

# Legislative Alert

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## Introduction

The following legislation reflects issues of importance for APSCUF. Please use this guide to review the legislation and contact your legislator with the bills that most concern you.

Please contact Laura Statler at [lstatler@apscuf.org](mailto:lstatler@apscuf.org) or (717) 236-7486 ext 3026 for additional information about these bills, sample letters and/or talking points.

## Summary of Legislation important to APSCUF

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### **1) SERS/TIAA-CREF Pension Credit Transfer**

**Senate Bill 1526, P.N. 2316 (Gordner):** Amends Title 71 (State Government) further providing for membership in the retirement system by inserting language providing all state employees who are school employees who have elected membership in an independent retirement program approved by the employer would have the right to terminate membership in that program and elect membership in Class AA of the system within 180 days of the effective date of January 1, 2009. Further provides these state employees either who are employed in a tenure track position on the effective date or who become employed in a tenure track position after the effective date would have the right to terminate membership in an independent retirement program and elect membership in Class AA of the system within 180 days of receiving tenure. Also

provides once such election is exercised, membership would become effective on the earlier of the first day of July or first day of February next following the filing of the election with the board and would continue until the termination of State service.

***Introduced and referred to Senate Finance Committee, July 7, 2008.***

**Below, the following legislation would create an Optional Retirement Program for Public School and State Employees. APSCUF opposes this legislation**

**House Bill 385, P.N. 449 (Petri):** Amends Title 24 (Education) further providing for definitions and for mandatory and optional membership; and providing for the Public School Employees' Optional Retirement Program. The "Public School Employees' Optional Retirement Program" is defined as the alternative defined contribution retirement program established under Ch. 85 Subchapter D (relating to Public School Employees' Retirement Program). The bill states that employees categorized under this provision would not have the right to elect membership in the system. Under this program, retirement benefits would be provided for qualified employees who elect to participate in the program in lieu of membership in the system. The benefits for the program would come from participant-directed investments, in accordance with IRC 401(a). The powers and responsibilities of the Board in the administration of the program are further provided for under the bill. ***Introduced and referred to House Finance Committee, February 13, 2007.***

**House Bill 386, P.N. 450 (Petri):** Amends Title 71 (State Government) creating the State Employees' Optional Retirement Program, an alternative defined contribution retirement program under which retirement benefits will be provided for qualified employees who elect to participate in the program in lieu of membership in the system. The bill provides for the powers and duties of the board, investments and contributions. ***Introduced and referred to House Finance Committee, February 13, 2007.***

**Below, the following legislation would require state, municipal, and school district employees hired after November 30, 2008, to be enrolled in a "defined-contribution" retirement plan that would match employer and employee contribution rates at 6 percent. APSCUF opposes this legislation**

**House Bill 1977, P.N. 2759 (Boyd):** Amends Title 71 (State Government) providing for a unified retirement system for employees of the Commonwealth and its political subdivisions and other employers. The bill would create the Public Employees' Retirement System Board to administer and manage the Public Employee's Retirement System. The bill outlines the membership and duties of the board. The board would administer the system as a defined contribution retirement system under the IRC under which benefits will be provided for active members. The system would provide a variety of investment options. The bill outlines the plan structure. Regular active member contributions would be made to the system on behalf of each active member for current service in an amount equal to a percentage of the active member's pensionable earnings. The Commonwealth or any other employer would make payments to the trust fund on

behalf of the active member. An active member would be vested after completing three years of service during which the person is an active member in the system. An active member that is considered part time would only be vested if the member is compensated for at least 1,000 hours per year. ***Introduced and referred to House Finance Committee, October 26, 2007. Press conference held October 30, 2007.***

## **2) TABOR**

Senate Republicans unveiled legislation late January to make another go at a constitutional amendment to limit state spending growth. The proposal also would require that 75 percent of any budget surplus be returned to taxpayers, and that 25 percent be placed in the Rainy Day Fund. But the measure could face some tough going in the state Legislature. Similar measures stalled last session, when both legislative chambers were controlled by Republicans. Now Senate Republicans must contend with a Democratic majority in the House of Representatives.

The Taxpayer Protection Act bill, when introduced, could be enacted this year, while the constitutional amendment must be approved by the Legislature in two successive sessions and be approved by the voters as well. Some Senate Republicans are anxious to get this legislation introduced.

