

COMMONWEALTH OF PENNSYLVANIA  
HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE  
BUDGET HEARING

STATE CAPITOL  
HARRISBURG, PA

MAIN CAPITOL BUILDING  
140 MAJORITY CAUCUS ROOM

MONDAY, MARCH 2, 2020  
10:00 A.M.

PRESENTATION ON  
PA DEPARTMENT OF EDUCATION

BEFORE:

HONORABLE STANLEY SAYLOR, MAJORITY CHAIRMAN  
HONORABLE ROSEMARY M. BROWN  
HONORABLE LYNDA SCHLEGEL CULVER  
HONORABLE SHERYL M. DELOZIER  
HONORABLE GEORGE DUNBAR  
HONORABLE JONATHAN FRITZ  
HONORABLE MATT GABLER  
HONORABLE KEITH J. GREINER  
HONORABLE SETH M. GROVE  
HONORABLE MARCIA M. HAHN  
HONORABLE DOYLE HEFFLEY  
HONORABLE R. LEE JAMES  
HONORABLE JOHN A. LAWRENCE  
HONORABLE JASON ORTITAY  
HONORABLE CLINT OWLETT  
HONORABLE CHRISTOPHER B. QUINN  
HONORABLE GREG ROTHMAN  
HONORABLE JAMES B. STRUZZI II  
HONORABLE JESSE TOPPER

\* \* \* \* \*

**Debra B. Miller**  
[dbmreporting@msn.com](mailto:dbmreporting@msn.com)

## BEFORE (continued):

HONORABLE RYAN WARNER  
HONORABLE JEFF C. WHEELAND  
HONORABLE MARTINA A. WHITE  
HONORABLE MATTHEW D. BRADFORD, DEMOCRATIC CHAIRMAN  
HONORABLE DONNA BULLOCK  
HONORABLE CAROLYN T. COMITTA  
HONORABLE ELIZABETH FIEDLER  
HONORABLE MARTY FLYNN  
HONORABLE ED GAINNEY  
HONORABLE PATTY KIM  
HONORABLE STEPHEN KINSEY  
HONORABLE LEANNE KRUEGER  
HONORABLE STEPHEN McCARTER  
HONORABLE BENJAMIN V. SANCHEZ  
HONORABLE PETER SCHWEYER

## ALSO IN ATTENDANCE:

HONORABLE MARK M. GILLEN  
HONORABLE BARBARA GLEIM  
HONORABLE CAROL HILL-EVANS  
HONORABLE MARYLOUISE ISAACSON  
HONORABLE MICHAEL PEIFER  
HONORABLE CURTIS G. SONNEY  
HONORABLE MIKE TURZAI, SPEAKER OF THE HOUSE

## COMMITTEE STAFF PRESENT:

DAVID DONLEY  
MAJORITY EXECUTIVE DIRECTOR  
RITCHIE LaFAVER  
MAJORITY DEPUTY EXECUTIVE DIRECTOR

ANNE BALOGA  
DEMOCRATIC EXECUTIVE DIRECTOR  
TARA TREES  
DEMOCRATIC CHIEF COUNSEL

I N D E X

TESTIFIERS

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SUBMITTED WRITTEN TESTIMONY

\* \* \*

See submitted written testimony and handouts online under "Show:" at:

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P R O C E E D I N G S

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MAJORITY CHAIRMAN SAYLOR: I call the Appropriations Committee to order.

And we'll start off the day with the Pledge of Allegiance.

(The Pledge of Allegiance was recited.)

MAJORITY CHAIRMAN SAYLOR: With that, we'll also do an introduction of Members.

Representative Bradford.

MINORITY CHAIRMAN BRADFORD: Thank you, Chairman Saylor.

Matt Bradford, central Montgomery County.

REPRESENTATIVE KINSEY: Good morning.

Stephen Kinsey, Philadelphia County.

REPRESENTATIVE SANCHEZ: Good morning.

Ben Sanchez from eastern Montgomery County.

REPRESENTATIVE SCHWEYER: Good morning.

Peter Schweyer, the Allentown School District.

REPRESENTATIVE McCARTER: Steve McCarter, the 154<sup>th</sup> District, eastern Montgomery County.

REPRESENTATIVE FLYNN: State Representative Marty Flynn, the 113<sup>th</sup> District, Lackawanna County.

1           REPRESENTATIVE BULLOCK: Representative Bullock,  
2 the 195<sup>th</sup> District in Philadelphia, the north and west  
3 parts.

4           REPRESENTATIVE FIEDLER: Representative  
5 Elizabeth Fiedler, South Philadelphia.

6           REPRESENTATIVE KIM: Good morning.

7           Patty Kim, the city of Harrisburg.

8           REPRESENTATIVE LAWRENCE: John Lawrence,  
9 southwestern Chester County and a part of Lancaster County.

10          REPRESENTATIVE GABLER: Good morning.

11          Matt Gabler, the 75<sup>th</sup> District, Elk and Clearfield  
12 Counties.

13          REPRESENTATIVE WHEELAND: Jeff Wheeland, Lycoming  
14 County -- Williamsport, the home of Little League Baseball.

15          REPRESENTATIVE BROWN: Good morning.

16          Rosemary Brown, the 189<sup>th</sup> District, Monroe and  
17 Pike Counties.

18          REPRESENTATIVE HAHN: Good morning.

19          Marcia Hahn, the 138<sup>th</sup> District, Northampton  
20 County.

21          REPRESENTATIVE CULVER: Good morning.

22          Lynda Culver, the 108<sup>th</sup> District, Northumberland  
23 and Snyder Counties.

24          REPRESENTATIVE OWLETT: Representative Owlett,  
25 the 68<sup>th</sup> District, Tioga, Bradford, and Potter Counties.

1 REPRESENTATIVE ROTHMAN: Good morning.

2 Representative Rothman, the 87<sup>th</sup> District,  
3 Cumberland County.

4 REPRESENTATIVE WHITE: Good morning.

5 Martina White, Philadelphia County.

6 REPRESENTATIVE GREINER: Good morning.

7 Keith Greiner, the 43<sup>rd</sup> District, eastern  
8 Lancaster County.

9 REPRESENTATIVE STRUZZI: Jim Struzzi, the  
10 62<sup>nd</sup> District, Indiana County.

11 REPRESENTATIVE TOPPER: Jesse Topper, the  
12 78<sup>th</sup> District, Bedford, Fulton, and Franklin Counties.

13 REPRESENTATIVE DUNBAR: George Dunbar,  
14 Westmoreland County, western Westmoreland County, the  
15 56<sup>th</sup> District, since we're doing directional parts of our  
16 counties.

17 REPRESENTATIVE ORTITAY: Jason Ortitay, the  
18 46<sup>th</sup> District, Allegheny and Washington Counties.

19 REPRESENTATIVE HEFFLEY: Doyle Heffley, the  
20 122<sup>nd</sup> District, Carbon County.

21 REPRESENTATIVE GROVE: Seth Grove, the 196<sup>th</sup>, York  
22 County.

23 REPRESENTATIVE FRITZ: Good morning, friends.

24 Jonathan Fritz, the 111<sup>th</sup> Legislative District,  
25 comprising Wayne and Susquehanna Counties.

1                   REPRESENTATIVE JAMES: Good morning.

2                   Lee James from Butler and Venango Counties in the  
3 great northwest.

4                   MAJORITY CHAIRMAN SAYLOR: Very good.

5                   I'm Chairman Stan Saylor from York County, the  
6 94<sup>th</sup> District.

7                   With that, Mr. Secretary, would you and your  
8 staff who are going to testify please rise and raise your  
9 right hand:

10                  Do you swear and affirm that the testimony you  
11 are about to give is true to the best of your knowledge,  
12 information, and belief? If so, say "I do."

13

14                  (Testifiers responded "I do.")

15

16                  MAJORITY CHAIRMAN SAYLOR: Very good. Thank you.

17                  Thank you for being here today, Mr. Secretary,  
18 and we'll start off with our first questioner, which is  
19 Representative Ortitay.

20                  REPRESENTATIVE ORTITAY: Thank you, Mr. Chairman.

21                  Good morning, Mr. Secretary.

22                  Before the meeting started, I handed you a sheet  
23 with lapsed funds, Act 146 waivers, and budgetary reserves.  
24 Some go back to 2014. What I'm trying to find out, and I  
25 got this all from the Budget Book that you guys have

1 provided us, is what's accounted for, what is unencumbered,  
2 and what's available to be used? Because there are  
3 10 different line items in the Governor's budget where he  
4 is asking for additional funds on top of last year where  
5 there are still remaining funds left over.

6 SECRETARY RIVERA: Thank you for your question,  
7 Representative.

8 What we can do is we can give you a much more  
9 detailed accounting. However, as we look through this  
10 list, the vast majority of the line items are already  
11 encumbered funds.

12 With the funding that we pushed through the  
13 Department of Ed, there are a number of ways we administer  
14 funds through the Budget Book. One of the more traditional  
15 ways, school districts, intermediate units, institutions  
16 apply, go through application for those funds. So although  
17 we'll see a carryover, it could be because it's part of,  
18 you know, part and parcel of the process. So, you know, a  
19 school district may have requested a proportionate share of  
20 those funds or a non-private intermediate unit, and then  
21 through that process, we allocate the funds.

