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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 283 Session of  
2013

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INTRODUCED BY BISHOP, COHEN, ROZZI, MCGEEHAN, O'BRIEN, BROWNLEE,  
KINSEY AND YOUNGBLOOD, JANUARY 23, 2013

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REFERRED TO COMMITTEE ON EDUCATION, JANUARY 23, 2013

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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," exempting first class school  
6 districts from provisions on distress.

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

9 Section 1. Section 696 of the act of March 10, 1949 (P.L.30,  
10 No.14), known as the Public School Code of 1949, amended October  
11 30, 2001 (P.L.828, No.83), June 29, 2002 (P.L.524, No.88) and  
12 July 12, 2012 (P.L.1142, No.141), is amended to read:

13 Section 696. Distress in School Districts of the First  
14 Class.--(a) Within thirty (30) days of a declaration by the  
15 Secretary of Education that a school district of the first class  
16 is distressed under section 691(c), a School Reform Commission  
17 shall be established consisting of four members initially  
18 appointed by the Governor and one member initially appointed by  
19 the mayor of the city coterminous with the school district. The  
20 School Reform Commission shall be an instrumentality of a school

1 district of the first class, exercising the powers of the board  
2 of school directors. The Governor shall appoint a chairman of  
3 the School Reform Commission. At least three of the commission  
4 members, including the member appointed by the mayor, must be  
5 residents of the school district.

6 (b) Membership of the School Reform Commission shall be as  
7 follows:

8 (1) Members appointed pursuant to this section shall serve  
9 terms as follows:

10 (i) Two of the members appointed by the Governor shall serve  
11 initial terms of seven (7) years.

12 (ii) One of the members appointed by the Governor shall  
13 serve an initial term of five (5) years.

14 (iii) One of the members appointed by the Governor shall  
15 serve an initial term of three (3) years. Upon the expiration of  
16 the initial term of this member, the mayor shall appoint an  
17 individual to fill this position.

18 (iv) The member appointed by the mayor shall serve an  
19 initial term of three (3) years.

20 (v) After the expiration of each initial term:

21 (A) Members appointed by the Governor under subclauses (i)  
22 and (ii) shall be appointed for a term of five (5) years.

23 (B) Members appointed by the mayor under subclauses (iii)  
24 and (iv) shall be appointed for a term of four (4) years.

25 (2) Except as authorized in this subsection, no commission  
26 member may be removed from office during a term. The Governor  
27 may, upon proof by clear and convincing evidence of malfeasance  
28 or misfeasance in office, remove a commission member prior to  
29 the expiration of the term. Before a commission member is  
30 removed, that member must be provided with a written statement

1 of the reasons for removal and an opportunity for a hearing in  
2 accordance with 2 Pa.C.S. Ch. 5 Subch. A (relating to practice  
3 and procedure of Commonwealth agencies) and Ch. 7 Subch. A  
4 (relating to judicial review of Commonwealth agency action).

5 (3) Upon the expiration of term or the occurrence of a  
6 vacancy in the office of a commission member appointed by the  
7 Governor, the Governor shall appoint, with the consent of a  
8 majority of the members elected to the Senate, the successor  
9 member. Upon the expiration of term or the occurrence of a  
10 vacancy in the office of a commission member appointed by the  
11 mayor, the mayor shall appoint the successor member. An  
12 appointment to fill a vacancy shall be for the balance of the  
13 unexpired term.

14 (4) A commission member shall hold office until a successor  
15 has been appointed and qualified.

16 (5) A commission member may serve successive terms.

17 (6) No commission member may, while in the service of the  
18 School Reform Commission, seek or hold a position as any other  
19 public official within this Commonwealth or as an officer of a  
20 political party.

21 (7) Commission members shall be reimbursed for reasonable  
22 and necessary expenses incurred in the performance of their  
23 official duties from funds of the school district. (b.1) Actions  
24 of the School Reform Commission shall be by a majority vote. A  
25 majority of the commission members appointed shall constitute a  
26 quorum.

