



# Senate Education Committee

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**BILL SUMMARY**  
**Senate Bill 1221, Printer's No. 1497**  
**Prime Sponsor: Dinniman**

**SUMMARY**

This legislation adds a new section to Article XX-A of the Pennsylvania Public School Code concerning relationships between the Pennsylvania State System of Higher Education (PASSHE) and private affiliated entities (affiliated foundations).

**CURRENT LAW**

The Commonwealth's Adverse Interest Act prohibits the PASSHE institutions from having any direct voting membership on the governing board of affiliated foundations and limits the degree to which PASSHE employees can assist with fund raising efforts that are designed to benefit the institution.

**ANALYSIS**

Senate Bill 1221 adds a new section to Article XX-A (relating to the State System of Higher Education) concerning the relationship between PASSHE institutions and private affiliated entities (affiliated foundations). The provisions of this section apply to affiliated foundations that are incorporated for the sole purpose of the benefiting PASSHE or a State-owned university.

Under SB 1221, state employees or officers may provide services to an affiliated entity as an ex officio, non-voting member of the board of the affiliated foundation. PASSHE and the institution may coordinate and engage in fundraising activities for the affiliated foundation if the funds are used to directly benefit PASSHE or the institution. For the purposes of this section only, the State Adverse Interest Act does not apply to PASSHE, its institutions or employees of the system.

The legislation makes it clear that the affiliated foundations are not authorized or granted power to enter into any transactions or agreements on behalf of PASSHE or any State-owned university, and that PASSHE or an institution are responsible for the payment of any debt or

obligations incurred by an affiliated entity. Affiliated entities are not considered instrumentalities or agencies of the Commonwealth.

Senate Bill 1221 also makes repeals of several out-dated statutes (most notably, the State College Faculty Compensation Law, Act 600 of 1952) relating to the State System of Higher Education that were put into place prior to the enactment of Act 188 of 1982, PASSHE's authorizing statute.

This bill takes effect in 60 days.

## LEGISLATIVE REFERENCE BUREAU

## AMENDMENTS TO SENATE BILL NO. 1221

Sponsor:

Printer's No. 1497

- 1 Amend Bill, page 1, line 5, by inserting after "thereto,"  
2 in State System of Higher Education,  
3 Amend Bill, page 1, line 6, by inserting after "entities"  
4 and for college year and classifications, leaves of  
5 absence and faculty salaries in cases of sickness or death  
6 Amend Bill, page 1, lines 10 and 11, by striking out "a " in  
7 line 10 and "section" in line 11 and inserting  
8 sections  
9 Amend Bill, page 2, by inserting between lines 28 and 29  
10 (i) Nothing in this section shall be construed to alter or  
11 affect the responsibilities or duties of affiliated entities as  
12 required under the act of February 14, 2008 (P.L.6, No.3), known  
13 as the "Right-to-Know Law."  
14 Section 2022-A. College Year and Classifications; Leaves of  
15 Absence; Faculty Salaries in Cases of Sickness or Death.--(a)  
16 (1) Each person, regardless of the date of appointment,  
17 appointed to a position as an administrator or member of the  
18 faculty of an institution within the classifications stated in  
19 this section may be paid for services rendered during the  
20 regular nine-month college year.  
21 (2) Each person employed for the full nine-month college  
22 year may receive either twenty (20) or twenty-six (26) biweekly  
23 salary payments.  
24 (3) In no case shall any faculty member receive more  
25 compensation in twenty-six (26) pays than the faculty member  
26 would have received in twenty (20) pays.  
27 (4) Each person employed during any period beyond the  
28 regular nine-month college year shall be paid at the same rate  
29 of compensation that the person received or would have been  
30 entitled to receive during the regular college year.  
31 (b) The classifications under subsection (a) shall be as  
32 follows:  
33 (1) Professor qualifications, an earned doctor's degree, at  
34 least seven (7) years of teaching experience.



1     (2) Associate professor qualifications, a minimum of an  
2 earned doctor's degree or a master's degree plus forty (40)  
3 semester hours of graduate credit or a total of seventy (70)  
4 semester hours of graduate credit including a master's degree or  
5 all course work completed toward a doctorate as certified by the  
6 university where the work is being taken or equivalent  
7 experience, at least five (5) years of teaching experience.

8     (3) Assistant professor qualifications, a minimum of a  
9 master's degree plus ten (10) semester hours of graduate credit  
10 or equivalent experience.

11     (4) Instructor qualifications, a minimum of a bachelor's  
12 degree plus fifteen (15) semester hours of graduate credit.

13     (c) The considerations for classifications under subsection  
14 (b) shall be as follows:

15     (1) Graduate degrees and preparation to meet the  
16 classifications of this section must be earned in fields related  
17 to the service rendered to the institution.

