



Pennsylvania Association of School Administrators
Proud Leadership for Pennsylvania Schools

Education Update January 9, 2017

In State Budget News...

Legislative Policy Agenda and the State Budget – Pennsylvania legislators return to the Capitol this week to start the new year with plenty of old business — and a fresh dose of political pressure — awaiting them. There is no shortage of big-ticket issues. Lawmakers are likely to consider bills regulating and taxing online gambling, and measures to reduce or even eliminate property taxes, and again try to change the retirement benefits for future state and public school workers. And, as it has for successive years, the commonwealth's billion-dollar budget woes will drive the agenda. "This is going to be a difficult budget year," said Senate Minority Leader Jay Costa (D., Allegheny). "I think we all know that." *Read the rest of the story:* ["Pa. Faces 'a Difficult Budget Year'"](#) (from *The Philadelphia Inquirer*, 2/2/17).

School Property Tax Elimination? – In a recent editorial, the opinion staff of *The Express Times* note the possibility of the General Assembly passing a bill this session that would eliminate school property taxes – but warn about consequences. "Looking ahead, the Pennsylvania Legislature might have the Republican majorities it needs to effect a \$14 billion tax shift -- "killing" the hated school property tax while saddling people with higher sales and personal income taxes.... Legislative proponents of HB/SB 76, including state Sen. David Argall, R-Schuylkill/Berks, say they've fine-tuned their approach to deal with problems created by a tax shift. Still, it's hard to shake the idea that killing the school property tax swaps one form of unfairness for another. If this were easy to do without unintended consequences, it would have been done years ago." *Read the rest of the editorial:* ["Pa. Tax Shift Would Have Big Winners, Big Losers"](#) (1/18/17).

Gaming Revenue – Gaming revenue in 2016 decreased a quarter of one-percent from 2015, according to a report released last week by the Pennsylvania Gaming Control Board. Pennsylvania's total gaming revenue for the year over \$2.3 billion, but 0.23% less than slot machine revenue in 2015. The highest calendar year for gross slot machine revenue occurred in 2012 when revenue came in over \$2.4 billion. Tax revenue generated from slot machine gaming in 2016 was slightly below \$1.3 billion. A significant portion of the revenue is used for property tax reduction to all Pennsylvania homeowners, strengthening the Commonwealth's horse racing industry, and funding economic development projects.

Property Reassessment Issues – Some counties in Pennsylvania go without updating their property values for decades, far longer than the six-year maximum wait recommended by the International Association of Assessing Officers. Almost everywhere else, revaluation is either handled at the state level or required at a set interval by state law, according to IAAO surveys. So Pennsylvania's become known for having the least regulated — and most antiquated — property assessment system in the country. This dubious distinction among policy wonks also has tangible impacts. Revaluation can be expensive. But the longer governments wait, the higher the costs — and not only for the process itself. Some property owners end up paying more taxes than they really should, for example, and many go to court to fix it. This adds legal defense fees to the millions of taxpayer dollars revaluations required even in counties with a relatively small number properties. Schools and county and local governments, meanwhile, often are left with an inaccurately assessed tax base. This can prevent them from capturing revenue for road repairs, education, police and fire services and other community needs. The state's Reassessment Reform Task Force has been trying to improve the situation. *Read the rest of the story:* ["State Task Force Working To Change Pa.'s Property Assessment Rules in 2017"](#) (from *newsworks.org*, 1/3/17).

In School Funding News...

Cost of Cyber Charters – Cyber charter education is now nearly a half-billion dollar industry in Pennsylvania, according to public school advocacy group Public Citizens for Children and Youth. Earlier this year, a bill to overhaul Pennsylvania's charter school law — including small measures to reduce cyber charter tuition — fizzled in Harrisburg. "We wanted to make sure people knew the scale and that it is hitting more and more school districts and a situation that needs attention by the legislature," said Donna Cooper, PCCY executive director. Of the \$450 million PCCY calculated districts across the commonwealth are spending to enroll their students to the state's 14 cyber charter schools, the five-county Philadelphia region contributes \$132.5 million, \$42 million more than five years ago. "Money is going to the organization that's educating the child," said Bob Fayfich, executive director of Pennsylvania Coalition of Public Charters, defending the costs. "The more important issue that some people raise is is that cost reasonable relative to the cost of the cyberschool," he said. *Read the rest of the story: ["Rising Costs of Cyber Charter Tuition Beleaguer Pa. School Districts"](#)* (from *newsworks.org*, 12/20/16).