27 (b.2) Upon the issuance of a declaration by the Secretary of  
28 Education that a school district of the first class is  
29 distressed under section 691(c), the Governor shall appoint an  
30 interim chairman of the School Reform Commission, who shall have

1 the full power and authority of the School Reform Commission.  
2 The interim chairman shall serve for a term not to exceed thirty  
3 (30) days. The interim chairman may be appointed to the School  
4 Reform Commission pursuant to this section.

5 (c) The School Reform Commission may suspend or dismiss the  
6 superintendent or any person acting in an equivalent capacity.

7 (e) The following shall apply:

8 (1) The School Reform Commission shall be responsible for  
9 the operation, management and educational program of the school  
10 district of the first class. The powers and duties of the board  
11 of school directors of a school district of the first class  
12 shall be suspended. All powers and duties granted heretofore to  
13 the board of school directors of a school district of the first  
14 class under this act or any other law, including its authority  
15 to levy taxes and incur debt, shall be vested in the School  
16 Reform Commission until the Secretary of Education issues a  
17 declaration under subsection (n).

18 (2) The School Reform Commission may enter into agreements  
19 necessary to provide for the operation, management and  
20 educational programs of the school district of the first class.  
21 The agreements shall include appropriate fiscal and academic  
22 accountability measures. Academic accountability measures shall  
23 include:

24 (i) Strategic goals and objectives for improving academic  
25 performance.

26 (ii) Methods setting forth how the strategic goals and  
27 objectives are to be achieved and the specific methodology for  
28 evaluating results.

29 (h) The School Reform Commission shall be responsible for  
30 financial matters related to the distressed school district of

1 the first class and:

2 (1) All taxes authorized to be levied by a school district  
3 of the first class or for a school district of the first class  
4 by a city or county of the first class on the date of the  
5 declaration of distress shall continue to be authorized and  
6 levied in accordance with this act and shall be transmitted to  
7 the school district. For the first fiscal year or part thereof  
8 and every fiscal year thereafter in which the school district is  
9 declared to be distressed, the amount appropriated or paid by  
10 the city or county to the school district and the tax authorized  
11 by the city or county to be levied for the school district or  
12 dedicated to the school district shall be an amount or tax not  
13 less than the highest amount paid by the city or county to the  
14 school district or authorized by the city or county to be levied  
15 for the school district or dedicated to the school district  
16 during any of the three full preceding fiscal years. In  
17 addition, the city of the first class shall provide to the  
18 school district of the first class all other available local  
19 non-tax revenue, including grants, subsidies or payments made  
20 during the prior year.

21 (2) In addition to the moneys collected under paragraph (1),  
22 the city of the first class shall remit to the school district  
23 of the first class for each year that the school district is  
24 declared distressed that portion of all other local tax revenue  
25 levied for a full fiscal year by a city or county of the first  
26 class coterminous with a school district of the first class that  
27 was allocated to the school district prior to the school  
28 district being declared distressed in accordance with section  
29 691(c).

30 (3) All taxes collected on behalf of a school district of

1 the first class by any person or entity, including a city or  
2 county of the first class, shall be promptly paid following  
3 collection to the School Reform Commission for the benefit of  
4 the school district.

5 (4) In the event the city or county of the first class does  
6 not meet the financial obligations prescribed in this  
7 subsection, the Commonwealth may apply to that obligation any  
8 amounts otherwise due from the Commonwealth to the city or  
9 county of the first class, including, but not limited to,  
10 grants, awards and moneys collected by the Commonwealth on  
11 behalf of the city or county of the first class. Funds withheld  
12 shall be maintained in a separate account by the State Treasurer  
13 to be disbursed as determined by the Secretary of Education in  
14 consultation with the State Treasurer.

15 (5) The School Reform Commission shall adopt a budget.

