (b) Administrative or instructional programming.--An
9 application related to administrative or instructional
10 programming at a minimum shall [contain] include the following:

11 (1) A detailed description of the administrative
12 functions or instructional programming the school entities
13 intend to share under Subarticle B.

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

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

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

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

21 (c) Feasibility studies.--An application related to a
22 feasibility study at a minimum shall include the following:

23 (1) A narrative describing the feasibility study,
24 including:

25 (i) The planned study's participants.

26 (ii) The basis for undertaking the study, including
27 viability and commitment of the partnership.

28 (iii) A description of the objectives of the study
29 and areas of focus, including needs and goals related to
30 coordinating curriculum and enhancing the learning

1 environment.

2 (iv) Initial indicators or projections related to
3 improved efficiency and cost savings.

4 (2) The estimate of the total cost of the study.

5 (3) The amount of grant funding requested.

6 Section 1523-H. Grant awards.

7 (a) General rule.--[The] Beginning with the 2024-2025 fiscal
8 year, and each year thereafter, the secretary shall make [no
9 more than four grant awards each fiscal year in an amount not to
10 exceed \$250,000 per grant award.] grant awards to school
11 entities.

12 (a.1) Notice.--The department shall provide information
13 regarding the availability of grant funding on its publicly
14 accessible Internet website and transmit notice of the program
15 to all school entities.

16 (b) Grant prioritization.--

17 (1) The secretary shall give priority to an application
18 for grant funding under this subarticle to those school
19 districts who have applied and demonstrated an existing
20 partnership consistent with this article.

21 (2) The secretary shall allocate at least 25% of the
22 funds appropriated for the program to applicants requesting
23 grant funding for consolidation feasibility studies. If the
24 amount of grant funding requested for feasibility studies is
25 less than 25% of the funds appropriated for the program, the
26 difference shall be allocated to applications for
27 administrative and instructional partnerships.

28 (c) Construction.--Nothing in this section shall be
29 construed to prohibit the secretary from making a grant award to
30 the same applicants in subsequent years, provided, however, that

1 no school entity may be eligible to receive more than three
2 grant awards.

3 Section 1524-H. Funds.

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

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

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

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

17 Section 1525-H. Technical assistance.

18 The department shall provide technical assistance to school
19 entities applying to share administrative and instructional
20 functions under this article.

21 Section 1526-H. Reports by school entities.

22 [School entities that are] (a) Reports regarding shared
23 services.--A school entity awarded a grant for shared services
24 under this subarticle shall make a preliminary report to the
25 department detailing the progress made toward achieving the
26 shared services outlined in its grant application no later than
27 180 days following [a] the grant award and make a final report
28 no later than 60 days after the completion of the administrative
29 or instructional partnership outlined in the grant application.
30 The reports required under this section shall include, at a

1 minimum, the following:

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

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

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

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

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

17 (b) Reports regarding feasibility studies.--A school entity
18 awarded a grant for a consolidation feasibility study under this
19 subarticle shall make a preliminary report to the department
20 detailing the progress of the feasibility study project no later
21 than 180 days following the grant award and make a final report
22 no later than 60 days after the completion of the feasibility
23 study outlined in the grant application. The reports required
24 under this section shall include, at a minimum, findings and
25 recommendations related to the consolidation or merger of the
26 participating school entities.

27 Section 1527-H. Reports by department.

28 The department shall compile the reports it receives under
29 section 1526-H and transmit them to the chairperson and minority
30 chairperson of the Appropriations Committee of the Senate, the

1 chairperson and minority chairperson of the Education Committee
2 of the Senate, the chairperson and minority chairperson of the
3 Appropriations Committee of the House of Representatives and the
4 chairperson and minority chairperson of the Education Committee
5 of the House of Representatives annually beginning no later than
6 June 30, [2017] 2026.

7 Section 4. Section 2599 of the act is repealed:

8 [Section 2599. Administrative/Instructional Consolidation
9 Incentives.--(a) The purpose of this section is to establish a
10 program of incentives to school entities to encourage greater
11 efficiency in the management of schools and the consolidation of
12 administrative and instructional programming.

13 (b) Any school district, area career and technical school,
14 intermediate unit or joint school is eligible to participate in
15 the consolidation incentives program and shall be considered a
16 school entity for the purposes of this section.

17 (c) Funding will be provided only to programs which have the
18 participation of two or more school entities. Funding will be
19 provided for programs which are initiated after July 1, 1998.

20 (d) (1) Funding will be provided through a competitive
21 request for proposal process. Proposals will be evaluated by a
22 team of Department of Education and nondepartment personnel. The
23 evaluations will be completed and funds awarded in the second
24 semester of the school year following the submission of a
25 proposal.

26 (2) Funds may be awarded for two years. School entities may
27 be awarded up to fifty percent (50%) of the savings the first
28 year. The award in the second year may be up to one-half of the
29 amount of the first year's award.

30 (3) The Department of Education will establish general

1 criteria for qualifying for these funds:

2 (i) for rating purposes, savings will be calculated as a
3 percentage of the applicable part of the budgets of the entities
4 involved in the consolidation;

5 (ii) the Department of Education will establish multiple
6 categories to allow for awards based on the size and variety of
7 proposals;

8 (iii) awards for consolidation of administrative services
9 must result in the reduction of the overall administrative
10 complements of the participating entities;

11 (iv) awards for consolidation of instructional staff must
12 result in the reduction of the overall staffing complement of
13 the participating entities or the participating school entities
14 not hiring additional personnel.

15 (4) All data submissions from the school entities shall be
16 subject to audit, and any incentive payments subsequently
17 determined to be excessive due to inappropriate data will be
18 deducted from subsequent basic education funding payments.

19 (5) Incentive funds shall be paid to school entities for use
20 in consolidated programs.

21 (6) Nothing contained in this section shall be construed to
22 supersede or preempt any provisions of a collective bargaining
23 agreement negotiated by a school district, intermediate unit or
24 area career and technical school and the employe organization
25 that is in effect on the effective date of this section.]

26 Section 5. This act shall take effect in 60 days.