In Legislative News...

Legislative Schedule – Both the House and Senate returned to Harrisburg last Tuesday (Jan. 3) for swearing-in ceremonies and election of chamber leaders but will not return to active session until Jan. 23. Gov. Wolf will release his proposed 2017-18 state budget on Feb. 7.

Appointment of Republican Committee Chairs – Republican leaders in the House and Senate last week announced committee chair appointments for the 2017-18 session. Sen. John Eichelberger (R-Blair) was appointed chair of the Senate Education Committee. He replaces Sen. Lloyd Smucker, who was elected to Congress in November. Sen. Pat Browne (R-Lehigh) will continue to serve as chair of the Senate Appropriations Committee, the committee that takes the lead in budget consideration. In the House, Rep. Dave Hickernell (Lancaster/Dauphin) will serve as the new chair of the House Education Committee. He replaces Rep. Stan Saylor (York), who has been appointed chair of the House Appropriations Committee. Appointments will be official when formally announced on the House and Senate floors on January 23 when the General Assembly returns to session. Legislative leaders have yet to finalize rank-and-file committee appointments. Republicans hold a majority in both chambers.

Change in House Rules – Amid the pomp and circumstance at the Pennsylvania Capitol last Tuesday, the House of Representatives passed a rule change that could have a lasting impact on government transparency. Under the new rules, the House will have to wait six hours - instead of the previous 24 hours - before making a final vote on proposed legislation that was amended by the Senate. Supporters of the change put the House on sounder negotiating ground with the Senate, which only had to wait six hours. But opponents pointed out that lawmakers will have less time to consider the bills they're voting on and the public will be even less likely to understand proposals that could have a major impact on their daily lives. *Read the rest of the story: ["Pa. Lawmakers, the Public Will Have Even Less Time to Review Some Proposed Laws"](#)* (from *The Patriot-News*, 1/4/17).

Looking Back, Looking Ahead – Over the holidays, the Governor, as well as Democratic and Republican leaders, took a look back at successes in the past session and continuing challenges/priorities for 2017-18. Highlights from their recent conversations with *Capitolwire* include:

*Gov. Wolf...

-Successes: more investment in education (\$650M for pre-K through college programs); new BEF formula; expansion of Medicaid services for both adults and children; new laws to address the growing opioid crisis; legalization of medical marijuana; \$156 M in savings from the GO-TIME initiatives

-Ongoing Challenges/Priorities: state budget imbalance and continuing deficit; more education-related initiatives; investing in economic growth

***Republicans...**

-Successes: changes to state liquor law; legalization of medical marijuana; passage of opioid-related bills; changes to the Unemployment Compensation system that restored benefits for seasonal workers; increased funding for education

-Ongoing Challenges/Priorities: pension reform; paycheck protection legislation; education and charter school reform; eliminating property taxes; addressing the budget deficit; state government overhaul

***Democrats...**

-Successes: changes to state liquor law; legalization of medical marijuana; increased funding for education; legislation addressing the opioid crisis; fixing the unemployment compensation glitch concerning seasonal workers; enactment of the BEF formula

-Ongoing Challenges/Priorities: changes in state statute of limitations on child sexual abuse cases; changes in antidiscrimination law to address sexual orientation and gender identity; increased funding for education and communities; broad-based approach to tax reform

Not Seeking Re-election – Before the holidays, Rep. Eli Evankovich (R-Westmoreland/Allegheny) announced he would not seek re-election for a fifth term in 2018.

In State News...

Supreme Court Ruling on Charter School Pension Debt – In a precedent-setting ruling, the state Supreme Court said a school district is not liable to pay pension contributions that a closed charter school failed to make to a state pension fund for teachers. Ruling in a case brought by the Pocono Mountain School District, the high court said that requiring a school district to pay outstanding retirement debt of a defunct charter school violates the Charter School Law. The ruling has important implications for school districts statewide because it resolves a conflict within the charter school law regarding what constitutes a “debt” of a charter school, said the school district’s solicitor, John Freund. *Read the rest of the story:* [“Court Rules School Districts Not Responsible for Charter School Pension Debt”](#) (from *The Times-Tribune*, 1/4/17). [Click here](#) to read the court’s ruling.

