

AMENDMENTS TO SENATE BILL NO. 315

Sponsor: REPRESENTATIVE J. HARRIS

Printer's No. 249

1 Amend Bill, page 1, lines 1 through 20; page 2, lines 1
2 through 4; by striking out all of said lines on said pages and
3 inserting
4 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
5 act relating to the public school system, including certain
6 provisions applicable as well to private and parochial
7 schools; amending, revising, consolidating and changing the
8 laws relating thereto," in certification of teachers,
9 providing for assessment of basic skills; in pupils and
10 attendance, further providing for exceptional children and
11 education and training; in school safety and security,
12 further providing for School Safety and Security Grant
13 Program and providing for school safety and mental health
14 grants for 2025-2026 school year; in Drug and Alcohol
15 Recovery High School Program, further providing for scope of
16 program and selection of students and for enrollment of
17 students; in charter schools, further providing for funding
18 for cyber charter schools; in career and technical education,
19 further providing for career and technical education
20 equipment grants; in community colleges, further providing
21 for financial program and reimbursement of payments; in State
22 colleges, further providing for powers and duties of the
23 State Board of Higher Education, for definitions, for
24 Performance-based Funding Council and for public institution
25 of higher education reporting, establishing the State-related
26 University Performance Fund and providing for performance-
27 based funding formula and for public accountability; in
28 funding for public libraries, providing for State Aid for
29 Fiscal Year 2025-2026; in reimbursement by Commonwealth and
30 between school districts, further providing for student-
31 weighted basic education funding beginning with 2023-2024
32 school year, for assistance to school districts declared to
33 be in financial recovery status or identified for financial
34 watch status and for Ready-to-Learn Block Grant; and, in
35 construction and renovation of buildings by school entities,
36 further providing for applicability.
37 The General Assembly of the Commonwealth of Pennsylvania hereby

1 enacts as follows:

2 Section 1. The act of March 10, 1949 (P.L.30, No.14), known
3 as the Public School Code of 1949, is amended by adding a
4 section to read:

5 Section 1207.5. Assessment of Basic Skills.--An assessment
6 of basic skills as defined in 22 Pa. Code § 49.1 (relating to
7 definitions) shall not be permitted for admission into a
8 Commonwealth educator preparation program or required for
9 issuance by the Department of Education for a certificate type
10 or area, including an instructional, career and technical,
11 education specialist, intern or administrative certificate.

12 Section 2. Section 1372(8) of the act is amended by adding a
13 subparagraph to read:

14 Section 1372. Exceptional Children; Education and
15 Training.--* * *

16 (8) Reporting of Expenditures Relating to Exceptional
17 Students.

18 * * *

19 (vi) For purposes of reporting expenditures under this
20 section and for calculating the costs for educating a special
21 education student, costs shall be in accordance with Department
22 of Education guidance and shall include the following:

23 (A) Eligible instruction costs per special education student
24 when specified in the student's individualized education plan
25 shall include:

26 (I) Prorated salary and benefits for a classroom special
27 education teacher.

28 (II) Prorated salary and benefits for a classroom aide, if
29 the aide is assigned to a group of students.

30 (III) Total cost of salary and benefits if a
31 paraprofessional or one-on-one aide is assigned to the student.

32 (B) Eligible related services costs per special education
33 student when specified in the student's individualized education
34 plan shall include:

35 (I) Prorated transportation cost if the vehicle is
36 transporting multiple students at one time.

37 (II) Total transportation cost if the vehicle is
38 transporting only the student receiving services.

39 (III) Prorated cost of speech and language services if
40 services are provided to a group of students.

41 (IV) Total cost of speech and language services if services
42 are provided to the student receiving services.

43 (V) Total cost of individual services, including
44 occupational therapy, physical therapy, vision services, hearing
45 services, orientation and mobility and related services.

46 (VI) Prorated cost of school nursing services if services
47 are provided to a group of students.

48 (VII) Total cost of a one-on-one nurse if the nurse is
49 assigned to a student receiving services.

50 (C) Eligible specialized equipment costs per special
51 education student when specified in the student's individualized

1 education plan shall include:

2 (I) Total cost of braille materials for the student
3 receiving services.

4 (II) Total cost of assistive technology for the student
5 receiving services.

6 (III) Total cost of other equipment for the student
7 receiving services.

8 (D) Ineligible costs that may not be used in the calculation
9 include:

10 (I) Administrative costs.

11 (II) Nonspecialized transportation costs.

12 (III) General education costs, which are not applicable to
13 special education services.

14 Section 3. Section 1306-B(h) of the act is amended by adding
15 a paragraph to read:

16 Section 1306-B. School Safety and Security Grant Program.

17 * * *

18 (h) School Safety and Security Fund.--

19 * * *

20 (14) Notwithstanding any other provision of law, during
21 the 2025-2026 fiscal year, money in the fund shall be used as
22 follows:

23 (i) One hundred million dollars shall be used for
24 school safety and mental health grants under section
25 1314.2-B.