16 (i) In addition to all powers granted to the superintendent  
17 by law and a special board of control under section 693 and  
18 notwithstanding any other law to the contrary, the School Reform  
19 Commission shall have the following powers:

20 (1) To appoint such persons and other entities as needed to  
21 conduct fiscal and performance audits and other necessary  
22 analyses.

23 (2) To enter into agreements with persons or for-profit or  
24 nonprofit organizations to operate one or more schools. A school  
25 operated under this clause shall be funded in accordance with  
26 the terms of the agreement.

27 (i) All applications to operate a charter school in a school  
28 year after a declaration of distress is issued and all charter  
29 schools established after a declaration of distress is issued  
30 shall not be subject to sections 1717-A(b), (c), (d), (e), (f),

1 (g), (h) and (i), 1722-A(c) and 1724-A.

2 (ii) The School Reform Commission may suspend or revoke a  
3 charter pursuant to section 1729-A.

4 (3) To suspend the requirements of this act and regulations  
5 of the State Board of Education except that the school district  
6 shall remain subject to those provisions of this act set forth  
7 in sections 1073, 1073.1, 1076, 1077, 1078, 1080, 1732-A(a), (b)  
8 and (c), 1714-B and 2104 and regulations under those sections.

9 (4) To employ professional and senior management employes  
10 who do not hold State certification if the School Reform  
11 Commission has approved the qualifications of the person at a  
12 salary established by the commission.

13 (5) To enter into agreements with persons or for-profit or  
14 nonprofit organizations providing educational or other services  
15 to or for the school district. Services provided under this  
16 clause shall be funded in accordance with the terms of the  
17 agreement.

18 (6) Notwithstanding any other provisions of this act, to  
19 close or reconstitute a school, including the reassignment,  
20 suspension or dismissal of professional employes.

21 (7) To suspend professional employes without regard to the  
22 provisions of section 1125.1.

23 (8) To appoint managers, administrators or for-profit or  
24 nonprofit organizations to oversee the operations of a school or  
25 group of schools within the school district.

26 (9) To reallocate resources, amend school procedures,  
27 develop achievement plans and implement testing or other  
28 evaluation procedures for educational purposes.

29 (10) To supervise and direct principals, teachers and  
30 administrators.

1 (11) To negotiate any memoranda of understanding under the  
2 collective bargaining agreement in existence on the effective  
3 date of this section.

4 (12) To negotiate a new collective bargaining agreement.

5 (13) To delegate to a person, including an employe of the  
6 school district or a for-profit or nonprofit organization,  
7 powers it deems necessary to carry out the purposes of this  
8 article, subject to the supervision and direction of the School  
9 Reform Commission.

10 (14) To employ, contract with or assign persons or for-  
11 profit or nonprofit organizations to review the financial and  
12 educational programs of school buildings and make  
13 recommendations to the School Reform Commission regarding  
14 improvements to the financial or educational programs of school  
15 buildings.

16 (j) The board of school directors of the distressed school  
17 district of the first class shall continue in office for the  
18 remainder of their terms during the time the district is  
19 operated by the commission unless removed for neglect of duty  
20 under section 318 by the court of common pleas or unless the  
21 director is elected to another position not compatible with the  
22 position of school director or is appointed to a position for  
23 which there is a requirement that the appointee shall hold no  
24 elective office. The board of school directors shall perform any  
25 duties delegated to it by the commission. The establishment of  
26 the School Reform Commission shall not interfere with the  
27 regular selection of school directors for the school district of  
28 the first class.

29 (k) Collective bargaining between employes and the school  
30 district of the first class shall be conducted in accordance

1 with this subsection. For purposes of collective bargaining, as  
2 used in section 693 and this section: "professional employe"  
3 shall have the meaning given in section 1101(1), and "teacher"  
4 shall have the meaning given in section 1202-A.

5 (2) No distressed school district of the first class shall  
6 be required to engage in collective bargaining negotiations or  
7 enter into memoranda of understanding or other agreements  
8 regarding any of the following issues:

9 (i) Contracts with third parties for the provision of goods  
10 or services, including educational services or the potential  
11 impact of such contracts on employes.