18     (2) Upon the recommendation of the president of an  
19 institution, the board may accept other education and experience  
20 qualifications than those mandated in this section for temporary  
21 appointments.

22     (d) Eligibility for leaves of absence by members of faculty  
23 of an institution shall be as follows:

24     (1) Upon recommendation of the president of an institution,  
25 a leave of absence for a period not to exceed eighteen (18)  
26 college calendar weeks with full pay or a leave of absence for a  
27 period not to exceed thirty-six (36) calendar weeks with half  
28 pay, for restoration of health, study, travel or other  
29 appropriate purposes, may be granted to any member of the  
30 faculty who has completed seven (7) or more years of  
31 satisfactory services as a faculty member of one (1) or more  
32 institutions; Provided, that at least five (5) consecutive years  
33 of such service shall have been rendered to the institution from  
34 which the leave of absence is sought.

35     (2) At the option of the faculty member, if the institution  
36 operates on a system of units other than semesters, the faculty  
37 member may be granted a period corresponding to one or more  
38 units, within the previous restriction of total weeks.

39     (3) Leaves of absence may be granted for any part of a  
40 calendar year.

41     (4) After completion of the requisite seven years, one leave  
42 of absence shall be allowed for each additional seven years of  
43 service upon recommendation and approval by the president of the  
44 institution.

45     (5) Leaves of absence shall be accumulated so that no  
46 faculty member shall lose entitlement because of failure to use  
47 a leave of absence, but no faculty member shall be entitled to  
48 use more than thirty-six (36) weeks of accumulated leave in  
49 succession.

50     (6) The board may grant a leave of absence to other system  
51 employees on the same basis as faculty members, as defined in



1 this act.

2 (e) No leave of absence shall be granted unless the member  
3 of the faculty of an institution agrees, in writing, to return  
4 to the faculty member's employment with the institution for a  
5 period of not less than one year immediately following the  
6 expiration of the leave of absence; Provided: The president of  
7 the institution, with the approval of the chancellor, may waive  
8 the requirement to return to the institution if both agree that  
9 it is in the best interest of the institution to waive the  
10 requirement to return. The agreement to waive the requirement  
11 must be in writing and signed.

12 (f) (1) No such leave of absence shall be considered a  
13 termination or breach of the contract of employment and the  
14 faculty member on leave of absence shall be returned to the same  
15 position the faculty member occupied prior thereto.

16 (2) Every employe, while on such leave of absence, shall be  
17 considered to be in regular full-time daily attendance in the  
18 position from which the leave of absence was taken during the  
19 period of leave, for the purpose of determining the employe's  
20 length of service and the right to receive increments.

21 (3) Every person on leave of absence shall retain the right  
22 to make contributions as a member of either the State Employees'  
23 Retirement Fund or the Public School Employees' Retirement Fund  
24 and continue the person's membership in whichever system the  
25 person currently holds membership.

26 (g) Each institution shall have the right to make such  
27 policies as it may deem necessary to make sure that employes on  
28 leave shall utilize such leave properly for the purpose for  
29 which it was granted, requiring reports from the employe or  
30 employes on leave in such manner as it may deem necessary.

31 (h) The following shall apply to salaries of faculty members  
32 of an institution in cases of sickness or death:

33 (1) In any college year, whenever a faculty member is  
34 prevented by illness or accidental injury from following the  
35 faculty member's occupation, during the regular college year, or  
36 at any other time when performing the faculty member's duties as  
37 a faculty member, there shall be paid to the faculty member the  
38 full salary to which the faculty member may be entitled as if  
39 the faculty member were actually engaged in the performance of  
40 duty for a period of fifteen (15) days. Sundays, holidays and  
41 vacation periods shall not be counted as days lost.

42 (2) Such leave of absence shall be cumulative from year to  
43 year but shall not exceed ninety (90) days' leave of absence  
44 with full pay in any one year.

45 (3) Notwithstanding provisions of paragraphs (1) and (2), no  
46 faculty member's salary shall be paid, if the accidental injury  
47 is incurred while the faculty member is engaged in remunerative  
48 work unrelated to school duties.

49 (4) Until such time as a faculty member has accumulated  
50 ninety (90) days' leave, the provisions of this section shall  
51 not preclude the granting of additional sick leave by

1 administrative action.

2 (5) Whenever a faculty member is absent from duty because of  
3 a death in the immediate family of the faculty member, there  
4 shall be no deduction in the salary of the faculty member for an  
5 absence not in excess of three (3) days. Members of the  
6 immediate family shall consist of father, mother, brother,  
7 sister, son, daughter, husband, wife or parent-in-law and  
8 include any near relative who resides in the same household or  
9 any person with whom the faculty member resides.

10 (6) All compensation required to be paid under the  
11 provisions of this subsection shall be paid to the faculty  
12 member in the same manner and at the same time the faculty  
13 member would have received the faculty member's salary if  
14 actually engaged in the performance of the faculty member's  
15 duties.