26 (ii) Twenty million seven hundred thousand dollars
27 shall be used for targeted school safety grants under
28 section 1306.1-B.

29 * * *

30 Section 4. The act is amended by adding a section to read:
31 Section 1314.2-B. School safety and mental health grants for
32 2025-2026 school year.

33 (a) Funding.--For the 2025-2026 school year, the money under
34 section 1306-B(h)(14)(i) shall be used by the committee to award
35 school safety and mental health grants to school entities in
36 accordance with this section.

37 (b) Purpose of grants.--

38 (1) A school entity shall be eligible for school safety
39 and mental health grants to meet the level 1 baseline
40 criteria for physical security or behavioral health and
41 school climate criteria established by the committee.

42 (2) If a school entity has met the level 1 baseline
43 criteria for physical security, the school entity shall be
44 eligible to expend funding for activities outlined in section
45 1306-B(j)(1), (2), (3), (4), (5), (7), (8), (9), (11), (12),
46 (13), (14), (16), (18), (22) and (23).

47 (3) If a school entity has met the level 1 baseline
48 criteria for behavioral health and school climate, the school
49 entity shall be eligible to expend funding for activities
50 outlined in section 1306-B(j)(6), (10), (15), (17), (19),
51 (20), (21), (23), (24), (25), (26), (27), (28), (29), (30)

1 and (31).
2 (c) Amount of grants.--The committee shall award school
3 safety and mental health grants to each school entity that
4 submits an application in the following amounts:
5 (1) A school district shall receive:
6 (i) \$100,000; and
7 (ii) the amount determined under paragraph (3).
8 (2) An intermediate unit, area career and technical
9 school, charter school, regional charter school and cyber
10 charter school shall receive \$70,000.
11 (3) An amount determined as follows:
12 (i) Multiply the 2023-2024 adjusted average daily
13 membership for each school district by the difference
14 between the amount allocated in subsection (a) and the
15 sum of the amounts distributed under paragraphs (1) and
16 (2).
17 (ii) Divide the product from subparagraph (i) by the
18 2023-2024 adjusted average daily membership for all
19 school districts.
20 (d) Availability of applications.--The committee shall make
21 an application for grants under this section available to school
22 entities no later than 45 days after the effective date of this
23 subsection. The application requirements shall be limited to the
24 school entity's contact information, the specific purpose of the
25 grant based upon the categories specified in subsection (b),
26 with boxes on the application for the applicant to indicate the
27 school entity's anticipated use and certification by the
28 applicant that the money will be used for the stated purpose.
29 (e) Effect of revenue received.--Grant money received under
30 this section may not be included when calculating the amount to
31 be paid under section 1725-A.
32 (f) Audit and monitoring.--The committee shall randomly
33 audit and monitor grant recipients to ensure the appropriate use
34 of grant money and compliance with provisions of the grant
35 program.
36 (g) Definitions.--As used in this section, the following
37 words and phrases shall have the meanings given to them in this
38 subsection unless the context clearly indicates otherwise:
39 "School entity." A school district, area career and
40 technical school, intermediate unit, charter school, regional
41 charter school and cyber charter school.
42 Section 5. Sections 1403-A(a) and 1403.1-A(a)(2) of the act
43 are amended to read:
44 Section 1403-A. Scope of program and selection of students.
45 (a) Maximum participation.--
46 (1) Beginning in the 2017-2018 school year, a maximum of
47 20 students in grades 9 through 12 may be enrolled in the
48 recovery high school under the program at any one time.
49 (2) Beginning in the 2025-2026 school year, a maximum of
50 35 students in grades 9 through 12 may be enrolled in the
51 recovery high school under the program at any one time.

1 * * *
2 Section 1403.1-A. Enrollment of students.
3 (a) Conditions.--A student may enroll in the recovery high
4 school under the program established in section 1402-A if the
5 following apply:

6 * * *
7 (2) If fewer than [20 students] the maximum number of
8 students that may be enrolled under subsection 1403-A
9 residing in a school district of the first class enroll in
10 the recovery high school under the program at any time, a
11 student who resides in a school district other than a school
12 district of the first class may enroll in the recovery high
13 school under the program if the student's parent or guardian
14 has applied for enrollment in the recovery high school on the
15 student's behalf.

16 * * *
17 Section 5.1. Section 1725.1-A of the act, added July 11,
18 2024 (P.L.618, No.55), is amended to read:

19 Section 1725.1-A. Funding for Cyber Charter Schools.--(a)
20 There shall be no tuition charge for a resident or nonresident
21 student attending a cyber charter school.

22 (b) Notwithstanding [section 1725-A(a)(3)] section 1725-A(a)
23 (2) and (3), per-student funding amounts for non-special
24 education students and special education students attending a
25 cyber charter school shall be calculated in accordance with this
26 section and shall be paid by the school district of residence of
27 each student.