22 In some cases, some institutions, although there  
23 is a specific dollar amount that is carried over, we parcel  
24 those funds on a monthly or quarterly basis. So the vast  
25 majority of the funds that we're looking at on this list

1 are already encumbered, just have to go through an  
2 allocation process.

3 REPRESENTATIVE ORTITAY: Okay. So to make it  
4 easier for you guys to get back to us, can you give us a  
5 list of the funds that are not encumbered on the list that  
6 I have provided you?

7 SECRETARY RIVERA: Absolutely; absolutely.

8 REPRESENTATIVE ORTITAY: All right. Perfect.

9 Now, there are a couple lines specifically I want  
10 to ask about. Why do we keep so much in budgetary reserves  
11 for the State-related universities? I noticed that line  
12 itself is much larger than the rest. Because, I mean,  
13 overall, we're looking at about \$560 million from the  
14 Budget Book, and out of these, these make up about \$200 to  
15 \$250 million.

16 SECRETARY RIVERA: Danielle can answer that  
17 specific question.

18 DIRECTOR MARIANO: So, there's actually a  
19 pass-through that happens from, there's a large amount of  
20 those funds that go to DHS for a program that they  
21 administer. So it's really, it's in our budget, but they  
22 go to DHS. And, you know, depending, again, as the  
23 Secretary noted, on the process, you know, we have to move  
24 them over to the other agency. But we can also provide  
25 more detail on that particular line, if that's helpful.

1           REPRESENTATIVE ORTITAY: Yeah. And do you know  
2 who sets what that funding has to be, each line, to get  
3 that pass-through or the Federal match or whatever dollars  
4 we're trying to get there?

5           DIRECTOR MARIANO: Who decides where it goes,  
6 or---

7           REPRESENTATIVE ORTITAY: Well, who decides how  
8 much money sits in that budgetary reserve? Because, I  
9 mean, there's one that's 110 million, and in the following  
10 year, let's see, 2019, the reserves are 152 million. How  
11 do you determine how much money actually sits there year  
12 over year before it gets doled out?

13          DIRECTOR MARIANO: I believe it is attached to  
14 the program, which is a Federal program through DHS. So  
15 again, we're just kind of the -- we pass the funds on. But  
16 I can give you more detail around the specific program and  
17 what the requirements are.

18          REPRESENTATIVE ORTITAY: Okay. Thank you.

19                 The next thing I want to talk about is the  
20 Northern PA Regional College. In last year's budget, we  
21 had \$7 million appropriated for that line item, and it  
22 still, according to your book, hasn't been spent. It's  
23 still sitting there. And in this year's budget, there's a  
24 request for another \$7 million. Is that \$7 million needed  
25 in this year's budget? What is it being spent on? Or is

1 there a possibility of we skip a year until they're up and  
2 running and ready to go and then fund it next year?

3 SECRETARY RIVERA: Historically, that allocation  
4 had been a legislative appropriation, and that funding as  
5 well goes through based on their accounting as they submit  
6 to the State.

7 REPRESENTATIVE ORTITAY: So they haven't started  
8 spending any of the money yet, right? And you haven't  
9 allocated -- I mean, you've allocated the money, but  
10 nothing has been spent.

11 SECRETARY RIVERA: Yeah. So they have it in  
12 their budget processing. They just have not completed the  
13 process yet.

14 REPRESENTATIVE ORTITAY: And do you have a time  
15 frame on that?

16 SECRETARY RIVERA: That lands on the board of  
17 that institution, so we have been working with them to  
18 facilitate through the process. It's really around how  
19 quickly they can do their due diligence.

20 REPRESENTATIVE ORTITAY: Are you optimistic that  
21 they're going to be able to start using and drawing down  
22 that money in this next budget cycle?

23 SECRETARY RIVERA: I am. I think some of the  
24 conversations we're having globally around the need for  
25 higher ed, I think the General Assembly and the

1 Administration are incentivizing them to draw down those  
2 dollars just to show that there's access to that northern  
3 tier.

4 REPRESENTATIVE ORTITAY: Okay.

5 Thank you, Mr. Secretary, and thank you,  
6 Mr. Chairman.

7 SECRETARY RIVERA: Thank you.

8 MAJORITY CHAIRMAN SAYLOR: Next is Representative  
9 Fiedler.

10 REPRESENTATIVE FIEDLER: Good morning. Thank you  
11 for being here.

12 The Governor has made a bold \$1 billion proposal  
13 to remediate lead and asbestos in our schools. Clearly, we  
14 face both a very challenging financial situation and, in my  
15 belief, also an emerging public health emergency.

16 I want to ask you about something about this  
17 issue which I hear about from my constituents a lot;  
18 specifically, educators and staff across this State who are  
19 asking themselves, asking their friends and family, asking  
20 their districts, if the medical struggles that they are  
21 facing are connected with the decades that they have spent  
22 in our public school buildings in Pennsylvania.

23 Just real briefly, there's a Philadelphia public  
24 school teacher named Lea DiRusso who spent 28 years as a  
25 teacher, and she recently went public with her mesothelioma

1 diagnosis. Both my parents were public school teachers,  
2 and so this description she had of her routine, she said,  
3 "When I come into a room on a Monday morning, and  
4 you're..." setting up, "and you see dust across your desk,  
5 or dust on the ground, or a ceiling tile fell, as a  
6 teacher, this is your pride and joy, it's your room.  
7 You...scoop it up, you clean it up, and you move on." And  
8 again, this is a public school teacher in Pennsylvania for  
9 28 years who now is struggling with mesothelioma.

10           Could you tell us what your message is to  
11 educators and staff across this State about the state of  
12 our public school buildings and talk about the State's  
13 financial commitment to keeping our students and educators  
14 safe while they are in our schools.

15           SECRETARY RIVERA: Mm-hmm.

16           Representative, first, I think it's incumbent for  
17 me to share, I know the feeling specifically. I taught and  
18 was an administrator in many of those same buildings that  
19 we're hearing about today. I spent almost all of my career  
20 in North Philadelphia, 100-plus-year-old buildings, and  
21 have experienced some of the conditions that many of our  
22 teachers and administrators and principals are sharing in  
23 Philadelphia today, which is why when the Governor brought  
24 up the opportunity to look at the \$1 billion in RACP just  
25 to make funding available as quickly as possible, to work

1 with the General Assembly, you know, to form some system of  
2 remediation for schools, I fully support that plan.

3 I also fully supported the amazing work we have  
4 done through the Planning Commission, you know, the  
5 committee with the General Assembly, and having passed  
6 that, you know, in a bipartisan and bicameral manner,  
7 moving forward and allowing for small project remediation,  
8 as well as, some of the larger project PlanCon  
9 reimbursement is something that absolutely was needed at  
10 the time and continues to be needed.

11 But I do think as we look at this specific issue,  
12 the need to act and have a dollar amount set aside, you  
13 know, as quickly as possible is extremely, is extremely  
14 important. And, you know, which is why I absolutely  
15 applaud the work that, you know, the Governor and the  
16 General Assembly are doing around the RACP funds.

17 I do think as we get into the deeper  
18 conversation, one, let's get the funding out there quickly.  
19 But this is going to drive other conversations. This is  
20 going to drive conversation around, you know, physical  
21 plant remediation, around the needs of educators, you know,  
22 across the Commonwealth, and I'm going to and my team is  
23 going to stand ready to facilitate those calls as needed.

24 REPRESENTATIVE FIEDLER: Thank you.

25 And I think obviously as we're looking at the

1 conditions that we are attempting to remediate -- right? --  
2 asbestos, lead, from a health perspective and even an  
3 educational one, we know the toll that these things take on  
4 the human body -- right? -- on children's ability to learn  
5 and as far as the other diagnoses that as a State we're  
6 going to be faced with as well.

7 SECRETARY RIVERA: And if you will allow me just  
8 to share, you know, some other realities in this case.

9 I think this is an extremely difficult situation  
10 to describe, because we think when we go into these sacred,  
11 toxic buildings that you can see it, and having lived it,  
12 it's something as simple as a crack in a chalkboard, or a  
13 tile on the floor that has been broken and then, you know,  
14 if there's asbestos in the glue or, you know, in what has  
15 been used to prepare it, then it could be airborne.

16 And so, you know, I always caution, this isn't  
17 something you walk into a building and say, this is a  
18 building that's in need of remediation. This is something  
19 that's actually going to take some real thoughtful due  
20 diligence.

21 REPRESENTATIVE FIEDLER: Thank you.

22 MAJORITY CHAIRMAN SAYLOR: Our next questioner is  
23 Representative White.

24 REPRESENTATIVE WHITE: Hello, Secretary. Thank  
25 you for being here with us today.

1 I would also like to discuss the lead and  
2 asbestos remediation program.

3 I'm sure you're aware that the Governor, as you  
4 previously mentioned the RACP program, makes the projects  
5 eligible up to a billion dollars in the Capital Budget  
6 Itemization Act to include grant availability for lead and  
7 asbestos remediation projects. Do you know how the  
8 Administration arrived at that billion-dollar figure?

9 SECRETARY RIVERA: I think, you know, in  
10 conversation with my colleague in the Budget Office, this  
11 is a dollar amount to start to provide for remediation. I  
12 think the process is really, you know, what we have been  
13 thoughtful about, by having this as a stand-alone line item  
14 that would allow school districts to apply for those funds  
15 as an RACP item. But a stand-alone RACP item would really  
16 do a number of things: one, make the funding available, but  
17 also help us to better track along with the need.