**Senate Bill 707, P.N. 1101 (Folmer):** The Taxpayer Protection Act states that total spending by the Commonwealth in any fiscal year would not exceed the spending appropriation limit, which is the average percentage change in personal income in PA for the three preceding calendar years or the average percentage change in inflation for the three preceding calendar years plus the average percentage change in the State population for the three preceding years. Additionally, the state's spending limit would be reduced by the amount of any reduction in state appropriations to a political subdivision for administration of a mandated service, without an equal or greater reduction in state-mandated expenses for the local government or a repeal of the mandate to provide program or service. The bill also provides for the distribution of surplus funds, establishing the Taxpayer Protection Fund, and repealing provisions of the Fiscal Code relating to the funding of a stabilization reserve. (Prior Printer Number: 783) ***Introduced and referred to Senate Finance Committee, February 13, 2007. Public hearing on April 26. Re-referred to Senate Appropriations June 28, 2007***

**Senate Bill 7, P.N. 1099 (Regola):** A Joint Resolution amending the PA Constitution by stating that total spending by the Commonwealth in any fiscal year would not exceed the spending appropriation limit in any fiscal year. The appropriation limit would be the average percentage change in personal income in PA for the three preceding calendar years or the average percentage change in inflation for the three preceding calendar years plus the average percentage change in the State population for the three preceding years. Additionally, the state's spending limit would be reduced by the amount of any reduction in state appropriations to a political subdivision for administration of a mandated service, without an equal or greater reduction in state-

mandated expenses for the local government or a repeal of the mandate to provide program or service. The bill states that the limit may be exceeded for the following: in response to a gubernatorial or presidential declaration of emergency, other situations in which the Governor requests, if the General Assembly approves by two-thirds affirmative vote of the members elected to each house. (Prior Printer Number: 782)  
***Introduced and referred to Senate Finance Committee, February 13, 2007. Public hearing on April 26. Re-referred to Senate Appropriations June 28, 2007***

**Senate Bill 1100, P.N. 1665 (Rock):** Joint Resolution proposing separate and distinct amendments to the PA Constitution providing for spending limitations on the Commonwealth and for imposition or levy of taxes or license fees. The bill would limit total spending by the Commonwealth to not exceed the "spending limit" in any fiscal year, which would be equal to the spending during the immediately prior fiscal year, adjusted by a formula as laid out in the bill. The bill would also require a three-fourths majority in each chamber to impose or levy any tax or license fee. ***Introduced and referred to House State Government Committee, May 24, 2007***

### **3) Anti-Strike Legislation**

Mellow's plan below, Senate Bill 20, would set into law an eight-month negotiating timeline. If the teachers' union or the school board fails to resolve their contract differences through a variety of means-including an impartial arbitration panel — each side would submit a "last best offer" to the county's President Common Pleas Judge. The judge would then be required to select one of the two last best offers. The judge's decision would be final and binding.

Mellow's plan is similar to a law in Connecticut. Based on experience from that state, only 10 percent of impasses reach arbitration and only 2 percent of all contract disputes go the entire way through the process.

**Senate Bill 20, P.N. 144 (Mellow):** The Collective Bargaining Dispute Resolution Act states that the settlement of an impasse in collective bargaining between an employee organization and a public employer would be by collective bargaining dispute resolution pursuant to this act. The bill provides for a collective bargaining timeline, panel selection and costs of resolution. The bill states collective bargaining dispute resolution would be limited to those issues which may be bargained under the Public Employee Relation Act and which are not agreed to in writing prior to the start of collective bargaining dispute resolution process. The decision of the president judge would be final and binding on the public employer and the employee organization, and no appeal of a determination would be allowed to any court. The bill also states that no school employee may strike or participate in a strike or similar interruption of government service. Also, no public employer may conduct a lockout or similar

interruption of government service. Additionally, any strike, lockout or interruption of government service prohibited by this section would constitute an actionable breach of duty to members of the public. Lastly, Article XI-A of the Public School Code is repealed. ***Introduced and referred to Senate Labor and Industry March 5, 2007***

**House Bill 1369, P.N. 2366 (Rock)**: Amends Public School Code by creating the Strike- Free Education Act. The bill states that collective bargaining is a mutual obligation of an employer, or its representative, and the representative of its employees to meet at reasonable times and confer in good faith. The obligation does not compel either party to agree to a proposal or require the making of a concession. The bill provides for how parties would negotiate a collective bargaining agreement. If either party rejects the recommendation of the fact-finders, the parties would proceed immediately to nonbinding arbitration. The employer would then hold a public meeting not later than June 15 following the public posting of the nonbinding recommendation to solicit public input on the recommendation and to vote for the approval or disapproval of the recommendation of the panel. The employee organization would also provide the employees with an opportunity to vote for approval or disapproval of the recommendation of the panel prior to June 15. The bill states that strikes and lockouts are prohibited. ***Introduced and referred to House Labor Relations July 25, 2007, Press conference held October 15, 2007***

#### **4) Background checks**

**House Bill 145, P.N. 171 (Baker)**: The College and University Criminal History Background Investigation Act states that an institution of higher education may conduct a criminal history background investigation prior to hiring an individual for a full-time faculty or staff position. The bill also states that when an administrator of an institution of higher education is in receipt of information which is part of a final candidate's criminal history record information file, the administrator may use that information for the purpose of deciding whether to hire the candidate as a faculty member or staff member. Lastly, an institution of higher education may require an individual offered employment as a full-time faculty member or staff member to self-disclose certain criminal history information on a self-disclosure form.