16 (i) Nothing in subsection (d), (e), (f) or (g) shall be  
17 construed to prevent any faculty member on leave of absence from  
18 receiving a grant for further study from an institution other  
19 than the institution by which employed.

20 Amend Bill, page 3, line 2, by striking out "section 2021-A"  
21 and inserting

22 sections 2021-A and 2022-A

23 Amend Bill, page 3, by inserting between lines 25 and 26

24 Section 3. The precedential effect of any arbitration award  
25 or opinion issued or pending prior to the effective date of this  
26 section pursuant to a collective bargaining agreement authorized  
27 by the act of July 23, 1970 (P.L.563, No.195), known as the  
28 Public Employe Relations Act, shall not be diminished, altered  
29 or in any manner limited by any repeal made in this act.

30 Amend Bill, page 3, line 26, by striking out "3" and  
31 inserting

32 4



THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1221 Session of 2011

INTRODUCED BY DINNIMAN, ALLOWAY, GREENLEAF, EARLL AND MENSCH,  
AUGUST 2, 2011

REFERRED TO EDUCATION, AUGUST 2, 2011

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An  
2 act relating to the public school system, including certain  
3 provisions applicable as well to private and parochial  
4 schools; amending, revising, consolidating and changing the  
5 laws relating thereto," providing for relations with private  
6 affiliated entities; and making related repeals.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

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

12 Section 2021-A. Relations with Private Affiliated  
13 Entities.--(a) This section shall apply to the relationships  
14 between the system or a State-owned university and affiliated  
15 entities that are incorporated for the sole purpose of  
16 benefiting the system or a State-owned university.

17 (b) This section shall apply to an affiliated entity if the  
18 affiliated entity exists for the sole purpose of benefiting the  
19 system or a State-owned university. Affiliated entities may  
20 raise and utilize nonpublic funds to benefit and promote the

1 system or a State-owned university.

2 (c) System employes or officers may provide services to an  
3 affiliated entity as an ex officio, nonvoting member of the  
4 board of the affiliated entity as part of the mission of the  
5 system or a State-owned university.

6 (d) The system and State-owned universities may coordinate  
7 and jointly engage in fundraising activities with an affiliated  
8 entity in order to raise money for the affiliated entity if the  
9 money is used to directly inure to the benefit of the system or  
10 State-owned university for the purposes stated under this act.

11 (e) Notwithstanding any other provision of law, the  
12 provisions of the act of July 19, 1957 (P.L.1017, No.451), known  
13 as the "State Adverse Interest Act," shall not apply to the  
14 system, its institutions or employes of the system and its  
15 institutions for actions undertaken in accordance with this  
16 section.

17 (f) Nothing in this section shall be construed as  
18 authorizing or granting power to an affiliated entity to enter  
19 into any transactions or any agreements on behalf of the system  
20 or a State-owned university.

21 (g) Neither the system nor a State-owned university shall be  
22 responsible for the payment of any debts or satisfaction of any  
23 obligations incurred by an affiliated entity.

24 (h) Affiliated entities recognized under this article shall  
25 not be considered instrumentalities or agencies of the  
26 Commonwealth. The Commonwealth shall not have any ownership  
27 interest in the corporation and all affiliated entities shall  
28 continue to be considered private corporations.

29 Section 2. Repeals are as follows:

30 (1) The General Assembly declares that the repeals under



1 paragraphs (2) and (3) are necessary to effectuate the  
2 addition of section 2021-A of the act.

3 (2) The following acts are repealed:

4 (i) The act of May 20, 1857 (P.L.581, No.619),  
5 entitled "An act to provide for the Due Training of  
6 Teachers for the Common Schools of the State."

7 (ii) The act of April 15, 1859 (P.L.680, No.681),  
8 entitled "A supplement to an act to provide for the due  
9 training of Teachers for the Common Schools of the State,  
10 passed on the twentieth of May, one thousand eight  
11 hundred and fifty-seven."

12 (iii) The act of January 18, 1952 (1951 P.L.2111,  
13 No.600), entitled "An act to provide for minimum  
14 compensation and increments for administrators and  
15 members of the faculty of State Colleges; providing for  
16 leaves of absence; imposing certain duties upon the  
17 Boards of Trustees and Presidents of State Colleges and  
18 the Superintendent of Public Instruction; and repealing  
19 inconsistent laws."

20 (3) The following acts or parts of acts are repealed to  
21 the extent they are inconsistent with the addition of section  
22 2021-A of the act:

23 (i) The act of July 19, 1957 (P.L.1017, No.451),  
24 known as the State Adverse Interest Act.

25 (ii) 65 Pa.C.S. § 1103(a).

26 Section 3. This act shall take effect in 60 days.