18 REPRESENTATIVE WHITE: Yeah, but did you guys  
19 evaluate the number of schools across the Commonwealth that  
20 need the remediation?

21 SECRETARY RIVERA: The first-level evaluation has  
22 been more informal. We know that with something like this,  
23 because of the dire need, the Governor and the  
24 Administration have done it quickly.

25 REPRESENTATIVE WHITE: How do you know -- well, I

1 think we all understand that there is a dire need, but I  
2 think it's a real question as to the dollars that we need  
3 to put behind this need. And I think, you know, as it  
4 pertains to lead and asbestos, these are very, you know,  
5 these are problems that have been ignored for the past  
6 50 years.

7 SECRETARY RIVERA: Mm-hmm.

8 REPRESENTATIVE WHITE: And now it's 2020, and  
9 we're trying to figure out, you know, is this billion  
10 dollars the real number or is it more? Is it less? And  
11 you're telling us that you don't have an exact figure yet,  
12 but you're going to be working on that?

13 SECRETARY RIVERA: Yeah. So what I can share  
14 with you, having been someone who walked, who visited  
15 schools with the PlanCon Commission and some of the schools  
16 we walked through, having been a Secretary who has visited  
17 almost 200 schools across the Commonwealth---

18 REPRESENTATIVE WHITE: Mm-hmm.

19 SECRETARY RIVERA: ---I can absolutely say with  
20 confidence that \$1 billion is a start to remediation in  
21 what we've seen in some of our schools.

22 You know, there will probably be an opportunity  
23 to come back to the table. But, Representative, if you  
24 walked through some of the buildings we did when we were  
25 doing PlanCon---

1                   REPRESENTATIVE WHITE: I most definitely have  
2 been in a variety of public schools in Philadelphia, and I  
3 know that there are deep, deep needs. However, these needs  
4 have been ignored for the past 50 years, and my concern is  
5 that in Philadelphia, our Mayor has spent over a billion  
6 dollars over the past 4 years.

7                   SECRETARY RIVERA: Mm-hmm.

8                   REPRESENTATIVE WHITE: And the allocation of  
9 dollars is a big concern, seeing as there is such a big  
10 need.

11                   Now, I'm wondering if you plan to or the  
12 Administration plans on spending this billion dollars over,  
13 how many years, would you say?

14                   SECRETARY RIVERA: I would say we want to make  
15 this billion dollars available to schools as quickly as  
16 possible.

17                   I also do want to just correct the record.

18                   REPRESENTATIVE WHITE: Yeah, but when it comes  
19 to---

20                   SECRETARY RIVERA: This is not only Philadelphia.

21                   REPRESENTATIVE WHITE: I know that.

22                   SECRETARY RIVERA: I mean, this is Scranton,  
23 Erie. These are schools in York, Lancaster.

24                   REPRESENTATIVE WHITE: No correction to the  
25 record necessary. It's all across the Commonwealth.

1 SECRETARY RIVERA: Okay.

2 REPRESENTATIVE WHITE: But when we talk about  
3 this billion dollars, you're telling us that you're going  
4 to spend a billion dollars, and you haven't told us how  
5 many years you're going to spend it over the course of.

6 SECRETARY RIVERA: What I shared is, we're going  
7 to make a billion dollars available to schools and school  
8 districts through RACP to remediate lead and asbestos.

9 REPRESENTATIVE WHITE: And are there going to be  
10 any criteria for the school districts or the municipalities  
11 that are going to be receiving this money in order to  
12 acquire it?

13 SECRETARY RIVERA: Sure. So it's going to  
14 be---

15 REPRESENTATIVE WHITE: Do you have a list of---

16 SECRETARY RIVERA: It's going to be an  
17 application process through RACP, a stand-alone RACP  
18 process.

19 REPRESENTATIVE WHITE: Okay. And then are the  
20 school districts that are already remediated, that they  
21 have already gone through the lead and asbestos remediation  
22 process, are they going to be eligible for money as a  
23 reimbursement?

24 SECRETARY RIVERA: That, right now, has not been  
25 one of the discussions in the plan, no.

1           REPRESENTATIVE WHITE: And who is going to decide  
2 the people that are awarded the money?

3           SECRETARY RIVERA: So that's the Office of Budget  
4 process. However, that, as always, is influenced by the  
5 relationship between the General Assembly and the  
6 Administration.

7           REPRESENTATIVE WHITE: Since the RACP requires a  
8 project to be listed in the capital itemization bill, will  
9 each project be listed individually?

10          SECRETARY RIVERA: As I understand it now, this  
11 project, this process through the RACP project, would be  
12 treated just like an RACP project, just a stand-alone  
13 billion dollars for toxic remediation.

14          REPRESENTATIVE WHITE: Okay. So that would mean,  
15 I think for the next question that I have, the current RACP  
16 program requires a 50-percent match to receive an award.  
17 So would that be treated just the same for those dollars?

18          SECRETARY RIVERA: So the 50-percent match, so a  
19 match will still be expected. Now, you know, the  
20 definition of the match is something that's up to  
21 interpretation with the Administration and the General  
22 Assembly.

23          REPRESENTATIVE WHITE: I think it's clearly  
24 written in the law, but if you feel that it's negotiable,  
25 that's interesting.

1 SECRETARY RIVERA: Well, a match is a match.

2 REPRESENTATIVE WHITE: Right.

3 SECRETARY RIVERA: Do we see it as a fiduciary  
4 match? Is it an in-kind? Is that in terms of the process?  
5 So that can be defined.

6 REPRESENTATIVE WHITE: The other question I have  
7 regarding, the current RACP program has a debt limit. How  
8 would this proposal impact that debt limit?

9 SECRETARY RIVERA: So when looking at this  
10 specific proposal, the Governor wants to make sure that he  
11 works with you to make the capital available as soon as  
12 possible to schools. So as you look at the specific debt  
13 limit, you know, that will be something that is subject to  
14 a conversation with the General Assembly.

15 REPRESENTATIVE WHITE: That -- I'm sorry. I  
16 didn't understand the answer to that question.

17 SECRETARY RIVERA: All right. So as with all of  
18 our proposals, this is a proposed budget. The Governor is  
19 proposing \$1 billion to go through RACP for remediation of  
20 lead and toxic material in schools. As with all of our  
21 proposals that we put on the table and justify, there comes  
22 a process after this where the Governor and his team, the  
23 General Assembly and their team, come and look at the  
24 specific detail as part of the process.

25 There are some nuances in there, I mean the match

1 and the application process that would come up in  
2 conversation.

3 REPRESENTATIVE WHITE: Right.

4 SECRETARY RIVERA: So that would be done at that  
5 level.

6 REPRESENTATIVE WHITE: Okay.

7 Thank you, Chairman.

8 MAJORITY CHAIRMAN SAYLOR: Next is Representative  
9 Bradford.

10 MINORITY CHAIRMAN BRADFORD: Thank you, Chairman  
11 Saylor.

12 I just want to clear up a couple of things.

13 I was very heartened to hear the gentlelady talk  
14 about the dire need for this spending and realizing that  
15 Philadelphia County is one of the districts that finds  
16 itself in most need of this remediation. So let me just  
17 walk through a couple of things, because I think that a  
18 little bit of clarity is required.

19 The billion-dollar proposal that the Governor has  
20 put out there, he is not requiring a billion dollars be  
21 spent. My understanding is that there is a request for a  
22 billion dollars of authorized borrowing. That doesn't mean  
23 that we're going to spend even one dollar of that billion.  
24 Is that correct?

25 SECRETARY RIVERA: That is correct.

1           MINORITY CHAIRMAN BRADFORD:   Okay.

2           Now, if we find out that we have \$10 billion of  
3 projects that need to be done throughout the Commonwealth,  
4 the Governor, unfortunately, would have to come back to  
5 this Legislature and ask for additional borrowing power.  
6 But what we're really looking for here is to get the ball  
7 rolling and have some level of borrowing to allow you to  
8 start handling these projects on a per-project basis.  Is  
9 that a fair assessment?

10           SECRETARY RIVERA:   Very much so.

11           MINORITY CHAIRMAN BRADFORD:   Okay.

12           So, we know we have schools in Philadelphia  
13 County where we have had teachers with mesothelioma, and it  
14 is believed that the cause of that is the asbestos in those  
15 buildings.  Now again, there's obviously a legal causation  
16 that needs to be established.  But we know that our kids  
17 are going into schools that we believe, that have been  
18 closed down, in fact, not just believe, these schools have  
19 been affirmatively closed because of lead and asbestos and  
20 mold.  Is that correct?

21           SECRETARY RIVERA:   Schools have been closed as a  
22 result of lead, asbestos, and mold, yes.

23           MINORITY CHAIRMAN BRADFORD:   So while we can  
24 quibble about whether the first authorization should be for  
25 a billion dollars or \$100 million or, frankly, \$10 billion,

1 we need to get the ball rolling to give you authorization  
2 for some level of borrowing in order to remediate these  
3 schools. Is that what you're saying, Secretary?

4 SECRETARY RIVERA: What we're saying is, this  
5 funding is absolutely important to start the process to  
6 help remediate schools.