Court Case on Union Leave and Benefits – A lawsuit seeking to end the long-held practice of allowing the Allentown School District’s teachers union president to be released from classroom duties while still being paid is headed for county court. On Wednesday, the Pennsylvania Commonwealth Court booted the lawsuit that was filed in February by former school board member Scott Armstrong, Allentown taxpayer Steven Ramos and James Williams, who, as a western Pennsylvania teacher, is part of the Pennsylvania Public School Employees’ Retirement System. The case was sent to Lehigh Court because a claim in the lawsuit — that current union President Debbie Tretter and former President Melvin Riddick amassed contributions in their pension plans while not working as teachers — became moot for Commonwealth Court after PSERS revoked those accruals. The lawsuit against the district, Allentown Education Association and PSERS was filed with the help of the public interest law firm Fairness Center. It seeks to have the union reimburse the district — with interest — for salary, benefits and pension credits, which the lawsuit says exceed \$1.3 million since the practice began more than 25 years ago. *Read the rest of the story:* [“Lawsuit Seeking To End Allentown School District Union President’s Pay as Teacher Headed to County Court”](#) (from *The Morning Call*, 12/29/16).

New BEC on Homeless Youth – The Pennsylvania Department of Education has revised the Education for Homeless Youth Basic Education Circular to address local education agency liaison responsibilities, students awaiting foster care status, and transportation in accordance with the Every Student Succeeds Act (ESSA). ESSA amended the McKinney-Vento Act, and changes made by ESSA took effect on October 1, 2016. As of December 10, 2016 the “Awaiting Foster Care Placement” provision is removed from the Education for Homeless Youth Basic Education Circular in accordance with ESSA. [Click here](#) to view the revised BEC.

Commonwealth's Population Decline – According to U.S. Census figures, Pennsylvania's population decreased by over 7,000 people in 2016, reflecting an ongoing decrease in the population growth rate, which stands at 0.6 percent, one of the lowest in the country. The average growth rate for the nation was 4.7 percent. Only seven states have had a lower growth rate than Pennsylvania. Should the Commonwealth's population continue to decline, Pennsylvania could lose one or more seats in the U.S. House of Representatives following the decennial census in 2020.

In National News...

Quality Counts 2017 – *Education Week* recently released the “Quality Counts 2017: Building on ESSA's K-12 Foundation” report, identifying the issues surrounding ESSA implementation and providing a state-by-state “grade” based on three categories: chance for success, K-12 achievement and school finance. [Click here](#) to read the report and related documents. Highlights in the report include:

***Implementing ESSA:** One year ago, President Barack Obama and longtime education leaders in Congress burst through years of deadlock to pass the Every Student Succeeds Act, the first update to the nation's main K-12 law in over a decade. Now the law remains a work in progress, as states, districts, and a shifting cast of federal officials work furiously to prepare for its full rollout this fall. ESSA's architects said the law struck a careful compromise. On the one side, it moved away from what they saw as the worst aspects of the No Child Left Behind Act—the previous version of the landmark Elementary and Secondary Education Act—including what many deemed an overemphasis on standardized tests and a too-heavy federal footprint. At the same time, it kept key safeguards for historically overlooked groups of students. But as the new law passes its first birthday, it's an open question whether ESSA will be able to maintain that balance once it hits state education agencies, district central offices, and classrooms in full force in the 2017-18 school year. *Read the rest of the story:* [“Tricky Balance in Shifting from ESSA Blueprint to K-12 Reality”](#) (from *Education Week*, 12/30/16).

***State of the States:** In addition to the special focus on the Every Student Succeeds Act, Quality Counts 2017 features the report's hallmark report card on the state of education for the nation and states. This year, the Education Week Research Center issues overall summative grades, as well as scores in each of the three categories that comprise the report's grading rubric: Chance-for-Success, School Finance, and K-12 Achievement. The nation receives an overall grade of C on its 2017 report card, with a score of 74.2 out of a possible 100 points, nearly identical to the 74.4 the nation posted a year ago. Nine states received a B: Massachusetts, New Jersey, Vermont, New Hampshire, Maryland, Connecticut, Wyoming, **Pennsylvania (ranking 8th highest)** and New York. At the other end of the spectrum, Nevada, Mississippi and New Mexico came in at the bottom.