***Introduced and referred to House Judiciary January 31, 2007***

***\*\*Legislation is similar to HB 564 that passed the House 194/0 in June 2005 but failed to come up for a vote in the Senate.***

#### **5) Retirement Legislation**

APSCURF established a COLA coalition to help push COLA efforts. The coalition has met several times to work with the Governor's office and legislators to push for a COLA.

The retiree coalition also met with legislators directly involved in the Appropriations committee to request COLA support. We will also be educating freshmen legislators about the importance of COLAs and looking for legislators that desire to spearhead the COLA effort.

Below is legislation to assist with COLA efforts:

## **A. COLA**

**House Bill 2379, P.N. 3602 (Nickol;)** Amends Titles 24 (Education) and 71 (State Government) adding language providing that commencing with the first monthly annuity payment after July 1, 2008, any eligible benefit recipient would be entitled to receive an additional monthly supplemental annuity from the system. The amount of the supplemental annuity would be a percentage of the amount of the monthly annuity payment on July 1, 2008, determined on the basis of the most recent effective date of retirement. The percentage and the date of retirement are provided in the legislation. ***Introduced and referred to House Finance Committee, April 15, 2008. Discussed in House State Government Committee, April 29, 2008***

**House Bill 2084, P.N. 3689 (Gibbons):** Amends Titles 24 (Education) and 71 (State Government) providing for supplemental annuity commencing in 2008 and for supplemental postretirement adjustment of 2008. The bill provides that commencing with the first monthly annuity payment after July 1, 2008, any eligible benefit recipient would be entitled to receive an additional monthly supplemental annuity from the system. Depending on when the recipient retired, the amount would be between 2.67% and 25%. (Prior Printer Number: 2940). ***Introduced and referred to House State Government Committee, December 5, 2007. Reported as amended out of State Government Committee, May 5, 2008. Discussed in PERC meeting May 25, 2008.***

**House Bill 2184, P.N. 3057 (McIlvaine Smith):** Amends Titles 24 (Education) providing for permanent biannual cost-of-living increases for retirees commencing with the first monthly annuity payment after July 1, 2008. Each biannual increase would have an effective date of July 1 or December 1. The additional liability for the increase in benefits would be funded in annual installments increasing by 5% each year over a period of 20 years beginning July 1, 2009. (Prior Printers Number 3056) ***Introduced and referred to House Finance Committee, January 7, 2008.***

**House Bill 350, P.N. 400 (Reed):** Amends Titles 24 (Education) and 71 (State Government) providing for special supplemental annuities for certain annuitants by stating that commencing with the first monthly annuity payment after the actuary the system certifies that sufficient reserves exist in the fund to allow for payment of the special supplemental annuities, any eligible benefit recipient would be entitled to receive an additional monthly supplemental annuity from the system. The amount of the special supplemental annuity would equal 5% of the monthly annuity payment and there would be four additional 5% increases, one in each of the next four years. The payment would be made automatically. Lastly, the bill states that no special supplemental annuity would be payable to the beneficiary or survivor annuitant of a member who died before December 31, 2007. ***Introduced and referred to House Finance Committee, February 9, 2007.***

**Senate Bill 556, P.N. 596 (Kasunic):** Amends Titles 24 (Education) and 71 (State Government) providing for permanent cost-of-living increases for retirees.

***Introduced and referred to House Finance Committee, March 19, 2007.***

**House Bill 1387, P.N. 1734 (Gibbons):** Amends Titles 24 (Education) providing for supplemental annuity commencing with the first monthly annuity payment after July 1, 2007. Any eligible benefit recipient would be entitled to receive an additional monthly supplemental annuity from the system paid over a five-year period.

***Introduced and referred to House Finance Committee, May 29, 2007.***

**House Bill 733, P.N. 860 (Godshall):** Amends Title 71 (State Government) further providing for member's options by adding Option 5 which states a benefit which would be certified by the actuary to be actuarially equivalent to the maximum single life annuity, subject to the following restrictions: (1) any annuity would be payable without reduction during the lifetime of the member; (2) the sum of all annuities payable to the designated survivor annuitants would not be greater than one and one-half times the annuity payable to the member; and (3) a portion of the benefit would be payable as annual supplemental annuities under section 5708.9 (relating to Option 5 annual supplemental annuities commencing 2008) if the member elects to have the total accumulated deductions standing to the member's credit retained by the fund and transferred from the member's savings account to the annuity reserve account in accordance with section 5933(b) (relating to members' savings account). The balance of the present value of the maximum single life annuity adjusted in accordance with section 5702(b) would be paid in the form of an annuity with a guaranteed total payment, a single life annuity, or a joint and survivor annuity, or any combination thereof, but subject to the restrictions of this option. Commencing with the first monthly annuity payment after July 1, 2008, and annually thereafter, any Option 5 benefit recipient would be entitled to receive monthly supplemental annuities from the system.

***Introduced and referred to House Finance Committee, August 27, 2007.***

**Senate Bill 1054, P.N. 1358 (Kasunic):** Amends Titles 24 (Education) and 71 (State Government), providing for permanent biannual cost-of-living increases for retirees.