28 (c) Effective January 1, 2025, [and the entirety of each
29 school year thereafter] through the end of the 2024-2025 school
30 year, for special education students, a cyber charter school
31 shall receive for each student enrolled the lesser of:

32 (1) the amount calculated under section 1725-A(a)(3); or

33 (2) the same funding as for each non-special education
34 student as provided in section 1725-A(a)(2), plus an additional
35 amount determined by dividing the district of residence's total
36 special education expenditure by the school district of
37 residence's total special education average daily membership for
38 the prior school year.

39 (d) For the 2024-2025 school year, the monthly payments for
40 July through December for special education students shall be
41 based upon the rate calculated under section 1725-A(a)(3) and
42 the monthly payments for January through June for special
43 education students shall be based upon the rate calculated in
44 subsection (c).

45 (e) For the 2025-2026 school year and each school year
46 thereafter, for non-special education students, a cyber charter
47 school shall receive for each student enrolled an amount
48 calculated as follows:

49 (1) The amount under section 1725-A(a)(2) adjusted as
50 follows:

51 (i) The budgeted expenditures of the school district shall

1 include the following additional deductions: tuition paid to
2 cyber charter schools for non-special education students; tax
3 assessment and collection services; sixty per centum of student
4 activities; and sixty per centum of operations and maintenance
5 of plant services.

6 (ii) The average daily membership of the school district for
7 students enrolled in a cyber charter school shall be deducted
8 from the average daily membership of the school district.

9 (2) Multiply the amount determined under paragraph (1) by
10 the following:

11 (i) For a school district of the first class A, the lesser
12 of one (1) or the amount determined under section 2502.56(d) (2)

13 (ii) for the school district for the most recent year available
14 as of the first day of June preceding the school year for which
15 the per-student funding amounts apply.

16 (ii) For all other school districts, one (1).

17 (f) For the 2025-2026 school year and each school year
18 thereafter, for special education students, a cyber charter
19 school shall receive for each student enrolled the lesser of:

20 (1) the same funding as for each non-special education
21 student as provided in section 1725-A(a) (2), plus an additional
22 amount determined by dividing the school district of residence's
23 total special education expenditure by the school district of
24 residence's total special education average daily membership for
25 the prior school year; or

26 (2) the amount determined under subsection (e) for the
27 school district multiplied by one and eighty-nine hundredths
28 (1.89).

29 (g) Notwithstanding section 1725-A(a) (5), payments shall be
30 made to the cyber charter school in twelve (12) equal monthly
31 payments, by the fifth day of each month, within the operating
32 school year. A student enrolled in a cyber charter school shall
33 be included in the average daily membership of the student's
34 school district of residence for the purpose of providing basic
35 education funding payments and special education funding
36 pursuant to Article XXV. If a school district fails to make a
37 payment to a cyber charter school as prescribed in this
38 subsection, the secretary shall deduct the estimated amount, as
39 documented by the cyber charter school using the most recently
40 available per-student amounts posted under section 1725-A(a) (7),
41 from any and all State payments made to the district after
42 receipt of documentation from the cyber charter school. The
43 secretary shall not make a deduction on behalf of a cyber
44 charter school unless the documentation from the cyber charter
45 school uses the per-student amount that is posted under section
46 1725-A(a) (7). No later than October 1 of each year, a cyber
47 charter school shall submit to the school district of residence
48 of each student final documentation of payment to be made using
49 the per-student amounts posted under 1725-A(a) (7) and the
50 average daily membership for the students enrolled in the cyber
51 charter school from the school district for the previous school

1 year. If a school district fails to make payment to the cyber
2 charter school, the secretary shall deduct and pay the amount as
3 documented by the cyber charter school using the per-student
4 amounts reported under section 1725-A(a)(7) from any and all
5 State payments made to the school district after receipt of
6 documentation from the cyber charter school from the
7 appropriations for the fiscal year in which the final
8 documentation of payment was submitted to the school district of
9 residence.

10 (h) Notwithstanding section 1725-A(a)(6), not later than
11 thirty (30) days after the secretary makes the deduction
12 described in subsection (g), a school district may notify the
13 secretary that the deduction made from State payments to the
14 school district under this subsection is inaccurate. The
15 secretary shall provide the school district with an opportunity
16 to be heard concerning whether the cyber charter school
17 documented that its students were enrolled in the cyber charter
18 school, the period of time during which each student was
19 enrolled, the school district of residence of each student and
20 whether the amounts deducted from the school district were
21 accurate.

22 Section 6. Section 1855 of the act is amended by adding a
23 subsection to read:

24 Section 1855. Career and Technical Education Equipment
25 Grants.--* * *

26 (f.1) The Department of Education shall use data for the
27 calculations required under this section based on the most
28 recent years for which data is available, as determined by the
29 Department of Education, and shall fix the data as of the first
30 day of June preceding the school year in which the allocation
31 occurs. If the data based on the first day of June is found by
32 the Department of Education to be incorrect, the Department of
33 Education shall revise the calculations accordingly.