Record-Breaking Graduation Rate – Graduation rates are on the rise again. According to the most recent data from the U.S. Department of Education, the on-time graduation rate for the nation's public high schools has reached another all-time high. Eighty-two percent of the class of 2014 graduated with a regular high school diploma within four years, as measured by the Education Department's Adjusted Cohort Graduation Rate, or ACGR. The graduation rate rose by a full percentage point from the prior year and by 3 percentage points since 2011, when the department first started requiring states to calculate and report graduation rates using this method. Graduation rates in roughly half the states reached or exceeded the 85 percent mark for the class of 2014, although rates among minorities and low-income students continued to lag. Pennsylvania's graduation rate rose three percent between 2011 and 2014 to a high of 86 percent. The data is analyzed in *Education Week's* latest “Diplomas Count 2016” report. *Read the rest of the story:* [“U.S. Graduation Rate Breaks Another Record”](#) (from *Education Week*, 1/2/17).

Increase in AP Students – During the 2008 presidential campaign, Barack Obama said he would “set a goal of increasing the number of high school students taking college level or AP courses by 50 percent in the coming years.” AP, or advanced placement, courses are taken in high school and can

be used for college credit if the student earns a high enough score on the final exam. On this metric, Obama hit his target. Data from the College Board, which runs the AP program, shows that the number of students taking AP courses rose from 1.58 million in the 2007-08 academic year to 2.61 million in the 2015-16 academic year. That's a 65 percent increase — well above Obama's goal. If you instead use the 2008-09 academic year as the baseline, the increase is still greater than 50 percent — 54 percent, to be precise. *Read the rest of the story:* [“Obama Keeps Early Campaign Promise about High Schoolers”](#) (from *myajc.com*, 12/15/16).

The Trump Administration: What to Expect in Education –

***Vouchers:** Indiana lawmakers originally promoted the state's school voucher program as a way to make good on America's promise of equal opportunity, offering children from poor and lower-middle-class families an escape from public schools that failed to meet their needs. But five years after the program was established, more than half of the state's voucher recipients have never attended Indiana public schools, meaning that taxpayers are now covering private and religious school tuition for children whose parents had previously footed that bill. Many vouchers also are going to wealthier families, those earning up to \$90,000 for a household of four. The voucher program, one of the nation's largest and fastest-growing, serves more than 32,000 children and provides an early glimpse of what education policy could look like in Donald Trump's presidency. *Read the rest of the story:* [“How Indiana's School Voucher Program Soared, and What It Says about Education in the Trump Era”](#) (from *The Washington Post*, 12/26/16).

***General Policy:** The presidential transition means an especially busy start to the year. President-elect Donald Trump may not have talked much about education on the campaign trail, but the first part of the year will tell us a lot about the direction he wants to go and how much of a priority he places on the issue. What's more, we'll get a glimpse of how well he's able to work with Congress on K-12, not to mention early and higher education. There are five things to watch in the months ahead: Betsy DeVos' confirmation process, education department staffing, ESSA implementation, the first big policy proposal and Trump's first budget request. *Read the rest of the story:* [“Donald Trump and K-12 Education: Five Things to Watch in 2017”](#) (from *Education Week*, 1/3/17).

Guidance on Use of Seclusion and Restraints – (from AASA) Last week the Obama Administration released guidance for district leaders on the use of seclusion and restraint in schools. This guidance informs school districts of how the use of restraint and seclusion may result in discrimination against students with disabilities thereby violating Section 504 and Title II of the ADA. Specifically, ED states a school district discriminates on the basis of disability in its use of restraint or seclusion by (1) unnecessarily treating students with disabilities differently from students without disabilities; (2) implementing policies, practices, procedures, or criteria that have an effect of discriminating against students on the basis of disability or defeating or substantially impairing accomplishment of the objectives of the school district's program or activity with respect to students with disabilities; or (3) denying the right to a free appropriate public education (FAPE). Of note, the guidance assumes that a school's use of restraint or seclusion for a student with a disability could be evidence that the student's current array of regular or special education and related aids and services is not addressing the student's needs. Moreover, the guidance states that a school's use of restraint or seclusion may have a traumatic impact on a student, such that even if she were never again restrained or secluded, she might nevertheless have new academic or behavioral difficulties that, if not addressed promptly, could constitute a denial of FAPE. That traumatizing effect could manifest itself in new behaviors, impaired concentration or attention in class, or increased absences, any of which could, if sufficiently severe and unaddressed, result in a denial of FAPE for that student. [Click here](#) to read the guidance. [Click here](#) to read a series of questions and answers on the guidance and seclusion/restraint.

Across the Nation...