7 MINORITY CHAIRMAN BRADFORD: Okay.

8 My concern is, and sometimes in this building  
9 it's easy to talk about things that are in current law,  
10 like the match, and that is a real concern in traditional  
11 RACP; the debt limit, which, again, is in law and is a  
12 concern under the traditional RACP, but these are laws that  
13 this body set, and if we are going to show some commitment  
14 to deal with 6 schools in Philadelphia County, but frankly  
15 in all 67 of our counties, we're going to have to change  
16 the law. That's within the power of this body to do that.  
17 So I think we should be careful or wise to realize, we made  
18 those laws, and with the debt limit specifically, we're the  
19 one who put that in place. We're going to have to  
20 reevaluate that.

21 I would say this, too: One of the projects in  
22 the past that has been used to deal with school  
23 construction was PlanCon. Can you tell me why PlanCon is  
24 no longer a viable option to deal with the 6-school issue  
25 that we're dealing with in Philadelphia and frankly in all

1 67 counties in Pennsylvania?

2 SECRETARY RIVERA: PlanCon, first, is a long-term  
3 reimbursement, so that funding would not be available to  
4 schools right away. It would require them to put the  
5 funding up front first and then ask for reimbursement, you  
6 know, over the course of many years.

7 Secondly, we did, the General Assembly did pass  
8 the PlanCon law. The process has been updated, which we  
9 will be facilitating this summer, but the funding to go  
10 along with the new law has not yet been appropriated.

11 MINORITY CHAIRMAN BRADFORD: One of the things I  
12 mentioned in the context of the RACP proposal is that the  
13 Legislature has put laws in place that then prohibit us  
14 from dealing with it. My understanding is, there's a  
15 PlanCon moratorium. Is that a fair assessment as to what  
16 the culpability of this body, this General Assembly has, in  
17 terms of the ability to use PlanCon as a possible approach  
18 to deal with school construction issues?

19 SECRETARY RIVERA: There is currently a  
20 moratorium on the old PlanCon process. But yes, PlanCon is  
21 currently in a moratorium.

22 MINORITY CHAIRMAN BRADFORD: Right.

23 And my understanding is, we used to use PlanCon  
24 as kind of a cash flow. We did it on an annual basis in an  
25 appropriation. We failed to do that for so many years that

1 we actually had to issue debt. And what we used to use  
2 PlanCon for on an annual basis to do that year project now  
3 is really a debt service payment to deal with the backlog  
4 of PlanCon projects that we didn't fund for many years. Is  
5 that a fair assessment?

6 SECRETARY RIVERA: That is. We currently have a  
7 bond to meet all of our past PlanCon obligations while  
8 putting a moratorium on new projects.

9 MINORITY CHAIRMAN BRADFORD: Okay.

10 Let me just wrap up now. And I know that the  
11 Chairman stepped away, and I don't want to over take my  
12 time, so I am cognizant.

13 I think we need to be cognizant not playing this  
14 kind of whack-a-mole where we kind of hide the fact there  
15 is a real challenge. We all recognize it. The gentlelady,  
16 to her credit, recognized it is very problematic in her  
17 county.

18 We shouldnot find ways not to do this. We need  
19 to find ways as a General Assembly to do this. And  
20 unfortunately, because we have been unable to deal with  
21 revenue in this body, borrowing may have to be a part of  
22 that equation. In fact, when you're dealing with a  
23 potential billion-dollar problem, maybe a \$10 billion  
24 problem, frankly, in light of our financial situation, even  
25 if it's a \$100 million problem, short of borrowing, I don't

1 know how this body is going to respond to a problem with  
2 this far of a reach.

3           And I think it is, it is frankly necessary for  
4 this Legislature to get real with the challenge. We are  
5 sending kids into schools that we know have asbestos in  
6 them, have lead in them, and have the ability to make them  
7 sick. So to play this game like we have all these  
8 legislative reasons why we can't do it, we are the creator  
9 of those very legislative hindrances.

10           We have a moral obligation to our children to get  
11 about the business of removing these hindrances and get a  
12 plan in place. Whether it's the billion-dollar RACP  
13 proposal or whatever it's going to be, we have that  
14 obligation. We have that power. In fact, we have been  
15 given that responsibility by the people of Pennsylvania,  
16 and I think it's about time we get about doing it.

17           Thank you, Secretary.

18           SECRETARY RIVERA: Thank you, sir.

19           REPRESENTATIVE DUNBAR: Thank you, Mr. Chairman.

20           And as you said, the Chairman did have to step  
21 out, so I'm going to have to step in.

22           I don't think any games are being played here. I  
23 think what we're trying to get is answers. This is not  
24 about whether to do something or not to do something. It's  
25 not about sending kids to schools with asbestos and lead.

1 Nobody wants to do that. Let's all be honest about this.

2 But there are rules in place, and there always  
3 have been rules in place, and for me, I don't understand,  
4 first off, why we're even going through RACP, because RACP  
5 has very specific rules about projects having to be  
6 delineated and specified.

7 I believe you had said to Representative White  
8 about a stand-alone line item. Is that how you referred to  
9 it, Secretary? Can you expound on that a little bit?

10 SECRETARY RIVERA: So it would be a billion  
11 dollars in RACP that would not be distributed through the  
12 traditional RACP, you know, line item. So we would be  
13 using the RACP funds---

14 REPRESENTATIVE DUNBAR: So why are we even using  
15 RACP? Why are we even using RACP? I mean, because it does  
16 create legislative problems that we would have to change  
17 the rules of RACP, and if we're changing the rules for  
18 RACP, those rules are in RACP for a specific reason, I'm  
19 sure over years that they were established. Why can't we  
20 just, you know, talk legislatively about some other debt  
21 issuance if that's what we're referring to? Why are we  
22 using RACP?

23 SECRETARY RIVERA: It's the pathway the Governor  
24 deemed could get the funding out to schools as quickly as  
25 possible.

1           REPRESENTATIVE DUNBAR: And I will say that there  
2 are other alternatives, not that anybody is opposed and no  
3 games are being played.

4           MINORITY CHAIRMAN BRADFORD: No. And I don't  
5 mean to imply there is games being played. I want to hear  
6 what those alternatives are. Let's get about doing this  
7 and addressing these schools.

8           REPRESENTATIVE DUNBAR: Because I know that even  
9 in this Committee, this has come up and the legislation  
10 came up and it was tried to amend into a bill, and I argued  
11 against the amendment, flat out saying that that's not what  
12 RACP is designed for. RACP was not designed for schools,  
13 and it's very specific as far as what it's to be for.

14           I'm not arguing for or against, you know. Nobody  
15 wants to send kids to schools with asbestos and lead.  
16 Let's not kid ourselves. We need to find a proper way of  
17 doing it, though.

18           SECRETARY RIVERA: And from my perspective,  
19 Representative, as I see the issue across the State and the  
20 Governor, you know, presents a proposal that we have the  
21 opportunity to come here and discuss with the General  
22 Assembly, for me, if it's a proven methodology to put  
23 funding in the hands of schools as quickly as possible, I'm  
24 all for it. If the General Assembly, as always, wants me  
25 to make myself available to discuss other avenues to

1 remediate toxicity in schools, I'm for it.

2 I saw this, you know, the Governor making this  
3 proposal and looking at a specific billion dollars to go  
4 out to schools where we know, as mentioned earlier, schools  
5 across the Commonwealth are considering or have already  
6 closed as a result of lead or asbestos, and that concerns  
7 me. So, you know, RACP is one of the means by which the  
8 Governor is looking at, you know, allocating and putting  
9 those funds out in a thoughtful manner, and I support the  
10 recommendation fully.

11 But at the same time, as with always, every year  
12 for the past 5 years, we'll come to the table and make the  
13 ask and make recommendations, and if we find a better  
14 pathway together to provide the funding for schools to  
15 remediate, you know, their physical plan and meet the needs  
16 of students, I will make myself available.

17 REPRESENTATIVE DUNBAR: That sounds good.

18 And we will move on to Representative Struzzi.

19 REPRESENTATIVE STRUZZI: Good morning.

20 SECRETARY RIVERA: Good morning.

21 REPRESENTATIVE STRUZZI: Last week, after we  
22 finished up the Appropriations hearings, I had the  
23 opportunity to attend an event sponsored by the Indiana  
24 County Chamber of Commerce, and it was a great event, an  
25 after-hours event, where they had educators, teachers,

1 you know, superintendents, principals, come in and meet  
2 with the business community and talk about career pathways,  
3 internships, and things like that. So I give, I want to  
4 take a minute to give some kudos to the Chamber of Commerce  
5 and to our local educators in Indiana County.

6 But I also had the opportunity during that  
7 after-hours session to speak with some of the educators and  
8 superintendents, knowing that I was going to have this  
9 opportunity to speak with you this morning. And I asked  
10 them, you know, what are your top concerns, you know, what  
11 should we be concerned with and what should we talk about  
12 today, and their first was charter school funding. And I'm  
13 not going to talk about that, because I know some of my  
14 colleagues are going to ask those questions later on.

15 But their second concern was school security, and  
16 I know it's not part of your budget, but the Governor has  
17 proposed cutting the safety grants from 60 million down to  
18 15 million, a \$45 million cut, and those funds were just  
19 distributed last week. And Indiana County's school  
20 districts got a very small portion of that money, and it  
21 concerns me when we're proposing to cut it by 45 million  
22 that they're going to get even less money. And when  
23 they're telling me that that's a top concern of theirs, I'm  
24 wondering if it's a top concern of yours.

