

FISCAL NOTE

September 26, 2017

Bill No:	SB 725	Printer's No:	859	Sponsor:	Echelberger (R)
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COST / (SAVINGS)

Fund (s)	2017-18	2018-19
General Fund	See "Fiscal Impact"	See "Fiscal impact"

SUMMARY: The bill would require the Department of Education (PDE) to submit its state plan for the federal Every Student Succeeds Act (ESSA) to the General Assembly prior to submitting it to the federal government.

ANALYSIS: The bill amends the Public School Code to define the role of the General Assembly in the development and implementation of Pennsylvania's plan under the ESSA.

In 2015, the ESSA was enacted to replace No Child Left Behind. The federal law requires states to develop their own educational plans to meet the requirements and expectations of the ESSA. States must submit plans to the United State Department of Education prior to full-implementation of the ESSA during the 2017-2018 school year.

The bill would require PDE to consult with the chairpersons of the Senate and House Education Committees when developing its ESSA plan. No plan would be implemented until the General Assembly approves it or has appropriated funds for the state plan implementation.

The act would take effect immediately.

FISCAL IMPACT: The language in the bill relating to the appropriation of funds could result in the General Assembly withholding funds until it approves the ESSA plan. Should the General Assembly withhold funds, the situation could be problematic since PDE's funding comes from a number of different sources and is used for activities other than implementation of the ESSA plan.

Act 1A of 2017 includes an increase of \$2 million in PDE's General Government Operations (GGO) to leverage federal funds for school improvement projects in low-achieving schools. The funding is tied to the implementation of the ESSA plan. The bill would allow the General Assembly to restrict the use of this funding until it approves the plan. If the funding is not spent, the commonwealth could lose federal funding to support school improvement projects linked to the ESSA plan. The language in the bill also may permit the legislature to withhold funding for the entire GGO line of \$26,143,000, which would cause the department to cease operations.

Since the funding for PDE's ESSA implementation impacts multiple appropriations, the use of funds from the following appropriations may be impacted if the General Assembly withholds funds\ until it approves the ESSA plan:

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- PA Assessment - \$50,425,000
- ESEA -Title I – Administration (Federal) - \$ 12,333,000
- Teacher Professional Development - \$ 5,959,000
- Title VI Part A State Assessments (Federal) – \$ 15,000,000
- Student Support and Academic Enrichment – Local (Federal) - \$ 16,000,000