34 * * *

35 Section 7. Section 1913-A(b)(1.6) of the act is amended by
36 adding a subclause to read:

37 Section 1913-A. Financial Program; Reimbursement of
38 Payments.--* * *

39 (b) * * *

40 (1.6) For the 2006-2007 fiscal year and each fiscal year
41 thereafter, the payment for a community college shall consist of
42 the following:

43 * * *

44 (xxi) For fiscal year 2025-2026, each community college
45 shall receive an amount equal to the following:

46 (A) An amount equal to the reimbursement received in fiscal
47 year 2024-2025 under subclauses (xix)(A) and (C) and (xx).

48 (B) An amount equal to the economic development stipend
49 received in fiscal year 2024-2025 under subclause (xix)(B).

50 * * *

51 Section 8. Section 2011-L(c)(6) of the act, added July 17,

2024 (P.L.818, No.69), is amended to read:
Section 2011-L. Powers and duties of State Board of Higher
Education.

* * *

(c) Duties.--The board shall perform all duties appropriate to carry out and effectuate the board's purposes under this article, including, but not limited to:

* * *

[(6) Establish the council to carry out the purposes of Subarticle C.]

* * *

Section 9. Section 2031-L of the act is amended by adding definitions to read:

Section 2031-L. Definitions.

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

"Council." The Performance-based Funding Council established and reconstituted under section 2032-L.

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

"Fund." The State-related University Performance Fund established under section 2034-L.

"High-demand degree." A bachelor's degree that is aligned with the in-demand occupations in the Grow Pennsylvania Scholarship Grant Program under Subarticle D.

"Higher education price index." The average total cost of attendance for colleges and universities nationally, determined by the council in consultation with the department, using publicly available data, including information published by the CommonFund Institute.

"Low-matriculation high school." A public high school in this Commonwealth determined to have a college matriculation rate less than or equal to 40%.

"Short-term workforce demand projection." The sum of all Statewide short-term projected job openings, as published by the Department of Labor and Industry, in occupations that require at least a bachelor's degree and align with the in-demand occupations in the Grow Pennsylvania Scholarship Grant Program under Subarticle D.

* * *

Section 10. Section 2032-L(a), (c), (d), (e), (i) and (l) of the act, added July 17, 2024 (P.L.960, No.90), are amended and the section is amended by adding subsections to read:

Section 2032-L. Performance-based Funding Council.

(a) Purpose.--The Performance-based Funding Council [is established and] shall [develop]:

(1) Develop a process to distribute funding to the State-related universities. The process shall utilize performance-based metrics designed to increase degree attainment, encourage affordability in higher education, meet

workforce needs and grow the economy.

(2) Oversee the performance-based funding formula by assigning performance goals and weights.

(3) Make legislative recommendations to the Governor and the General Assembly regarding the performance-based funding formula.

(a.1) Establishment and reconstitution.--

(1) The Performance-based Funding Council is established.

(2) The council shall be reconstituted on the effective date of this subsection.

* * *

(c) Membership.--

(1) The council shall consist of voting members appointed under paragraph (2) and nonvoting members, who shall serve in an advisory role, described under paragraph (3).

(2) The voting members of the council shall consist of the following members [of the State Board of Higher Education under section 2010-L(c)]:

(i) The Secretary of Education [appointed under section 2010-L(c) (1)] or a designee who is a deputy secretary of the department.

(ii) One member of the Senate appointed by the President pro tempore of the Senate [appointed under section 2010-L(c) (3)].

(iii) One member of the Senate appointed by the Minority Leader of the Senate [appointed under section 2010-L(c) (4)].

(iv) One member of the House of Representatives appointed by the Speaker of the House of Representatives [appointed under section 2010-L(c) (5)].

(v) One member of the House of Representatives appointed by the Minority Leader of the House of Representatives [appointed under section 2010-L(c) (6)].

(3) The nonvoting members of the council shall be:

(i) The President of The Pennsylvania State University or a designee.

(ii) The Chancellor of the University of Pittsburgh or a designee.

(iii) The President of Temple University or a designee.

(c.1) Term.--Voting members of the council appointed under subsection (c) (2) (ii), (iii), (iv) and (v) shall serve a term of office coterminous with the respective elective term of the members of the General Assembly. The Secretary of Education shall serve as long as the Secretary of Education is in office.

(d) Chairperson.--The voting members of the council shall appoint a member to serve as the chairperson. The council shall vote not later than every 24 months to appoint a member to serve as chairperson.

1 (e) Council meetings.--The meetings of the council shall be
2 [held bimonthly and] at the call of the chairperson as necessary
3 and shall be conducted in accordance with the requirements of 65
4 Pa.C.S. Ch. 7 (relating to open meetings).

5 * * *

6 (h.1) Administrative support.--The General Assembly and the
7 department shall provide administrative support for the council.

8 (i) Powers and duties.--The council [shall]:

9 (1) [Consult] May consult with Commonwealth agencies and
10 experts to assist in carrying out the duties of this section.

11 (2) [Hold] May hold public hearings at [each one of the
12 State-related universities and receive input from experts and
13 interested parties, including parents and students.] the call
14 of the chair to receive input from experts and interested
15 parties.