***Introduced and referred to Senate Finance Committee, March 19, 2007.***

## **B. INCREASE IN EMPLOYER CONTRIBUTION RATE**

**House Bill 126, P.N. 152 (Godshall):** Amends Titles 24 (Education) and 71 (State Government) further providing for employer contribution rates on behalf of active members. The bill states that for members of PSERS the premium assistance contribution rate would not be less than 7% plus the premium assistance contribution rate for the fiscal year beginning July 1, 2007. The rate would not be less than the employer normal contribution rate plus the premium assistance contribution rate for the fiscal year beginning July 1, 2008 and each year thereafter. The bill also states that for SERS members the total employer contribution rate would not be less than: 5% for the fiscal year beginning July 1, 2007, 6% for the fiscal year beginning July 1, 2008, and the employer normal contribution rate for the fiscal year beginning July 1, 2009, and

thereafter. ***Introduced and referred to House State Government Committee, January 31, 2007.***

*Discussed in House Appropriations hearing, March 5, 2007*

**House Bill 475, P.N. 585 (Nickol):** Amends Titles 24 (Education) and 71 (State Government) further providing for the employer contribution rates on behalf of active members. The bill amends Title 24 further providing for the employer contribution rates on behalf of active members by revising the total contribution rate so that it cannot be less than 4% plus the premium assistance contribution rate for fiscal year beginning July 1, 2004; 7% plus the premium assistance contribution rate for the fiscal year beginning July 1, 2007; and the employer normal contribution rate plus the premium assistance contribution rate for the fiscal year beginning July 1, 2008, and every year thereafter. Title 71 is amended to provide for the Commonwealth and other employer contribution rates on behalf of active members by revising the total contribution rate so that it will not be less than 5% for the fiscal year beginning July 1, 2007; 6% for the fiscal year beginning July 1, 2008; and the employer normal contribution rate for the fiscal year beginning July 1, 2009, and every year thereafter. ***Introduced and referred to House Finance Committee, March 6, 2007.***

**House Bill 876, P.N. 1031 (D Evans):** Amends Title 71 (State Government) further providing for the employer contribution rate by adding that the employer contribution rate on behalf of active members cannot be less than 4%.

***Introduced and referred to House Finance Committee, March 22, 2007***

***Approved by Governor-June 27, 2007***

## **C. Miscellaneous**

**House Bill 545, P.N. 615 (O' Neill):** Amends Title 24 (Education) further providing for definitions and for actuarial cost method; providing for supplemental annuities commencing in 2007; and further providing for management of fund and accounts. Defines actual interest to mean the amount calculated by multiplying the difference of the fund's time-weighted rate of return for the preceding year minus the board's actuarial interest rate assumption for the preceding year, times the mean amount of the annuity reserve account for the preceding year. Also defines the time-weighted rate of return to mean the funds total investment return. Further defines valuation interest to exclude the annuity reserve account and increases the computation of the accrued liability contribution rate from 10 to 20 years. The bill would increase the payment period for required supplemental annuity contributions from 10 to 20 years and would require that additional liabilities for supplemental annuities be calculated by the actuary as the supplemental annuity contribution attributable to the additional liability for the benefit increase, less the supplemental annuity adjustment factor. Sums calculated by the actuary would be funded in equal dollar annual installments over periods of 20 years. Beginning with the fiscal year ending 2007, changes in accrued liability for the crediting of actual interest would be amortized in equal dollar annual installments over a period of 20 years beginning with the July 1 next succeeding the actuarial valuation. It also provides for receipt of additional monthly supplemental annuities after July 1, 2007. Amounts of supplemental annuities would be calculated by applying the lesser of

3 percent or the percentage change in the Consumer Price Index for All Urban Consumers for the Pennsylvania, New Jersey, Delaware and Maryland area, for the most recent 12-month period for which figures have been officially reported by the Bureau of Labor Statistics of the United States Department of Labor, immediately prior to the date the adjustment is due to take effect, to the then-current annuity amount. No supplemental payments are authorized for beneficiaries or survivor annuitants after the death of the members.

***Introduced and referred to House Finance Committee, March 6, 2007***

**House Bill 1097, P.N. 1328 (Buxton):** Amends Title 71 (State Government) further providing for taxation, attachment and assignment of funds. The bill states that exemption from taxation, attachment and assignment of funds would not apply to a retiree organization affiliated with an employee organization certified or recognized as the collective bargaining representative of any unit of employees employed by the state. In this case, the Board would be authorized to pay from the fund the amount authorized pursuant to a deduction authorization card executed by the member and filed with the secretary of the board. Amends the SERS Code to permit an annuitant to deduct and assign a portion of the annuitant's retirement benefit to a retiree organization affiliated with an employee organization recognized as a collective bargaining representative.