25 We see so many mental health needs in our schools

1 right now. You know, students are stressed, teachers are  
2 stressed, because of these security needs. So I have to  
3 wonder and question why the Governor would cut \$45 million  
4 out of those funds, and I would like to know your thoughts  
5 on that.

6 SECRETARY RIVERA: Representative Struzzi, last  
7 week I tried to speculate on this and paid the price of  
8 speculation on this funding.

9 I have no idea. You know, PCCD and the  
10 Administration have conversations around their budget. I  
11 am not involved in those conversations, so I can't speak to  
12 the proposal going to PCCD.

13 As it relates to school, you know, safety and  
14 security, there are a number of initiatives that we are  
15 engaging in that is not included in anyone else's budget or  
16 portfolio. But, you know, I can share with you that, you  
17 know, some of what we're addressing is really working with  
18 schools to provide more mental health supports, to look at  
19 bringing in service providers into our buildings, to look  
20 at professional development and smaller grant opportunities  
21 to, you know, to provide those equipment or systems of  
22 safety and support in schools.

23 I didn't ask, and, you know, probably by design,  
24 I didn't want to call them at the end of Friday night and  
25 ask, well, you know, how are you engaged in this to PCCD.

1 But I don't know how those conversations went.

2 REPRESENTATIVE STRUZZI: You would advocate for  
3 those funds to stay in the grant program? Because, I mean,  
4 they seem so essential to me.

5 SECRETARY RIVERA: I don't know what the  
6 rationale is. I know for us, for example, there are times  
7 where we're going to see a reduction in certain line items  
8 over the course of the past 5 years, and so I have come to  
9 the General Assembly and have said, I understand why, you  
10 know, we need to see a reduction, but if you give me more  
11 flexibility in another area, I can make up for that. So I  
12 don't even know if those conversations are taking place.

13 REPRESENTATIVE STRUZZI: Okay.

14 And another big gap that's not really addressed  
15 in the budget that I saw or in your testimony, and I see  
16 this as a serious impediment for our rural schools, and  
17 that's the lack of broadband access in the students' homes.

18 I know, you know, a lot of our, or all the school  
19 districts in Indiana County have a hub within the school  
20 district; yet, these kids go home and they can't do their  
21 homework assignments because everything today is based  
22 online. And I know they can go to the library or maybe to  
23 McDonald's or something like that, but that's really not  
24 conducive to a good education. So can you talk a little  
25 bit about any initiatives that you have to extend that

1 service from the schools to the homes?

2 SECRETARY RIVERA: Sure.

3 So the Governor has a group working on broadband  
4 initiatives, and our Deputy Secretary of Libraries sits on  
5 that committee. And by design, you know, I chose a team  
6 that identified our public libraries, because they are the  
7 space that probably know better than anyone else the need,  
8 the need for broadband and that type of access in our rural  
9 communities. And so we have been making some really strong  
10 recommendations around how to improve access to those  
11 communities, so we are at the table.

12 Secondly, this is one of the things that we have  
13 seen as a kind of intended/unintended consequence of our  
14 PAsmart grants and some of our other technology grants. We  
15 have seen intermediate units and local school districts  
16 looking to expand access by everything from providing  
17 hotspots to mobile apps that provide students that  
18 technology when they're home, and not only after school and  
19 on weekends, but we're even seeing some of that expand over  
20 the summer as well.

21 So every chance we get, we're looking at tackling  
22 the individual divide, and we're a part of the task force  
23 for the Governor that is looking at that wholesale.

24 REPRESENTATIVE STRUZZI: Well, thank you for  
25 that.

1           And I also want to thank you for the funding for  
2           our public libraries. I know that's very important. But I  
3           do see an impediment there as well. Because of the way, I  
4           guess, the laws are structured, our Indiana Free Library  
5           can only provide services to those living in Indiana or  
6           White Township, and again, it doesn't help those rural  
7           communities. But it's something to keep in mind, so all  
8           right.

9           SECRETARY RIVERA: A great conversation to have.

10          REPRESENTATIVE STRUZZI: All right. Thank you.

11          SECRETARY RIVERA: Thank you, sir.

12          REPRESENTATIVE DUNBAR: Thank you,  
13          Representative.

14          Next will be Representative Bullock.

15          REPRESENTATIVE BULLOCK: Thank you, Mr. Chairman.  
16          Good morning, Mr. Secretary. How are you doing  
17          today?

18          SECRETARY RIVERA: I'm great. How are you?

19          REPRESENTATIVE BULLOCK: Great.

20          I have about two sets of questions that I'll ask  
21          upfront and then allow you to answer as you feel.

22          The first set of questions is actually a part A  
23          and part B, and I'll ask that you actually send in part A  
24          so that we can focus on the other parts.

25          Part A would be in reference to your own

1 Department's diversity and your workforce and the efforts  
2 you have made to improve diversity throughout all entry  
3 levels, through management and executive levels of your  
4 Department.

5           And the second part of that question is about the  
6 diversity of our teacher workforce. There was a report  
7 released in 2018 by the Research for Action that states  
8 that of the 155,000-plus public school teachers here in  
9 Pennsylvania, only 5.6 percent of our teachers are persons  
10 of color, and if you look at men of color, it is a little  
11 more than 1 percent. And this is concerning, as we know  
12 that many of our students, more than 30 percent of our  
13 students, are students of color, and that is probably a  
14 percentage that has been increasing since then. And the  
15 ratio of students to teachers of color remains one of the  
16 largest in our country, the disparate ratio there.

17           And so I would like to know, I have been working  
18 with a school called Relay that has been educating a lot of  
19 teachers, particularly teachers of color, to work in our  
20 schools. What efforts is your Department doing to recruit  
21 and retain teachers of color, and what are the things that  
22 we can do, like increasing the minimum teacher's salary and  
23 other things, to bring those teachers of color to the  
24 classroom, as I think it is very important that our  
25 students see someone who looks like them but also students

1 who may not be a person of color have interaction with  
2 teachers and leaders of color in the classroom as well.

3 My second question, as you know, I'm a big  
4 proponent of school nutrition, fought to prohibit and stop  
5 school lunch shaming in the Commonwealth. Unfortunately,  
6 last year we took some steps back by allowing alternate  
7 meals. I have promoted school breakfasts and School  
8 Breakfast Week, which I believe is this week, and have  
9 worked with you and your Department around other efforts to  
10 make sure students are receiving proper nutrition in  
11 school. I know that I cannot do 1 + 1 or read anything if  
12 my stomach is growling, and many of our students are really  
13 experiencing, unfortunately, food insecurity.

14 One of the things that I know is that there are  
15 several districts that qualify for the USDA Community  
16 Eligibility program. This is a program that allows those  
17 districts that reach a certain percentage of students who  
18 would be eligible for free or reduced lunch to then apply  
19 to the USDA for a district-wide free lunch program for  
20 every student and the school district will be reimbursed.

21 Do you know the number of school districts that  
22 remain in the Commonwealth -- I know that your Department  
23 has been working closely with districts to encourage them  
24 to apply. How many districts remain out of the program  
25 that do qualify, and if you can tell or quantify, what

1 amount of dollars are we leaving on the table by not  
2 applying for this program and providing those free lunches  
3 to our students throughout the Commonwealth?

4 SECRETARY RIVERA: So I'll start off with the  
5 diversity question and then move on.

6 First, I have to take a moment and commend you.  
7 So we have had the conversation on staff diversity for a  
8 number of years, and I'll forward you the specific numbers.  
9 But we have been discussing this for 5 years in the  
10 Department. However, because of your questions, you have  
11 made it as a full page in our budget binder, you know, to  
12 address it. So you have put it on paper, right?

13 REPRESENTATIVE BULLOCK: I will find it in the  
14 budget binder.

15 SECRETARY RIVERA: You can find it in the budget  
16 binder.

17 REPRESENTATIVE BULLOCK: Yes.

18 SECRETARY RIVERA: But I'm going to send you our  
19 specific numbers as the results. That's improving, but we  
20 still have a long way to go.

21 Teacher diversity. You're right; across the  
22 Commonwealth, not only are we struggling with our educator  
23 diversity percentages and numbers, but we're struggling  
24 with the number and the percentage of teachers getting  
25 certified, and we have a significant teacher shortage.

1 And, you know, you can't really look to address one without  
2 the other as you're looking at our evolving, the evolving  
3 need in the workforce.

4           So specifically, we have tackled a number of  
5 initiatives over the course of the past year and introduced  
6 to our communities, last year I shared that we were  
7 tracking, along with the Brashear Academy in Pittsburgh, in  
8 looking at their, really tracking along with their success  
9 in taking high school students and partnering with the  
10 community college and Pitt, you know, to enrich and  
11 diversify the teacher pipeline.

12           This year, we introduced in Philadelphia  
13 Aspiring to Educate, A2E, which is a program we introduced  
14 that allows or that has identified high school students to  
15 work through the Community College of Philadelphia and a  
16 number of identified 4-year institutions in Philly to  
17 become fully certified teachers, and then they're  
18 guaranteed jobs in Philadelphia. So this has been 1 year  
19 of that program.