16 (3) [Develop] Shall develop recommendations for a
17 process that utilizes performance-based metrics to distribute
18 funding.

19 (4) [No] Shall, no later than [April 30, 2025,] May 5,
20 2025, transmit the recommendations to the Governor, the
21 board, the department and the General Assembly, including
22 draft legislation to implement the process to distribute
23 funding.

24 (5) Shall annually assign performance goals and weights
25 under section 2035-L for the performance-based funding
26 formula.

27 * * *

28 (l) [Dissolution and reconstitution.--

29 (1) Upon transmittal of the report under subsection (i)
30 (4), the council shall dissolve until reconstituted under
31 paragraph (2).

32 (2) The board shall reconstitute the council every five
33 years to reevaluate the performance metrics utilized for the
34 distribution of funds to State-related universities.]

35 (Reserved).

36 (m) Workforce outcomes.--

37 (1) The Department of Labor and Industry and the
38 department shall develop an analysis on postsecondary
39 graduate employment outcomes for State-related universities,
40 including earnings and employment outcomes for graduates by
41 degree level, degree major and state in which an individual
42 is employed.

43 (2) The council shall consider the information and
44 analysis on postsecondary graduate employment outcomes as
45 part of future recommendations by the council relating to
46 improvement and affordability under section 2035-L(f).

47 Section 11. Section 2033-L of the act, added July 17, 2024
48 (P.L.960, No.90), is amended to read:

49 Section 2033-L. Public institution of higher education
50 reporting.

51 (a) Requirements.--Notwithstanding any other provision of

1 law, the following information shall be reported, including
2 disaggregated data sets for resident students, nonresident
3 students, undergraduate students and graduate students, to the
4 department by public institutions of higher education:

5 (1) Student enrollment[, including in-State and out-of-
6 State students,] disaggregated by demographics, enrollment
7 status and degree type [and level].

8 (2) Students reaching 30, 60, 90 and 120 credit hour
9 thresholds.

10 (3) Students completing credentials, including
11 credentials aligned to high-priority occupations.

12 (4) Students included in priority populations, including
13 low-income students, underrepresented minority students and
14 academically unprepared students.

15 (4.1) For State-related universities, performance
16 metrics data under section 2034-L(e).

17 (5) Any other data required by the department, including
18 data related to the metrics under section 2032-L.

19 (b) Transmittal.--

20 (1) A public institution of higher education shall
21 report information required under this section to the
22 department in a manner and form prescribed by the department.

23 (2) Each State-related university shall annually
24 transmit data to the department no later than February 1 of
25 each year. The department shall transmit data to the council
26 in a timely manner.

27 (c) Submission.--The system may submit the information
28 required under this section on behalf of the State-owned
29 universities.

30 (d) Exclusion.--The provisions of section 118 shall not
31 apply to any data required under this section.

32 (e) Data sharing.--

33 (1) The department may share data collected under this
34 section with the board [and the council].

35 (2) The department shall share data collected under this
36 section with the council.

37 (3) The following shall apply to confidential data
38 shared under this subsection:

39 (i) Within 120 days of the effective date of this
40 subsection, the department shall enter into a data use
41 agreement with the council. The data use agreement shall
42 include terms to ensure that the data is kept
43 confidential and secure and remain confidential in
44 accordance with the Family Educational Rights and Privacy
45 Act of 1974 (Public Law 90-247, 20 U.S.C. § 1232g) and
46 other applicable laws governing data sharing.

47 (ii) The department shall enter into a data use
48 agreement with the board prior to sharing data under
49 paragraph (1) and include the same terms in subparagraph
50 (i).

51 (iii) The department may utilize a disclosure method

1 to protect student privacy to prevent the identification
2 of students.

3 (f) Definition.--As used in this section, the term "student"
4 means an individual who attends an institution of higher
5 education, whether enrolled on a full-time, part-time, degree-
6 seeking, non-degree-seeking, credit or noncredit basis.

7 (g) Construction.--Nothing in the section shall be construed
8 to limit the obligations of a State-related university to
9 provide data or other information to the department or the
10 General Assembly as required by law.

11 Section 12. The act is amended by adding sections to read:
12 Section 2034-L. State-related University Performance Fund.

13 (a) Establishment.--The State-related University Performance
14 Fund is established in the State Treasury.

15 (b) Composition.--The fund shall consist of money
16 appropriated or transferred to the fund and all interest
17 earnings received from investment of money in the fund.

18 (c) Appropriations.--Money in the fund shall not be
19 appropriated except in accordance with section 30 of Article III
20 of the Constitution of Pennsylvania.

21 (d) Payments.--The Commonwealth shall pay, on an equal
22 monthly basis during the fiscal year, money from the fund as
23 provided under subsection (c) to each State-related university
24 in the amount calculated under section 2035-L for that fiscal
25 year.

26 (e) Remaining balance.--Any available balance in the fund
27 not awarded by the allocation under section 2035-L during a
28 fiscal year may not be expended in that fiscal year but shall
29 remain in the fund for appropriation under subsection (c) in a
30 subsequent fiscal year.