***Introduced and referred to House Finance Committee, April 18, 2007***

**Senate Bill 770, P.N. 865 (Orie):** Amends Titles 24 (Education) and 71 (State Government) by stating that no increase in benefits, other than a supplemental annuity to reflect an increase in cost of living, would be effective until the increase in benefits has been approved by the electorate. The Secretary of the Commonwealth would submit the proposed increase in benefits to PA voters at the first primary, general or municipal election occurring at least three months after the legislation is passed by the General Assembly. The bill provides for the language of the referendum questions. ***Introduced and referred to Senate Finance Committee, April 20, 2007***

**House Bill 1085, P.N. 1257 (Shapiro):** Amends Title 71 (State Government) prohibiting investments in countries identified as sponsors of terrorism. The board may not invest in the stocks, securities or other obligations of any entity engaged in business with a state sponsor of terror. In the event the board becomes aware that it has invested in violation of this subsection, the board must immediately move to divest itself of the investment in a prudent manner. The legislation includes a humanitarian aid exception. ***Introduced and referred to House State Government Committee, April 16, 2007. Re-referred to House Rules June 30, 2007***

## **D. 30 AND OUT**

**Senate Bill 130, P.N. 175 (Mellow):** Amends Title 24 (Education) and 71 (State Government) providing for retirement eligibility after 30 years of service. ***Introduced and referred to Senate Finance Committee, March 5, 2007***

**Senate Bill 228, P.N. 265 (Greenleaf):** Amends Titles 24 (Education) and 71 (State Government) further providing for eligibility for limited early retirement. The legislation

states that any member who, during the period of time from April 1, 2007, through June 30, 2007 has credit for at least 30 eligibility points, terminates school service and files an application for an annuity with an effective date of retirement not later than July 1, 2007, would be entitled to receive a maximum single life annuity calculated without any reduction by virtue of an effective date of retirement which is under the superannuation age. Additionally, any member who, during the period of time from April 1, 2008, through June 30, 2008 has credit for at least 30 eligibility points, terminates school service and files an application for an annuity with an effective date of retirement not later than July 1, 2008, would be entitled to receive a maximum single life annuity without any reduction by virtue of an effective date of retirement which is under the superannuation age. Lastly, any eligible member who, during the period of time from July 1, 1999, through June 30, 2008 has credit for at least 30 eligibility points, terminates State service and files an application for an annuity with an effective date of retirement not later than July 1, 2008, would be entitled to receive a maximum single life annuity without any reduction by virtue of an effective date of retirement which is under the superannuation age.

***Introduced and referred to Senate Finance Committee, March 7, 2007***

**House Bill 231, P.N. 1261 (Daley):** Amends Title 71 (State Government) further providing for eligibility for special early retirement for certain members who meet eligibility standards outlined in the legislation. Each quarter the Secretary of the Budget would reduce the allocation for each Commonwealth agency for the ensuing calendar quarter by an amount equal to 60% of the net savings cost for that agency and transfer that amount to the fund. "Net savings cost" is defined as the difference between: (1) 25% of the total of the final salaries for members who retire from a Commonwealth agency under this section; and (2) 25% of the total of the entry level salaries to replace retired members in that Commonwealth agency. This section would expire June 30, 2012.

(Prior Printer Number: 1253) ***Introduced and referred to House Finance Committee, April 13, 2007. Press Conference held April 18, 2007***

**House Bill 230, P.N. 1252 (Daley):** Amends Title 24 (Education) further providing for eligibility for early retirement benefits by stating that eligible members who, during the period of time from March 1, 2008, through June 1, 2008: (1) have attained either 30 eligibility points or a combination of age and eligibility points that totals 80, (2) terminates school service; and (3) files an application for an annuity with an effective date of retirement not later than July 1, 2008, would be entitled to receive a maximum single life annuity calculated pursuant to section 8342 (relating to maximum single life annuity) without any reduction by virtue of an effective date of retirement which is under the superannuation age and would be entitled to any insurance coverage under any contract of insurance affecting the member that is in effect on the effective date of retirement of the member. Also, any member, who during the period of time from March 1, 2009, through June 1, 2009: (1) has attained either 30 eligibility points or a combination of age and eligibility points that totals 80; (2) terminated school service; and (3) files an application for an annuity with an effective date of retirement not later than July 1, 2009 would be entitled to receive a maximum single life annuity.

***Introduced and referred to House Finance Committee, April 13, 2007. Press Conference held April 18, 2007***

## **6) Higher Education Equal Opportunity Program**

**Senate Bill 411, P.N. 458 (Browne):** Amends the Higher Education Equal Opportunity Act further providing for the Higher Education Equal Opportunity Program by adding that programs for which grants may be awarded include tutorial services, tuition and textbook assistance, child care assistance, additional staff for programs or discretionary funds to supplement financial aid on a case-by-case basis.