Michigan: Right to Education – Two legal rulings on whether education is a fundamental right for

school children are expected to come from Detroit's federal bench in coming months and could have a profound legal impact on public education if appealed to the U.S. Supreme Court. One case, filed by a California special interest law firm, received substantial media attention when lawyers claimed their lawsuit on behalf of Detroit school children was an unprecedented attempt to establish literacy as a U.S. constitutional right. Yet seven months earlier, the American Federation of Teachers put a similar question before a different federal judge when it sued Detroit Public Schools over its poor building conditions. U.S. District Court judges David Lawson and Stephen J. Murphy III each have a separate — but similar — case on what has become a controversial education issue. Because the Detroit cases are filed in federal court, they could reach the U.S. Supreme Court, from which any ruling would force nationwide changes to education. *Read the rest of the story: [“Detroit Education Cases May Reverberate Across the U.S.”](#)* (from *The Detroit News*, 12/20/16).

Ohio: Transgender Civil Rights Case – A federal appeals court has refused to block a lower court's order requiring an Ohio school district to allow an 11-year-old transgender girl to use the girls' restroom at school. A three-judge panel of the U.S. Court of Appeals for the 6th Circuit, in Cincinnati, ruled 2-1 against the stay sought by the Highland Local School District. "We are not convinced that Highland has made its required showing of a likelihood of success on appeal," said the majority in its Dec. 15 decision in *Dodds v. Doe*. The court said it was settled law in the 6th Circuit that discrimination based on transgender status was prohibited under federal civil rights statutes. Further, the school district would not be irreparably harmed by a federal district court injunction requiring it to allow the transgender student identified in court papers as Jane Doe to continue to use the girls' restroom at school, the appeals court majority said. *Read the rest of the story: [“U.S. Appeals Court Backs Injunction for Transgender Student on Restroom Choice”](#)* (from *Education Week*, 12/16/16).

Education Research...

Art Classes and Student Stress Reduction – When schools and districts face serious budget cuts, arts programs are typically the first to go. But a new study suggests that quality arts education could be lowering stress levels in economically disadvantaged kids. Researchers from West Chester University and The University of Delaware studied kids at Kaleidoscope Preschool Arts Enrichment Program. It features a unique curriculum that fully integrates the arts. It primarily serves families who qualify for Head Start, a federally funded program for low-income children. By analyzing saliva samples taken throughout the day, Eleanor Brown, a psychology professor at West Chester University, said researchers studied children's cortisol levels. "Cortisol is a stress hormone. When we face stressful or challenging situations, our cortisol is elevated. And that's a good thing," she said. However, she said, low-income kids can have chronically high levels of cortisol because they're exposed to more stressful events, such as having to move a lot or living in violent neighborhoods. "And we know that that has a negative impact on learning, our ability to manage our emotions and physical health as well," Brown said. Her team found that cortisol levels were lower after a music, dance or visual arts class than they were during homeroom. While it is possible the children are facing different social challenges in homeroom that could be contributing to or causing this effect, Brown believes the answer lies in the arts. *Read the rest of the story: [“Arts Classes May Help Relieve Stress in Kids from Poor Neighborhoods”](#)* (from *newsworks.org*, 12/14/16).

Value of Pre-School Education – If you got 13 percent back on your investments every year, you'd be pretty happy, right? Remember, the S&P 500, historically, has averaged about 7 percent when adjusted for inflation. What if the investment is in children, and the return on investment not only makes economic sense but results in richer, fuller, healthier lives for the entire family? That's the crux of a new paper out Monday, [The Life-Cycle Benefits of an Influential Early Childhood Program](#), co-authored by Nobel laureate James Heckman, a professor of economics at the University of Chicago and the director of the Center for the Economics of Human Development. There's a [growing body of research](#) on the value and importance of high-quality early education programs — especially for disadvantaged kids. But there's surprisingly little research on its impact over time. This paper helps change that. Heckman and his co-authors examine the many ways in

which these high-quality programs helped participants thrive throughout life. *Read the rest of the story: [“How Investing in Preschool Beats the Stock Market, Hands Down”](#)* (from NPR, 12/12/16).

On the Calendar...

- Jan. 11-12 – New Superintendents’ Academy Part 3 (PASA office)
- Jan. 17-18 – Aspiring to Leadership Workshop (PASA office)
- Jan. 20 – Women’s Caucus Board meeting (PASA office)
- Jan. 26 – Joint Boards Meeting (Hershey)
- Jan. 27 – Board of Governors’ meeting (PASA office)