31 Section 2035-L. Performance-based funding formula.

32 (a) Findings and declarations.--The General Assembly finds
33 and declares that the performance-based funding formula is the
34 result of the work of the council.

35 (b) Student-weighted count.--

36 (1) No later than June 1, 2026, and each June 1
37 thereafter, the council shall assign weights to the following
38 categories of in-State students in a State-related
39 university:

40 (i) Full-time, fall undergraduate students.

41 (ii) Students who have received a Pell Grant.

42 (iii) Students who transferred from a community
43 college.

44 (iv) Students from a low-matriculation high school.

45 (v) Students who earned a high-demand degree.

46 (2) Using the categories of students and the weights
47 assigned by the council under paragraph (1), the department
48 shall annually calculate the student-weighted count using the
49 most recent data available for each State-related university.

50 (c) Maximum performance allocation.--

51 (1) No later than June 1, 2026, and each June 1

1 thereafter, the council shall assign:

2 (i) A proportion between 0 and 1 of the maximum
3 allocation that is based upon an equal share between each
4 State-related university.

5 (ii) A proportion between 0 and 1 of the maximum
6 allocation that is based upon each State-related
7 university's share of the total student-weighted count
8 determined under subsection (b)(2).

9 (iii) The sum of the assigned proportions under
10 subparagraphs (i) and (ii) shall equal 1.

11 (2) The department shall annually calculate the maximum
12 performance allocation for each State-related university as
13 follows:

14 (i) Multiply the amount available in the fund by
15 0.95.

16 (ii) Multiply the product determined in subparagraph
17 (i) by the proportion determined under paragraph (1)(ii).

18 (iii) Divide the State-related university's student-
19 weighted count calculated under subsection (b)(2) by the
20 sum of the student-weighted count for all State-related
21 universities calculated under subsection (b)(2).

22 (iv) Multiply the product determined under
23 subparagraph (ii) by the quotient determined under
24 subparagraph (iii).

25 (v) Multiply one-third by the proportion determined
26 under paragraph (1)(i).

27 (vi) Multiply the product in subparagraph (i) by the
28 product in subparagraph (v).

29 (vii) Add the products in subparagraphs (iv) and
30 (vi).

31 (d) Performance metrics and goals.--

32 (1) The State-related university's performance
33 allocation under subsection (e) shall be calculated based on
34 performance across the following metrics:

35 (i) Four-year graduation rates for in-State,
36 undergraduate students.

37 (ii) Six-year graduation rates for in-State,
38 undergraduate students.

39 (iii) Six-year graduation rates for in-State, Pell-
40 Grant-recipient undergraduate students.

41 (iv) High-demand degree production for in-State
42 undergraduate students.

43 (2) No later than June 1, 2026, and each June 1
44 thereafter, the council shall assign weights to each of the
45 performance metrics under paragraph (1) for the purpose of
46 calculating each State-related university's progress towards
47 the State-related university's goal.

48 (3) No later than June 1, 2026, and each June 1
49 thereafter, the council shall adopt a goal rate for each
50 performance metric under paragraph (1).

51 (4) The high-demand degree production goal for each

1 State-related university shall be assigned by the council as
2 follows:

3 (i) A high-demand degree production target rate
4 shall be determined as a proportion between 0 and 1.

5 (ii) Divide a State-related university's total
6 bachelor's degrees awarded for the most recent year
7 available by the Statewide bachelor's degrees awarded for
8 the most recent year available.

9 (iii) Multiply the quotient in subparagraph (ii) by
10 the short-term workforce demand projection.

11 (iv) Multiply the product in subparagraph (iii) by
12 the proportion in subparagraph (i).

13 (e) Performance allocation.--

14 (1) The department shall calculate the progress toward
15 the goal for each State-related university as follows:

16 (i) For the performance metrics in subsection (d)(1)
17 (i), (ii) and (iii), divide the current rate of each
18 metric for the most recent year available by each
19 metric's respective goal rate as determined in subsection
20 (d)(3).

21 (ii) For the metric in subsection (d)(1)(iv), divide
22 the number of high-demand degrees for the most recent
23 year available by the product in subsection (d)(4)(iv).

24 (iii) Calculate the average of the quotients in
25 subparagraphs (i) and (ii).

26 (2) The department shall calculate the performance
27 allocation for each State-related university by multiplying
28 the State-related university's maximum performance allocation
29 determined under subsection (c)(2) by the State-related
30 university's progress toward the goal determined under
31 paragraph (1).

32 (f) Improvement and affordability allocation.--

33 (1) The department shall annually calculate the total
34 amount available for the improvement and affordability
35 allocation by multiplying the amount in the fund by 0.05.

36 (2) The department shall annually calculate an
37 improvement bonus for each State-related university as
38 follows:

39 (i) Add the positive percentage point increases in
40 the rates of the performance metrics in subsection (d)(1)
41 (i), (ii) and (iii) from the most recent year of data
42 available compared to the prior year.