20           Now, what's great about the program, one, is  
21 we're working to diversify the teacher pipeline. But more  
22 importantly, we have a third party that's going to be  
23 documenting the process, and using that information, we're  
24 going to create a blueprint for any other community in the  
25 Commonwealth that wants to replicate, you know, this A2E,

1 or 2+2+2, you know, credit, or, you know, support a  
2 remediation program in their own communities. And  
3 superintendents and higher ed communities are really  
4 excited about this, because once we create this framework,  
5 we'll better know how to invest moving forward.

6 We also work with the Woodrow Wilson Foundation,  
7 and, you know, through a grant from them, we are creating  
8 pathways for educators of color to be certified and find  
9 jobs in STEM and computer science areas. So we're seeing  
10 an infusion of those candidates going into, being educated  
11 and going into schools.

12 But we also realize, programs and funding is half  
13 the battle. We're also changing our professional  
14 development. We know when we spoke to teachers around,  
15 you know, why don't they stay, why are they not choosing  
16 prospective teachers, why are they not going in the  
17 classroom, salary is number one. And I'm sure this will  
18 come up, you know, later on in conversation, which is why  
19 when you look at the social service sector, you know,  
20 increasing the return on investment for going into these  
21 areas is extremely important, and we do that by bringing  
22 down, you know, the cost of higher ed.

23 Secondly, the environment that educators are  
24 working in. So if you see our teacher professional  
25 development, or TPD, line item, this is where we fund

1 professional development for superintendents, which is  
2 through our Superintendent Academy, to be better leaders  
3 and better coaches in their buildings, principals through  
4 the Pennsylvania Inspired Leadership Program, and we have  
5 infused cultural competency and inclusion practices in our  
6 framework so that we can be better leaders in that space,  
7 which will ultimately help to recruit and retain, you know,  
8 high quality teachers, but specifically our candidates of  
9 color. So it's not only about recruiting them, but it's  
10 keeping them in those positions, because they're also  
11 leaving at an alarming rate.

12 Food security. I can definitely get to you the  
13 number, the specific if you're interested. But about  
14 78 percent of districts who qualify are a part of the  
15 Community Eligibility program. This is also an opportunity  
16 for me to kind of drop a plug for the work that my  
17 colleague, Secretary Miller, has been doing in DHS.

18 SNAP is a big aspect and a big supporter in our  
19 Community Eligibility program in feeding students in some  
20 of our most vulnerable programs. That could impact  
21 ultimately how many kids we're able to feed using our  
22 Federal funds and how we identify those students. And,  
23 you know, unless there are some changes that take place,  
24 how it was originally introduced has us concerned.

25 REPRESENTATIVE BULLOCK: Thank you,

1 Mr. Secretary. I look forward to working with you and your  
2 Department further on some school nutrition issues, and I  
3 appreciate also the work you have been doing around teacher  
4 diversity.

5 SECRETARY RIVERA: Thank you.

6 REPRESENTATIVE BULLOCK: Thank you, Mr. Chairman.

7 REPRESENTATIVE DUNBAR: Thank you,  
8 Representative.

9 Next will be Representative Culver.

10 REPRESENTATIVE CULVER: Over here.

11 SECRETARY RIVERA: Good morning.

12 REPRESENTATIVE CULVER: Good morning, Secretary  
13 Rivera. Thank you, Mr. Chairman.

14 I'm a big supporter and strong advocate for early  
15 education programs in the Commonwealth, and today I just  
16 want to talk a little bit about Early Intervention. Back  
17 home, we are experiencing some issues providing the program  
18 to kids and finding a shortfall with funding.

19 So in the Governor's budget proposal, there's a  
20 total proposal of 325.5 million for Early Intervention, an  
21 increase of about \$11 million or 3.5 percent.

22 I know in recent years, Early Intervention  
23 programs run by intermediate units have experienced growing  
24 numbers of children requiring multiple services. So the  
25 question comes, is this what's accounting for the increase

1 for the line item in this program?

2 SECRETARY RIVERA: No. The increase in our line  
3 item will provide, will provide services for 2,000  
4 additional children and families. So this is for an actual  
5 increase in the number of families served.

6 REPRESENTATIVE CULVER: And how did the  
7 Department determine the need for the 11 million for the  
8 additional 2,000?

9 SECRETARY RIVERA: Yeah. So the recommended  
10 additional opportunities is based on a surveying or  
11 accounting of what we believe the need is.

12 REPRESENTATIVE CULVER: So in the past, you have  
13 shared with the Committee that there is efforts underway to  
14 determine a new formula for allocating State Early  
15 Intervention funds to intermediate units, school districts,  
16 and other regional providers. Can you share an update on  
17 that effort and how it's going?

18 SECRETARY RIVERA: The committee continues to  
19 meet, intermediate unit directors as well as other  
20 advocates and members of our team, and it's expected that  
21 later this year, towards, you know, into the summer, we  
22 should have some recommendations on the table.

23 REPRESENTATIVE CULVER: So I guess I'm going to  
24 ask for a statement and for you to agree or disagree with  
25 this statement.

1           So intermediate units, from my understanding, are  
2 simply the contractors, but the Department of Education is  
3 ultimately responsible for providing these services to  
4 children, Early Intervention.

5           SECRETARY RIVERA: That's an interesting  
6 question. So I'm processing the wording of the question.

7           So when we look at---

8           REPRESENTATIVE CULVER: So it's the Department of  
9 Education's responsibility to make sure that these services  
10 are out there, and the IU units are merely contractors to  
11 the Department.

12           SECRETARY RIVERA: You can take it that way.  
13 Ultimately, the Department of Education is ultimately  
14 responsible for providing FAPE to students who are in  
15 special needs. So that could ring true for a number of  
16 programs, yes.

17           REPRESENTATIVE CULVER: So with that said, can  
18 you tell me what the Department is doing to help the IUs  
19 work through the funding challenges for providing  
20 Early Intervention?

21           SECRETARY RIVERA: So I think, first, with the  
22 task force that is working on the per pupil, you know, the  
23 costs associated with providing those educational services.

24           Secondly, we have been working with some  
25 intermediate units who feel that the scale of economy in

1 terms of their caseload and others might not necessarily be  
2 aligned and have worked with them on their recommendations  
3 to kind of right-size programs where and how needed.

4           And then, also support their relationship, the  
5 partnerships between local school districts, local  
6 providers, and intermediate units, to provide a more  
7 holistic set of supports. So if the intermediate unit is  
8 not offering a program or a service but there's a district  
9 that does or a third-party provider, we work with the  
10 intermediate units, if it's an official or unofficial  
11 contract, around how to solicit those services.

12           REPRESENTATIVE CULVER: Okay.

13           I mean, I would encourage as we go forward to  
14 continue working with the IU units. School districts rely  
15 heavily on them for the Early Intervention piece of this,  
16 and we are identifying children earlier and identifying,  
17 you know, multiple needs, hopefully to abate them as they  
18 grow older. They wouldn't need the services in the public  
19 school system as they age, that we're catching them early  
20 and we're making those corrections for the children and  
21 building that strong foundation. So I would encourage you  
22 to work with them.

23           Thank you.

24           SECRETARY RIVERA: Absolutely. Thank you for the  
25 questions.

1           REPRESENTATIVE DUNBAR: Thank you,  
2 Representative.

3           I wanted to note that we have been joined by a  
4 couple Members that are not on the Appropriations  
5 Committee. Representative Gillen and Representative Gleim  
6 are both here.

7           Our next questions will come from Representative  
8 Kinsey.

9           REPRESENTATIVE KINSEY: Thank you, Mr. Chairman.  
10          Good morning again, Secretary, Deputy  
11 Secretaries, and Director.

12          Mr. Secretary, I want to go back and focus on  
13 school safety. I know that you talked a little bit about  
14 it a little bit earlier with regards to my colleagues  
15 bringing up questions.

16          I, too, am concerned about the \$45 million that  
17 is being reapportioned, or repurposed, I should say. But  
18 if you don't mind, I know that the district has, the  
19 Department has a Safe2Say program that we have been  
20 operating I think for the past year or two. Safe2Say? I  
21 think it comes out of your---

22          SECRETARY RIVERA: Safe2Say, that's the Auditor  
23 General's program. Yep.

24          REPRESENTATIVE KINSEY: Do you work with the  
25 Auditor General on that?

1           SECRETARY RIVERA: We do work with the Auditor  
2 General on the identified cases---

3           REPRESENTATIVE KINSEY: Attorney General. I'm  
4 sorry.

5           SECRETARY RIVERA: Attorney General. Attorney  
6 General.

7           REPRESENTATIVE KINSEY: Right; right. Thanks.

8           SECRETARY RIVERA: Excuse me. Yes, Attorney  
9 General, for the record.

10          REPRESENTATIVE KINSEY: Right.

11          SECRETARY RIVERA: ---as cases come up.

12          REPRESENTATIVE KINSEY: Sure.

13          SECRETARY RIVERA: You know, we might, but not at  
14 an organic wholesale level.

15          REPRESENTATIVE KINSEY: So, Mr. Secretary, let me  
16 ask this, though: Since we're talking about school safety,  
17 and even though it comes under the Auditor General's  
18 purview, do you receive data from the Auditor General? Are  
19 you able to review data from the Auditor General, and if  
20 so, can you say a little bit about what we're seeing with  
21 the Safe2Say program?