***Introduced and referred to Senate Education Committee, March 13, 2007***

## **7) Independent Higher Education & Community Financing Program**

**Senate Bill 664, P.N. 714 (Erickson):** The Independent Higher Education and Community Financing Act establishes the Independent Higher Education and Community Financing Program to assist independent institutions of higher education in capital projects related to community and economic development projects. The General Assembly would appropriate funds necessary to pay for 50% of the debt service on bonds issued by the authority under this act.

***Introduced and referred to Senate Education Committee, March 22, 2007***

**House Bill 1258, P.N. 1671 (Tangretti):** The Independent Higher Education and Community Financing Act establishes the Independent Higher Education and Community Financing Program to assist independent institutions of higher education in capital projects related to community and economic development projects. The General Assembly would appropriate funds necessary to pay for 50% of the debt service on bonds issued by the authority under this act. ***Introduced and referred to House Education Committee, May 24, 2007***

## **8) Tuition Fees**

**House Bill 1403, P.N. 1783 (Pallone):** Amends the Public School Code further providing for powers and duties of the Board of Governors by stating that the board would fix the levels of tuition fees, except student activity fees. Tuition fees would be set so that the fee would not increase during the time that an individual continues to be enrolled as a full-time student. ***Introduced and referred to House Education Committee, June 5, 2007***

**Senate Bill 1251, P.N. 1698 (Rhoades):** Amends the Public School Code further providing for powers and duties of the Board of Governors by adding that the level of fixed tuition may not increase over the level of tuition fixed for the immediately preceding school year by more than the percentage increase in the Consumer Price Index as published by the United States Department of Labor, Bureau of Labor Statistics. If the increase exceeds this rate, the State System of Higher Education would be ineligible for any and all State appropriations

otherwise authorized in the General Appropriation Act. . ***Introduced and referred to Senate Education Committee, January 22, 2008***

## **9) PHEAA**

**Senate Bill 754, P.N. 830 (Rafferty):** Amends the PA Higher Education Assistance Agency Act further providing for governing bodies and for audits and reports. Under this legislation, the eight members of the PHEAA Board appointed by the President Pro Tempore of the Senate would have to be confirmed by a majority of the members of the Senate, and the eight members appointed by the Speaker of the House would have to be confirmed by a majority of the members of the House of Representatives. Board members who are also legislators would be limited to two terms. Finally, the agency would be required to retain an independent auditor who would perform an annual internal audit of the expenses and revenues of the agency. In addition to examining the agency's financial statements, the independent auditor would be entitled to examine original source documents at such times as the auditor believes necessary, or may otherwise examine original documents on a random basis designed to ensure the integrity of the audit. The audit would include, but not be limited to, the expenses incurred by individual members of the board and reimbursed or otherwise paid for by the agency. The independent auditor would prepare a written report of its internal audit and the agency would submit a copy of the report to the Finance Committees of the Senate and House of Representatives no later than April 1 of each year. ***Introduced and referred to Senate Education Committee, April 10, 2007***

**Senate Bill 1061, P.N. 1363 (Wondering):** Amends the Pennsylvania Higher Education Assistance Agency Act further providing for powers and duties of the Pennsylvania Higher Education Assistance Agency and for audits and reports. The Agency would have the power and duty to enter into certain contracts and to pay certain costs and fees, provided that all fees and other charges and terms of such loans are charged and offered on a uniform basis and in a manner that does not discriminate against or advantage any particular lender or group of lenders. The duty to establish annually the award of the "assistance grant" is removed. The legislation adds certain provisions in connection with the exercise of the powers specified. Additionally, PHEAA is required to annually submit a performance audit of all its revenues and expenses to the House and Senate Appropriations Committees. All PA postsecondary institutions would have access to the agency's data on grant programs and related information. All records of PHEAA would be subject to the Right-to-Know Law, with exceptions. . ***Introduced and referred to Senate Education Committee, September 6, 2007***

**Senate Bill 1972, P.N. 2746 (Mcilvaine-Smith):** Amends the Pennsylvania Higher Education Assistance Agency Act restructuring the governing body of PHEAA. The current board of directors would be dissolved and the new structure would be as follows: The Secretaries of Education and Banking, the State Treasurer, three members appointed by the Governor, four members appointed by the Senate Majority Leaders, two members appointed by the Senate Minority Leader, four members appointed by the House Majority Leader,

two members appointed by the House Minority Leader and two members appointed by the Chancellor of the State System of Higher Education. The legislation outlines specific qualifications that the appointees must meet and states the terms of each. ***Introduced and referred to House Finance Committee, September 6, 2007. passed over in House Finance November 20, 2008***

**Senate Bill 1891, P.N. 2598 (Shapiro)**: Amends the Pennsylvania Higher Education Assistance Agency Act limiting members of the board of directors to service of no more than two consecutive terms, and requiring any non-profit corporation established by the agency to create an annual report detailing its condition at the end of every fiscal year. . ***Introduced and referred to House Finance Committee, October 4, 2007. Re-referred to House Appropriations, November 21, 2007. Discussed in PHEAA hearing, February 26, 2008***