43 (ii) Subtract the high-demand degrees awarded for
44 the most recent year data is available by the high-demand
45 degrees awarded for the prior year.

46 (iii) Divide the difference in subparagraph (ii) by
47 the high-demand degrees awarded for the prior year.

48 (iv) Determine the greater of the quotient found in
49 subparagraph (iii) or zero.

50 (v) Add the amounts in subparagraphs (i) and (iv).

51 (3) No later than June 1, 2026, and each June 1

1 thereafter, the council shall annually assign a percentage
2 point affordability bonus for each State-related university
3 on the basis that the State-related university maintains the
4 percentage increase in their total cost of attendance for the
5 current year over the prior year by an amount less than the
6 percentage increase in the higher education price index for
7 the most recent year available.

8 (4) The improvement and affordability allocation for
9 each State-related university shall be calculated by the
10 department as follows:

11 (i) Add the amounts in paragraph (2)(v) for each
12 State-related university.

13 (ii) Add the amounts in paragraph (3) for each
14 State-related university.

15 (iii) Add the sums in subparagraphs (i) and (ii).

16 (iv) Add the sum in paragraph (2)(v) for the State-
17 related university to the amount in paragraph (3) for the
18 State-related university.

19 (v) Divide the sum in subparagraph (iv) for the
20 State-related university by the sum in subparagraph
21 (iii).

22 (vi) Multiply the quotient in subparagraph (v) by
23 the amount available for the improvement and
24 affordability allocation under paragraph (1).

25 Section 2036-L. Public accountability.

26 (a) Goals and weights.--After the council assigns the
27 performance goals and weights under section 2035-L, the chair of
28 the council shall transmit the performance goals and weights to
29 the Legislative Reference Bureau for publication in the next
30 available issue of the Pennsylvania Bulletin.

31 (b) Public posting.--The department and each State-related
32 university shall post on the publicly accessible Internet
33 website of the department and each State-related university the
34 following:

35 (1) The current year data for each of the metrics
36 included in the student-weighted count and each metric
37 included as performance metric under section 2035-L.

38 (2) The performance goals and weights assigned by the
39 council and published in the Pennsylvania Bulletin for the
40 performance metrics.

41 Section 2329. State Aid for Fiscal Year 2025-2026.

42 Notwithstanding any other provision of law to the contrary,
43 each library subject to 24 Pa.C.S. Ch. 93 (relating to public
44 library code) shall be eligible for State aid for fiscal year
45 2025-2026 as follows:

46 (1) Funds appropriated for libraries shall be
47 distributed to each library under the following formula:

48 (i) Divide the sum of the amount of funding the
49 library received in fiscal year 2024-2025 under section
50 2328 by the total State-aid subsidy for fiscal year 2024-
51 2025.

1 (ii) Multiply the quotient under subparagraph (i) by
2 the total State-aid subsidy for fiscal year 2025-2026.

3 (2) Following distribution of funds appropriated for
4 State aid to libraries under paragraph (1), any remaining
5 funds may be distributed at the discretion of the State
6 Librarian.

7 (3) If funds appropriated for State aid to libraries in
8 fiscal year 2025-2026 are less than funds appropriated in
9 fiscal year 2002-2003, the State Librarian may waive
10 standards as prescribed in 24 Pa.C.S. Ch. 93.

11 (4) Each library system receiving State aid under this
12 section may distribute the local library share of that aid in
13 a manner as determined by the board of directors of the
14 library system.

15 (5) In the case of a library system that contains a
16 library operating in a city of the second class, changes to
17 the distribution of State aid to the library shall be made by
18 mutual agreement between the library and the library system.

19 (6) In the event of a change in district library center
20 population prior to the effective date of this section as a
21 result of:

22 (i) a city, borough, town, township, school district
23 or county moving from one library center to another; or

24 (ii) a transfer of district library center status to
25 a county library system; funding of district library
26 center aid shall be paid based on the population of the
27 newly established or reconfigured district library
28 center.

29 (7) In the event of a change in direct service area from
30 one library to another, the State Librarian, upon agreement
31 of the affected libraries, may redistribute the local library
32 share of aid to the library currently servicing the area.

33 Section 13. Section 2502.56(b) (2) (ii) of the act, added July
34 11, 2024 (P.L.618, No.55), is amended and the section is amended
35 by adding a subsection to read:

36 Section 2502.56. Student-Weighted Basic Education Funding
37 Beginning with 2023-2024 School Year.--* * *

38 (b) For the 2023-2024 school year and each school year
39 thereafter, the Commonwealth shall pay to each school district a
40 basic education funding allocation which shall consist of the
41 following:

42 * * *

43 (2) A student-based allocation to be calculated as follows:

44 * * *

45 (ii) Multiply the product in subparagraph (i) by the
46 difference between the amount appropriated for the allocation of
47 basic education funding to school districts and the sum of the
48 amounts appropriated for the allocation in paragraph (1) and
49 [subsection (c)] subsections (c) and (c.1).