22          SECRETARY RIVERA: So, yes, we have received data  
23 on the number of, on the number of calls and remediation of  
24 the program. And I have to keep saying Attorney General,  
25 Attorney General, Attorney General.

1           REPRESENTATIVE KINSEY: Right.

2           SECRETARY RIVERA: But one of the lessons learned  
3 in that space and that we're currently working on with the  
4 members of his team is the definition of, you know, the  
5 occurrences.

6           You know, one of the things that, well, one of  
7 the findings, the hotline, the hotline was created to  
8 address issues of safety and violence. But again, as with  
9 many of the other lessons we learned, many of those calls  
10 are coming in around the need for mental health support, so  
11 how do we react and respond to the mental health needs of  
12 our students and the families who are involved.

13           Secondly, and I hate to get into the nuance of,  
14 you know, bullying versus harassment versus, you know, the  
15 different safety, but why are we working on those  
16 definitions? Because it will allow us to steer resources  
17 and response much more accurately.

18           So, you know, one of the things that our team has  
19 been doing in that space, and with other stakeholders, is  
20 just coming together and creating common language---

21           REPRESENTATIVE KINSEY: Right.

22           SECRETARY RIVERA: ---around the findings and the  
23 service, but we do share and collect data.

24           REPRESENTATIVE KINSEY: I appreciate you sharing  
25 that.

1           Mr. Secretary, one of the things we have talked  
2 about in the past, in fact, I know many of us in this room  
3 on both sides of the aisle have legislation as it relates  
4 to bullying, and what we're seeing is that, we're seeing an  
5 increase of incidents of bullying. And again, I know the  
6 legislation that we have, it's not up to you, it's up to us  
7 as a General Assembly to hopefully act upon it, especially  
8 since it's bipartisan legislation.

9           So as we sort of, I don't want to say as we sit,  
10 but as we continue to try to move forward to try to address  
11 that, in your opinion, in your professional opinion, are  
12 there enough resources that you have that we are giving you  
13 to actually address and combat bullying?

14           SECRETARY RIVERA: Yeah. You know, and being  
15 honest, Representative Kinsey, not only do we not have the  
16 amount of resources needed and, you know, kind of  
17 appropriate those instances to the right places, but  
18 there's a need in schools as well. Even when we call a  
19 school because there's a report and we work through the  
20 iterations of how to better provide that system of support  
21 to families and to that student, it's creating a real need  
22 at the school level.

23           You know, I mentioned that at one point in time,  
24 but it's a real, it's a real reality we're living in now.  
25 When I meet with industry partners, they're upset because

1 our counselors aren't spending enough time on job training.  
2 When I meet with health professionals, they're upset with  
3 us because our counselors aren't spending enough time on  
4 health and wellness. When we meet with mental health  
5 service providers, they're upset because our counselors are  
6 not spending enough time on mental health issues, and that  
7 doesn't even get into core selection and the real, you  
8 know, kind of vocation of what counselors used to do.

9           And so as we're engaging with schools and  
10 communities around the need to address some of these  
11 issues, and I know when we look at Safe2Say, for example,  
12 you know, 40,000 referrals, 40,000 hits. And as we work  
13 with them and schools call us, like, what do we do in  
14 response, we don't have personnel that engage specifically  
15 in that area. We provide professional development.

16           REPRESENTATIVE KINSEY: Sure.

17           SECRETARY RIVERA: But schools don't have the  
18 personnel sometimes to, you know, engage in all of those  
19 instances and those cases.

20           Now, the Governor is proposing and we're working  
21 with our partners and stakeholders to create a certificate  
22 for school social workers to try to get, you know, social  
23 workers that are trained and school supports in place, but  
24 that's just, you know, one, you know, one remediation, one  
25 instance of what we have to do.

1           REPRESENTATIVE KINSEY: Sure.

2           I appreciate that, Mr. Secretary. My time is up,  
3 but I just hope that what you shared is echoing throughout  
4 the Chambers, that as we see bullying incidents, bullying  
5 increase and that, we really take an action, a serious  
6 action, to work with you and try to address it.

7           Thank you, Mr. Secretary. Thank you, Mr. Chair.

8           SECRETARY RIVERA: Thank you, sir.

9           REPRESENTATIVE DUNBAR: Thank you,  
10 Representative.

11           Next will be Representative Greiner.

12           REPRESENTATIVE GREINER: Thank you, Mr. Chairman.

13           Good morning, Secretary Rivera---

14           SECRETARY RIVERA: Good morning.

15           REPRESENTATIVE GREINER: ---and the other  
16 Secretaries, Deputy Secretaries.

17           I have the privilege of being in a school in a  
18 district where I have a school district, Lampeter-Strasburg  
19 School District, that has an outstanding ag education  
20 program. And we have a couple of those in Lancaster  
21 County, but I will tell you that when I visited their  
22 program to learn about what the kids are learning in  
23 agriculture, it's pretty impressive.

24           And it kind of segues, we talk about job creation  
25 and good-paying jobs. It leads me to, the recent changes

1 to the Public School Code created the Commission for  
2 Agricultural Education Excellence and the Commission under  
3 the concurrent authority of Agriculture and, of course,  
4 Education. And it requires both Departments to provide  
5 staff to assist the Commission with its duties, and just a  
6 couple questions.

7           What is the status of this commission and the  
8 efforts to enhance agriculture education -- I will tell  
9 you, I probably should have consulted with LS first, but  
10 they should come down and look at their program. It's  
11 amazing. Even I was blown away by how impressive it is.  
12 But to enhance agriculture education across the  
13 Commonwealth. And as I said, especially given the  
14 Department's focus, current focus, on workforce development  
15 and the next generation of farmers, I mean, the number-one  
16 industry in the State, what can we do? Where are we at  
17 with that?

18           SECRETARY RIVERA: Sure.

19           So I have been to LS, and every time I see their  
20 superintendent, which is often, being, you know, still  
21 living in Lancaster County, he reminds me of a few things  
22 that I need to consider as we move forward.

23           We have a full person assigned to the work on  
24 this commission. But Matt, if I can't make a commission  
25 meeting, Deputy Secretary Matt Stem attends practically all

1 the commissions. So I'm not going to steal his thunder on  
2 this one. There has been a lot of really positive changes.  
3 I'm going to ask him just to kind of share an update.

4 DEPUTY SECRETARY STEM: Sure. And I'll be brief  
5 to honor your time.

6 So it has been a pleasure to be a part of the  
7 Commission on Agricultural Education Excellence. A couple  
8 of things to note.

9 One is, we have actually, there are more approved  
10 ag ed programs in the Commonwealth now than there were just  
11 a few years ago. Our team has approved all ag ed programs,  
12 you know, that have come our way.

13 The second thing to acknowledge is that we have  
14 been able, through the Commission, to get some early wins.  
15 So one of the things the Commission asked the Department to  
16 look into, and it was myself and actually Deputy Secretary  
17 Ortega's team, we looked at ways to take some barriers out  
18 of the way for certification requirements for teachers that  
19 want to teach in ag programs, and that was directly as a  
20 result of the Commission pushing the Department to look at  
21 our own policies.

22 And then third, I would just say that we have had  
23 programs like LS and Penn Manor and others come to  
24 commission meetings, share what they are doing, and one of  
25 the things we have learned is that agriculture education is

1 a lot more than farming, and the students that are coming  
2 through our programs are learning other schools like  
3 ag business schools, marketing, and it really is a pathway  
4 beyond what folks think of in terms of ag education.

5 So the Commission is running strong. We have  
6 committed resources, and we'll continue to partner closely  
7 with PDA and those on the Commission.

8 REPRESENTATIVE GREINER: Yeah. You know, and  
9 it's funny you talk about that. Penn Manor is not in my  
10 district, but I know they have a great program.

11 And what's interesting, at the Farm Show, we even  
12 talked about the school that was in North Philly, if I'm  
13 not mistaken, it was North Philly, and how the children,  
14 the kids, are really -- it has actually helped them in  
15 their learning when they end up getting an ag focus. And  
16 as you said, it's just not farming. There's small engine  
17 repair. There's horticulture. It's just amazing and very  
18 impressive.

19 As far as the Commission, do we have an  
20 accounting, though, of what staff positions have been  
21 funded and filled to date and also what the requirements  
22 are of this particular act?

23 DEPUTY SECRETARY STEM: Sure. And we'd be happy  
24 to get back to you with some additional details.

25 Right now, we did have a transition with the

1 Executive Director position, so there's an Acting Executive  
2 Director that just filled the position of the former  
3 Executive Director who had, you know, who had moved on, and  
4 a clerical position as well. But PDA does have funding set  
5 aside that they run back through the Department, and then  
6 we as the Department engage in the hiring.

7           So those are the two positions right now. We  
8 recognize that there are other positions that are listed in  
9 the statute pending available appropriations. So, you  
10 know, we are open to exploring those additional positions,  
11 but right now we're working with the funding that PDA makes  
12 available through our MOU.

13           REPRESENTATIVE GREINER: Well, I appreciate  
14 that. I appreciate you being here today. I do think it's  
15 an area where we could get a lot of bang for our buck. I  
16 really firmly believe that, so.