## **10) Right-to-know**

**Senate Bill 1, P.N. 772 (Pileggi)**: Amends the Right-to-Know Law to further provide for public records of judicial agencies, legislative agencies and state-related universities. The bill establishes an open records officer in each agency and exceptions officers to hear appeals. The bill also creates the Open Records Clearinghouse in the Department of Community and Economic Development that will provide information relating to the implementation and enforcement of this act, issue advisory opinions to agencies and requesters, and provide annual training courses to Commonwealth agencies and local agencies. . ***Introduced and referred to Senate State Government Committee, March 29, 2007, Public hearing held June 4, 2007. House vote 199 to 0, Senate vote 50 to 0. Signed by Governor, February 14, 2008. Act 3***

**House Bill 658, P.N. 745 (Nickol)**: Amends the Right-to-Know Law adding the Pennsylvania Higher Education Assistance Agency to include any information contained in a contract to service student loans, including schedules or exhibits relating to pricing or schedules relating to equipment, time charges, service charges or other charges pertinent to an agency contract to service student loans, the disclosure of which could cause a loss of revenue to any Commonwealth fund or the agency. ***Introduced and referred to House State Government Committee, March 9, 2007, discussed in Speaker's Reform Commission meeting held May 24, 2007***

## **11) Faculty and College Excellence**

**House Bill 871, P.N. 1026 (Roebuck)**: Amends the Public School Code providing for Faculty and College Excellence, establishing the Higher Education Faculty Restoration and Equity Fund. Under the bill, a public institution of higher education that has at least eight full-time equivalent faculty positions would have to have at least 75% of the undergraduate courses taught by full-time tenured and tenure-track faculty by 2008 or the institution in each succeeding academic year would have to increase the

share of courses taught by full-time tenured and tenure-track faculty by 10% or more. By 2013 the 75% requirement would have to be met. Salaries are further provided for as are health care and retirement benefits for non-tenure track faculty members. The Higher Education Faculty Restoration and Equity Fund would be established as a separate fund in the State Treasury for the purposes of equity in salaries as provided for in the bill.

***Introduced and referred to House Appropriations Committee, March 22, 2007, Re-referred to House Education April 17, 2007***

**Senate Bill 1241, P.N. 1681 (Hughes):** Amends the Public School Code providing for Faculty and College Excellence. The bill states that each academic department at a public institution of higher education that has at least eight full-time equivalent faculty positions must have at least 75% of the undergraduate courses offered within the department taught by full-time tenured and tenure-track faculty. Each academic department of a public institution of higher education that does not meet this standard must, beginning in September 2008, increase the share of courses taught by full-time tenured and tenure-track faculty by 10% or more over the previous academic year so that by 2013 the 75% threshold is met. The bill also states that each public institution of higher education would determine a salary standard for part-time or adjunct faculty employed in each academic department that is equal, on a pro rata basis, with that of tenured and tenure-track faculty of comparable qualifications doing comparable work. The bill also creates the Higher Education Faculty Restoration and Equity Fund, and money in the fund would be continuously appropriated to the Department of Education for distribution for the purpose of meeting the requirements of this section.

***Introduced and referred to Senate Education Committee January 14, 2008***

## **12) Reach Scholarship**

**House Bill 1722, P.N. 2281 (Payton):** The Reliable Educational Assistance for College Hopefuls (REACH) Scholarship Act provides for the issuance of scholarships by PHEAA to eligible students. Each eligible student who will attend or attends a State-owned institution would receive a full-tuition scholarship and each eligible student who will attend or attends a State-related institution or private institution of higher education would receive the lesser of a full-tuition scholarship or a scholarship equal to the average tuition at the State-owned institutions as calculated annually by the agency. The legislation outlines the eligibility guidelines to participate and to maintain the scholarship. A student may transfer a scholarship from one State-owned institution, State-related institution or private institution of higher education to another. The REACH Scholarship Fund would be funded by donations and contributions from all public and private sources, including the Federal Government, and any appropriations or transfers authorized by the General Assembly may be deposited in the fund, and interest earned by the fund. PHEAA would annually report to the General Assembly regarding the implementation and administration of this act. ***Introduced and referred to House Education Committee, August 9, 2007, public hearing held October 10, 2007***

### **13) Merit Scholarship**

**House Bill 108, P.N. 131 (Stairs):** The Pennsylvania Scholastic Achievement Award Act would recognize students' academic achievements and reward them for their academic excellence by providing them with full tuition scholarship awards to attend an eligible institution in PA. PHEAA would be responsible for calculating the amount of each student's award, and would establish renewal eligibility requirements. Awards received by an award recipient would not be considered taxable income. PHEAA would establish and administer a fund to be known as the Pennsylvania Scholastic Achievement Award Fund. ***Introduced and referred to House Education Committee, January 30, 2007, public hearing held October 10, 2007***