12 (ii) Decisions related to reductions in force.

13 (iii) Staffing patterns and assignments, class schedules,  
14 academic calendar, places of instruction, pupil assessment and  
15 teacher preparation time.

16 (iv) The use, continuation or expansion of programs  
17 designated by the School Reform Commission as pilot or  
18 experimental programs.

19 (v) The approval or designation of a school as a charter or  
20 magnet school.

21 (vi) The use of technology to provide instructional or other  
22 services.

23 (3) A collective bargaining agreement for professional  
24 employes entered into after the expiration of the agreement in  
25 effect on the date of the declaration of distress shall provide  
26 for the following:

27 (i) A school day for professional employes that is equal to  
28 or exceeds the State average as determined by the department. An  
29 extension of the school day resulting from this requirement  
30 shall be used exclusively for instructional time for students.

1 (ii) The number of instructional days shall be equal to or  
2 exceed the State average number of instructional days.

3 (iii) The School Reform Commission shall not increase  
4 compensation for employes solely to fulfill the requirements  
5 under subparagraphs (i) and (ii).

6 (4) A provision in any contract in effect on the date of the  
7 declaration of distress under this subsection that is in  
8 conflict with this subsection shall be discontinued in any new  
9 or renewed contract.

10 (5) Except as specifically provided in section 693, nothing  
11 in this subsection shall eliminate, supersede or preempt any  
12 provision of an existing collective bargaining agreement until  
13 the expiration of the agreement unless otherwise authorized by  
14 law.

15 (6) If upon the termination of a collective bargaining  
16 agreement in effect on the date of the declaration of distress  
17 under this section a new collective bargaining agreement has not  
18 been ratified, the School Reform Commission shall establish a  
19 personnel salary schedule to be used until a new agreement is  
20 ratified.

21 (1) During the time the school district of the first class  
22 is under the direction of the School Reform Commission, all  
23 school employes shall be prohibited from engaging in any strike  
24 as defined in Article XI-A and section 301 of the act of July  
25 23, 1970 (P.L.563, No.195), known as the "Public Employe  
26 Relations Act." The Secretary of Education may suspend the  
27 certificate of an employe who violates this subsection.

28 (n) The Secretary of Education, only upon the recommendation  
29 of a majority of the School Reform Commission, may issue a  
30 declaration to dissolve the School Reform Commission. The

1 dissolution declaration shall be issued at least one hundred  
2 eighty (180) days prior to the end of the current school year  
3 and shall be effective at the end of that school year. Except as  
4 otherwise provided in this section, after dissolution the board  
5 of school directors shall have the powers and duties of the  
6 School Reform Commission.

7 (n.1) When a declaration has been issued by the Secretary of  
8 Education under section 691(c) and a School Reform Commission  
9 has been appointed under this section, section 1705-B shall be  
10 suspended for school districts of the first class.

11 (n.2) Beginning in 2003, by August 31 of each year, the  
12 School Reform Commission shall provide a report for the  
13 preceding school year regarding progress made toward  
14 improvements in fiscal and academic performance in a school  
15 district of the first class. The report shall be filed with the  
16 Governor's Office and with the chairman and minority chairman of  
17 the Education Committee of the Senate and the chairman and  
18 minority chairman of the Education Committee of the House of  
19 Representatives.

20 (o) The provisions of this section are severable. If any  
21 provision of this section or its application to any person or  
22 circumstance is held invalid, the invalidity shall not affect  
23 the remaining provisions or applications.] This subarticle shall  
24 not apply to school districts of the first class.

25 Section 2. The school directors under section 403 of the act  
26 shall implement this act.

27 Section 3. This act shall take effect as follows:

28 (1) The amendment of section 696 of the act shall take  
29 effect in 180 days.

30 (2) The remainder of this act shall take effect

1 immediately.