



Legislative Update: Looking Ahead to the Week of June 14

One week down, one week closer to a final 2021-22 state budget.

A scheduled three-day session week last week turned into four days in both chambers, and both the House and Senate are scheduled back this week for another three (or more) days as they head towards a budget.

So far, things are busy in Harrisburg, and the number of big and controversial issues floating around the two chambers is alarming—everything from election reform to abortion rights and the governor's executive powers to vaccine passports are being hotly debated somewhere in the building, which is succeeding in ratcheting up tensions across-the-board.

In terms of the budget, things still haven't quite solidified into a clear pathway forward, although more money for education, a one-year budget, and some kind of EITC/OSTC tax credit expansion still seem like they will all be features of a final budget deal.

On the EITC/OSTC front, the Senate Education Committee took a leap forward last week by passing Senate Bill 1, which contains a pretty massive increase in the tax credits available for those programs along with a 25% annual escalator in the tax credits available. The bill also contains charter school reform—minus any charter school funding reform—and a resurrection of the mandate waiver program.

After minimal discussion for such a monumental proposal, the bill passed out of the Committee with a 6-5 vote, and it is now sitting on the floor of the Senate for a final vote, which is likely to occur this week. The vote could be very close, but the vote count is not likely to determine the final outcome of the EITC/OSTC component finding its way to an omnibus Public School Code bill.

While all of that chaos is happening, there is a lot of work behind the scenes trying to shape that School Code bill. Meetings are happening, and each caucus is identifying items to put on the table for consideration. This is always a touch-and-go process, as some really helpful items have found their way into law through this truncated process...the same is true for several less-than-beneficial statutory provisions.

With negotiations and discussions set to continue this week, we're certainly starting to get closer to being able to see the puzzle coming together...we still have a long way to go. While there aren't any particularly relevant committee meetings scheduled for the week yet, things can pop up quickly—especially if the session week is extended again.

So—stay connected with your legislators, and stay tuned for more!

Recap...

The **Senate Education Committee** met last week and kicked out two bills that pose pretty major issues for public schools. The meeting occurred without as much discussion (or fireworks) as anticipated, and the bills moved out of committee with mostly party-line votes. While Senate Bill 733 (the ESA bill) is generally on pause, Senate Bill 1 (the EITC/OSTC increase/charter reform (but not funding reform) bill) continues to be prepped for a vote on the floor this week. There is A LOT of pressure on this issue on both sides, and the count is really, really close. We anticipate that the EITC/OSTC tax credit increases (and potentially the escalator) will be part of a budget deal in some way, shape, or form even if it doesn't come up for a vote (or falls short) this week. [Click here to watch the hearing from last week.](#)

- [Senate Bill 1](#) (Sen. Martin, R-Lancaster), which amends the Public School Code to provide significant modifications to the Charter School Law, including the creation of a statewide authorizer for charter schools—the Public Charter School Commission, clarification of the outcome in decisions when the Charter Appeal Board fails to meet, modifications to the charter school trustee requirements, and extension of the charter terms. The bill does not contain any charter school funding-related reforms. The bill also makes significant increases to the EITC/OSTC programs, increasing the available tax credits to \$300 million for scholarship organizations, educational improvement organizations, and pre-kindergarten scholarship organizations, and increasing the tax credits to \$100 million for opportunity scholarship organizations, adding a 25% escalator if at least 90% of the credits are used each year and reducing the threshold in the definition of economically disadvantaged school. The bill also includes some other changes, including reinstating the mandate waiver program. The bill passed with a 6-5 vote. [Click here for the Committee vote.](#)
- [Senate Bill 733](#) (Sen. Ward, J, R-Bedford), which amends the Public School Code to create the Education Opportunity Account Scholarship Program for Exceptional Students within the Treasury Department to provide education savings accounts to eligible students for tuition, textbooks or other costs generally associated with nonpublic schools. The scholarships will be paid for via a deduction from the resident school district's state subsidy and shall be equal to 90% of all state payments made to the resident school district for the immediately preceding school year divided by the resident school district's average daily membership for the immediately preceding school year. For a special education student, the base amount shall be increased based on the special education cost category (as articulated by the school district of residence). The bill passed with a 7-4 vote. [Click here for the Committee vote.](#)
- [Senate Bill 324](#) (Sen. Langerholc, R-Cambria), which amends the Public School Code to provide for uniform requirements and supports for students experiencing education instability. The bill was amended in committee to make several mostly technical clarifications. The bill passed with a 11-0 vote.

The **House Education Committee** also met last week to amend and approve the following bills:

- **House Resolution 15** (Rep. Owlett, R-Tioga), which directs the Joint State Government Commission to conduct an analysis of the current school bus driver industry and provide recommendations about how to address the shortage of bus drivers.
- **House Resolution 60** (Rep. O'Neal, R-Washington), which establishes the Select Committee on the Jobs of the Future to investigate, review and make findings and recommendations regarding opportunities for the development of new industries.
- **Senate Bill 83** (Sen. Brooks, R-Mercer), which amends the Public School Code to provide for firefighter and emergency service training and to establish the Fire Training Fund.