**Senate Bill 373, P.N. 418 (Boscola):** The Academic Excellence Scholarship Program Act would reward educational excellence and provide an incentive to Pennsylvania students to pursue higher education. The bill states PHEAA may provide scholarship grants to not more than 1,000 students. If more than 1,000 students apply, a lottery system would be employed. The grants may be issued to students only upon confirmation from approved educational institutions that the students have enrolled full time immediately following their high school graduation. The bill states that the scholarship grants would be awarded solely on the basis of merit and without regard to need. The bill outlines the eligibility requirements. Under the bill, PHEAA would issue scholarship grants, called the Academic Excellence Scholarship, in the amount of \$5,000 per academic year, to a student enrolled full time in an approved educational institution pursuing a bachelor's degree. ***Introduced and referred to Senate Education Committee, March 13, 2007***

### **14) Union Fair Share Fee and Right to Work Legislation**

**House Bill 150, P.N. 2611 (Metcalf):** The Freedom of Employment Act provides that employment cannot be conditional upon membership or payment to a labor organization. A person who violates this act commits a misdemeanor of the third degree and be fined up to \$1000, imprisoned for up to 6 months, or both. The act also provides relief to those threatened or injured by any action prohibited by this act and repeals other acts or parts of acts inconsistent with it. ***Introduced and referred to House Labor Relations Committee, October 15, 2007***

**House Bill 151, P.N. 1664 (Rapp):** Amends The Administrative Code further providing for the fair share fee for employees of public employers by removing school entities from the definition of "public employer". Additionally, the bill states no collective bargaining agreement made by a school district, intermediate unit or vocational-technical school after the effective date of this section nor any extension of an existing collective bargaining agreement made by a school district, intermediate unit or vocational-technical school may require payment of a fair share fee to the exclusive

representative by a nonmember of the exclusive representative. An employee organization acting as an exclusive representative in any school district, intermediate unit or vocational-technical school would owe no duty to and would have no obligation to represent any employee of a school district, intermediate unit or vocational-technical school who is not a member of the employee organization in any grievance or other proceeding filed with or against the school district, intermediate unit or vocational-technical school. . ***Introduced and referred to House Labor Relations Committee, May 24, 2007***

**House Bill 1890, P.N. 2597 (Rohrer):** An act relieving certain employee organizations of certain duties and obligations by stating that no collective bargaining agreement made by any political subdivision may require payment of a fair share fee to the exclusive representative by a nonmember of the exclusive representative. An employee organization acting as an exclusive representative would owe no duty and have no obligation to represent any public employee who is not a member of the employee organization in any grievance or other proceeding filed with or against a public employer. The bill also repeals the Public Employee Fair Share Fee Law. ***Introduced and referred to House Labor Relations Committee, October 4, 2007***

**Senate Bill 1321, P.N. 1857 (Mary Jo White):** Act repealing the Public Employee Fair Share Fee Law, and relieving certain employee organizations of certain duties and obligations. ***Introduced and referred to Senate Labor and Industry Committee, March 24, 2008***

## **15) Statewide Healthcare Plan for School Districts**

**House Bill 1841, P.N. 2593 (Surra):** Amends Title 24 (Education) incorporating the Public School Employees' Benefit Act and establishing the Public School Employees' Benefit Board. This independent administrative board will carry out the design, implementation and administration of the school employee health benefits study - an evaluation of existing health care arrangements covering school employees - and administer either the Statewide health benefits or the alternative measures program based on the results of the study. If the Board elects to go forward with a Statewide Health Benefits Program, it may choose to develop itself, or contract out, an employee benefits program for eligible individuals. ***Introduced and referred to House Education Committee, October 4, 2007. Re-referred as amended to House Appropriations Committee, February 5, 2008. Public hearing held in Senate Finance, February 6, 2008. Discussed in PERC meeting, March 20, 2008***

## **16) Municipal Service Grants**

**House Bill 2235, P.N. 3572 (Mantz):** Amends the Public School Code providing

for municipal service grants by adding that the Department of Community and Economic Development would make payments in the form of grants for the purpose of reimbursing those municipalities which provide primary municipal services to universities within the State System of Higher Education. The bill outlines a formula for the distribution of grants. \$3,000,000 is appropriated to DCED for the fiscal year 2008-2009 to carry out the provisions of this act. (Prior Printer Number: 3210)

***Introduced and referred to House Education Committee, February 11, 2008. Reported out of House Education April 7, 2008. Re-referred to House Appropriations April 8, 2008***

## **17) PASSHE**

**House Resolution 839, P.N. 4130 (Hanna):** Resolution congratulating the State System of Higher Education on its 25th anniversary and for 25 years of significant work in this Commonwealth. ***Filed and adopted on July 1, 2008 by vote of 203 to 0.***

## **2008 Fall Session Schedule**

### **2008 Senate FALL SESSION SCHEDULE**

September 16, 17, 18, 22, 23, 24

October **1 (cancelled), 2 (cancelled), 6, 7, 8**

### **2008 HOUSE FALL SESSION SCHEDULE**

September 15, 16, 17, 22, 23, 24

October 6, 7, 8

November 12, 13, 17, 18, 19, 24, 25