



## Legislative Update: Looking Ahead to the Week of June 21

We're coming down to the wire in terms of the 2021-22 state budget, and so far, things are looking pretty positive for education on multiple fronts. That said, just a caveat at this time of year—anything can change...and change quickly!

First—for now, it seems very possible and probable that the budget will be done by June 26 or 27, and it seems unlikely that discussions or issues will extend beyond that time frame. As of now, things remain on track, and folks are busy in the capitol right now moving pieces into place to make that timeline work.

Second—for now, it seems that the tentative agreement on the numbers includes a significant increase for BEF—we continue to hear, on multiple fronts, that the increase is somewhere in the neighborhood of \$300 million. How additional funding for SEF fits into the puzzle (if there is any additional SEF, and, if so, if it is part of the \$300 million total or on top of it, remains a mystery). Overall—however, this is good news, assuming that things don't change over the next several days to put these plans in jeopardy.

Surprised by the possible numbers on the table? As it appears that a significant increase for BEF is very possible—it is likely due to a corresponding increase to the tax credits available under the EITC/OSTC programs. We have heard that there will be some increase in the tax credits, but also likely the 25% escalator that was included in Senate Bill 1 will be part of the deal as well (i.e., if at least 90% of the tax credits are used in a FY, the total amount available for next FY increases by 25%).

Finally, the omnibus School Code bill is starting to come together, and while we expect some of the EITC/OSTC components of Senate Bill 1 to find their way into the bill, not much else from that proposal seems likely. We are hearing that many of the policy changes in several bills on the agenda for the week (see below) could be candidates, along with some flexibility for substitute teachers, out-of-state certifications and continuation of some existing programs. These meetings are in full swing and amendments and language adjustments are moving quickly on all fronts.

One thing that doesn't appear to be anywhere on any table is charter school reform. While the Senate struggled with Senate Bill 1 last week (see below for details), unless that policy is miraculously

resurrected, it doesn't appear that charter school reform—in any form—will find its way into the budget or school code this year. That doesn't mean the conversation is dead...it just means it shifts to the fall.

So, while we head into the final week of budget negotiations (we hope!), be ready for some excitement and expect some ups and downs. Stay tuned!

## Recap...

Last week, the **House Education Committee** held a voting meeting to approve [Senate Bill 381](#) (Sen. Martin, R-Lancaster). The bill amends the Public-School Code to extend the ability to hire prospective teachers as substitutes. The bill now goes to the floor for consideration by the full House. This bill is a key contender for becoming a vehicle for the omnibus School Code.

Last week the **Senate Education Committee** held a voting meeting to amend and approve [Senate Bill 1](#) (Sen. Martin, R-Lancaster). The underlying bill amended the Public-School Code to provide significant modifications to the Charter School Law, including the creation of a statewide authorizer for charter schools—the Public Charter School Commission, clarification of the outcome in decisions when the Charter Appeal Board fails to meet, modifications to the charter school trustee requirements, and extension of the charter terms. The bill also makes significant increases to the EITC/OSTC programs, increasing the available tax credits to \$300 million for scholarship organizations, educational improvement organizations, and pre-kindergarten scholarship organizations, and increasing the tax credits to \$100 million for opportunity scholarship organizations, adding a 25% escalator if at least 90% of the credits are used each year and reducing the threshold in the definition of economically disadvantaged school. The bill also includes some other changes, including reinstating the mandate waiver program.

The bill was amended to remove the language that created a statewide authorizer for charter schools—the Public Charter School Commission. It was also amended with some charter school funding reform—a plan that would maintain the existing calculation for both regular and special education charter school tuition rates but would also provide districts with a \$250 reduction in year one on the regular education rate and a \$500 reduction in year one on the special education rate. Those reductions would increase by \$250 and \$500 per year for two additional years. That's it.

While the language was amended into the bill, and the bill moved back to the full Senate for consideration, the vote on the floor never came. It remains to be seen if there will be any further attempts to move this bill this week.

## This Week...

The **House Education Committee** will meet on **Tuesday, June 22** to consider the following bills:

- [House Bill 1446](#) (Rep. Sonney, R-Erie), which amends the Public School Code to provide for special education students aging out of services in the 2021-22 school year to extend their enrollment for an additional year.
- [House Bill 1533](#) (Rep. Topper, R-Cambria), which amends the Public School Code to provide some processes around the use of ARP ESSER funds for learning loss, prioritizing the hiring of school employees over contractors and requiring the reporting of certain information about third party contracts.

- [House Bill 1660](#) (Rep. Sonney, R-Erie), which amends the Public School Code to, generally, reduce from four years to 60 days the timeline for a school board's emergency powers, creating a limited opportunity for extension.

The **Senate Education Committee** will also meet on **Tuesday, June 22** to consider the nomination of Noe Ortega as Secretary of Education and to consider a couple of bills, including [House Bill 1013](#) (Rep. Gleim, R-Cumberland), which amends the Public School Code to require CTE certifications be included on transcripts.