50 * * *

51 (c.1) For the 2024-2025 school year, the Commonwealth shall

1 pay an amount equal to five million dollars (\$5,000,000) to a
2 school district located in a county of the second class A with a
3 2021-2022 adjusted average daily membership greater than 5,590
4 and less than 5,595 and a 2021-2022 current expenditure of less
5 than \$110,000,000. Payments under this subsection shall be
6 deemed to be part of the school district's allocation amount
7 under subsection (b)(1) for the immediately succeeding school
8 year and each school year thereafter.

9 * * *

10 Section 14. Sections 2510.3(a)(2), 2599.6(a.4), (a.6)(2),
11 (a.7)(2), (a.8), (f)(1) and 2608-J of the act, amended or added
12 July 11, 2024 (P.L.618, No.55), are amended to read:

13 Section 2510.3. Assistance to School Districts Declared to
14 be in Financial Recovery Status or Identified for Financial
15 Watch Status.--(a) The following apply:

16 * * *

17 (2) For the 2017-2018, 2018-2019, 2019-2020, 2020-2021,
18 2021-2022, 2022-2023, 2023-2024 [and], 2024-2025 and 2025-2026
19 fiscal years, the Department of Education may utilize up to
20 seven million dollars (\$7,000,000) of undistributed funds not
21 expended, encumbered or committed from appropriations for
22 grants, subsidies and assessments made to the Department of
23 Education to assist school districts declared to be in financial
24 recovery status under section 621-A, identified for financial
25 watch status under section 611-A or 694-A or subject to
26 oversight during the transition period under section 625-A. The
27 funds shall be transferred by the Secretary of the Budget to a
28 restricted account as necessary to make payments under this
29 section and, when transferred, are hereby appropriated to carry
30 out the provisions of this section.

31 * * *

32 Section 2599.6. Ready-to-Learn Block Grant.--* * *

33 (a.4) For the 2023-2024 school year [and each school year
34 thereafter], each school entity shall receive a Ready-to-Learn
35 Block Grant in an amount not less than the amount received by
36 the school entity from the appropriation for the Ready-to-Learn
37 Block Grant during the 2022-2023 fiscal year.

38 * * *

39 (a.6) The Commonwealth shall pay an adequacy supplement from
40 the Ready-to-Learn Block Grant appropriation as follows:

41 * * *

42 (2) [(Reserved).] For the 2025-2026 school year:

43 (i) Divide the amount determined in subsection (f)(1) by the
44 sum of the amounts determined in subsection (f)(1) for each
45 school district.

46 (ii) Multiply the quotient determined in subparagraph (i) by
47 \$526,440,000.

48 (iii) Add the amount determined under subparagraph (ii) and
49 an amount calculated as follows:

50 (A) If the sum of the amounts determined under subparagraph
51 (ii) and subsection (a.7)(2) for the school district is less

1 than \$50,000, the difference of \$50,000 minus the sum of the
2 amounts determined under subparagraph (ii) and subsection (a.7)
3 (2) for the school district.

4 (B) If the sum of the amounts determined under subparagraph
5 (ii) and subsection (a.7)(2) for the school district is greater
6 than or equal to \$50,000, \$0.

7 (a.7) The Commonwealth shall pay a tax equity supplement
8 from the Ready-to-Learn Block Grant appropriation as follows:

9 * * *

10 (2) [(Reserved).] For the 2025-2026 school year:

11 (i) Subtract the amount received under paragraph (1) from
12 the amount determined in subsection (g)(1).

13 (ii) Divide the difference in subparagraph (i) by the sum of
14 the amounts determined in subparagraph (i) for each school
15 district.

16 (iii) Multiply the quotient determined in subparagraph (ii)
17 by \$32,202,000.

18 (a.8) No school district that receives funding under
19 subsection (a.6) or (a.7) shall seek a referendum exception
20 under section 333 of the act of June 27, 2006 (1st Sp.Sess.,
21 P.L.1873, No.1), known as the Taxpayer Relief Act, for the 2025-
22 2026 and 2026-2027 school [year] years.

23 * * *

24 (f) The provisions in this subsection relate to the adequacy
25 supplement. The following shall apply:

26 (1) The department shall calculate an adequacy gap for each
27 school district as follows:

28 (i) For each school district, multiply \$14,120 by the school
29 district's student-weighted average daily membership calculated
30 under subsection (e)(2).

31 (ii) Subtract the school district's current expenditures
32 from the amount calculated for the school district under
33 subparagraph (i).

34 (iii) Determine the greater of \$0 or the difference
35 calculated under subparagraph (ii).

36 (iv) Subtract the adequacy adjustment under paragraph (3)
37 from the amount determined in subparagraph (iii). For the 2025-
38 2026 fiscal year and each fiscal year thereafter, the adequacy
39 adjustment determined in paragraph (3) for each school district
40 shall be zero.

41 * * *

42 Section 2608-J. Applicability.

43 This article shall apply to projects for which approval and
44 reimbursement is sought and to the maintenance project grant
45 program beginning July 1, [2025] 2026.

46 Section 15. This act shall take effect immediately.