17           Thank you, Mr. Chairman.

18           REPRESENTATIVE DUNBAR: Thank you,  
19 Representative.

20           I want to note that we have been joined by the  
21 Speaker of the House, Mike Turzai.

22           Next will be Representative Sanchez.

23           REPRESENTATIVE SANCHEZ: Thank you, Mr. Chairman.

24           Mr. Secretary, welcome. Welcome to the Deputy  
25 Secretaries and team. Thank you for being here.

1           I wanted to circle back just a little bit on the  
2 lead issue in the school districts. You probably saw at  
3 the end of November -- I'm sure you saw it -- testing  
4 revealed excess lead concentrations in more than  
5 100 buildings in over 30 Pennsylvania school districts --  
6 vocational, technical, and charter schools and other public  
7 education buildings. I respectfully submit, this probably  
8 also includes, at least down in my area, the PFAS chemical,  
9 you know, in eastern Montgomery County. We know there's  
10 problems with asbestos and mold as well.

11           I know we talked about the funding for some of  
12 this remediation earlier, but I would like to know on a  
13 different point, does the Department of Education mandate  
14 or track the results of this testing? And as a corollary  
15 to that, are steps being taken to make sure that people  
16 understand their exposure level to the risk, you know,  
17 specifically maybe parents that didn't catch the news  
18 articles or, you know, teachers obviously working in the  
19 buildings, as you touched on?

20           SECRETARY RIVERA: It is mandated by law to test  
21 for lead in the water and, if schools do test, to make that  
22 information available on our website. If they don't test,  
23 at least a record in the board minutes that they have not  
24 tested and an explanation as to why. That's as far as it's  
25 pushed by legislation. But I know we're meeting later in

1 the week with some Members of the General Assembly who are  
2 interested in having a deeper conversation around what it  
3 would take to go a little deeper.

4 I will also share with you that not specific to  
5 toxic remediation, but one of the conversations around the  
6 PlanCon process was providing feasibility updates around,  
7 you know, the infrastructure of school districts and  
8 providing the process to do that. Historically, I mean,  
9 that is costly.

10 REPRESENTATIVE SANCHEZ: Mm-hmm.

11 SECRETARY RIVERA: So unless you're going to  
12 engage in a process, you know, most school districts don't,  
13 you know, won't do it. They'll try to tie that in as part  
14 of the package and get the service for free. But one of  
15 the conversations that we had through the PlanCon  
16 Commission and that could be an opportunity is providing  
17 feasibility studies through, you know, through the projects  
18 as we move forward.

19 So in full transparency, we worked around the  
20 periphery of what we can do legally and tried to maximize  
21 that. But, you know, just based on the general consensus  
22 we're hearing of many Members of the General Assembly, now  
23 is the time to have a deeper conversation around  
24 formalizing that.

25 REPRESENTATIVE SANCHEZ: And, you know, I speak

1 from a couple of school districts in my area that are  
2 undergoing renovations in many of the schools, you know,  
3 independent of PlanCon, which is obviously, you know, not  
4 funded or underfunded.

5 SECRETARY RIVERA: Yeah.

6 REPRESENTATIVE SANCHEZ: So it would be prudent,  
7 you know, if the awareness level was there so that they  
8 could build that into the plans of remediation. I mean,  
9 there are ambitious plans for water bottle refilling  
10 stations, all those kind of good, sustainable stuff.

11 SECRETARY RIVERA: Mm-hmm.

12 REPRESENTATIVE SANCHEZ: But if the water coming  
13 out of there, you know, if it would have made sense to put  
14 a filter on it before the walls are enclosed and those  
15 types of things, it's, you know, a whole different animal.

16 So I would encourage you to keep, you know,  
17 within the bounds of the law and pushing for further things  
18 for that, for that level of awareness, because I think with  
19 the public pressure, even if it's back, you know, on the  
20 taxpayers in the district, people might choose clean water  
21 above all else, so.

22 Thank you.

23 SECRETARY RIVERA: Thank you, sir.

24 MAJORITY CHAIRMAN SAYLOR: I want to also  
25 recognize we have been joined by a non-Member of the

1 Appropriations Committee here to observe today.

2 Carol Hill-Evans is also with us.

3 I also wanted to recognize, I didn't recognize  
4 them earlier, but the members of the FFA are here. The  
5 students are here. Welcome, and I hope you don't get too  
6 bored by our hearings and our questions. But welcome  
7 anyway.

8 We'll move on to Representative Wheeland.

9 REPRESENTATIVE WHEELAND: Thank you,  
10 Mr. Chairman.

11 And, Mr. Secretary, thank you very much for your  
12 time today.

13 In the Governor's budget proposal, he proposed an  
14 unfunded mandate on school districts for universal free  
15 full-day kindergarten. Now, last year the Governor  
16 proposed a study on this subject. Was the study ever  
17 commissioned on this unfunded mandate?

18 SECRETARY RIVERA: Yes. The funding was  
19 commissioned, and the draft of the report, we have received  
20 it.

21 REPRESENTATIVE WHEELAND: And who conducted this  
22 study?

23 SECRETARY RIVERA: AIR, the American Institutes  
24 for Research.

25 REPRESENTATIVE WHEELAND: Okay. When -- or you

1 say it's in draft form currently right now?

2 SECRETARY RIVERA: It's in progress and being  
3 finalized right now. Mm-hmm.

4 REPRESENTATIVE WHEELAND: Any idea on completion,  
5 when it will be---

6 SECRETARY RIVERA: Summer. Definitely by the end  
7 of this school year---

8 REPRESENTATIVE WHEELAND: Good.

9 SECRETARY RIVERA: ---the final report will be  
10 available.

11 REPRESENTATIVE WHEELAND: And it will be  
12 available. It will be released to the public?

13 SECRETARY RIVERA: Our intention is to release it  
14 to the public, yes.

15 REPRESENTATIVE WHEELAND: Okay. And if that's  
16 the case, hopefully we get a copy also?

17 SECRETARY RIVERA: I'll send you over a copy. I  
18 promise.

19 REPRESENTATIVE WHEELAND: I would appreciate it  
20 very, very much.

21 Do you know if this report or this study that was  
22 commissioned, did it allow or does it take into account  
23 school districts that don't have the physical plant to  
24 expand full day?

25 SECRETARY RIVERA: It was one of the

1 parameters---

2 REPRESENTATIVE WHEELAND: That was part of the  
3 report also.

4 SECRETARY RIVERA: It was one of the parameters  
5 we included to be -- to be included, yes.

6 REPRESENTATIVE WHEELAND: Do you know if there's  
7 going to be any recommendations on how school districts are  
8 going to be able to fund this?

9 SECRETARY RIVERA: And when we look at -- when we  
10 looked at the Governor's recommendation, the proposal, to  
11 mandate full-day K across the Commonwealth, there are a  
12 number -- so what he has done, what he's doing, and we'll  
13 continue to have the conversation with the General  
14 Assembly, is a window. So not a hard set in terms of when  
15 it's expected to start, but to provide an opportunity for  
16 hardship clauses. So space, accounting, changing  
17 populations, all of those can be used as a hardship to not,  
18 you know, not have to institute right away. So there will  
19 be a window to address all of those issues as part of the  
20 Governor's proposal.

21 REPRESENTATIVE WHEELAND: Okay. Thank you very  
22 much, Mr. Secretary. I look forward to that report.

23 SECRETARY RIVERA: Absolutely. Thank you, sir.

24 MAJORITY CHAIRMAN SAYLOR: Our next questioner is  
25 Representative Schweyer.

1                   REPRESENTATIVE SCHWEYER: Thank you,  
2 Mr. Chairman.

3                   Mr. Secretary, hello. We are no strangers to  
4 each other. You spend a tremendous amount of time in the  
5 Allentown School District, for which I am very grateful.  
6 You have done incredible stuff to try to help our  
7 financially strapped school district.

8                   In the 5 minutes that we have, I could touch upon  
9 a whole host of things. If people want to hear me talk  
10 about the building that about a thousand middle school kids  
11 go to school in every day that was built in 1871, we can do  
12 that. I could talk about the schools in my district and  
13 throughout the Allentown School District that have lead  
14 paint and asbestos. We can certainly do that. We have no  
15 shortage of concerns addressing the third largest school  
16 district in the Commonwealth of Pennsylvania, 17,000 kids,  
17 roughly 90 percent of whom are children of color, and of  
18 those 17,000 kids, most importantly, two of them are mine.

19                   But I'm going to take a slightly different tack  
20 and talk a little bit and ask some questions about the  
21 proposed charter school reform.

22                   As you know, the Allentown School District has  
23 some of the highest charter school penetration in the  
24 entire Commonwealth of Pennsylvania, and of our  
25 \$330 million annual budget, over \$60 million of which is

1 sent out to charter schools in terms of tuition and  
2 support. Is there any wonder that we're constantly facing  
3 a double-digit annual deficit.

4           However, the Administration has proposed some  
5 pretty interesting reforms. I would like you to talk about  
6 them. But specifically, Mr. Secretary, if you and your  
7 staff can address the fact that there's an understanding  
8 that charter schools do not impact all 500 school districts  
9 equally. There are some school districts, like mine, that  
10 have significant charter school presence and others that  
11 don't. How would your Administration's proposals address  
12 those districts that are higher impacted by charter  
13 schools?

14           SECRETARY RIVERA: Thank you for the question.

15           Over the course of the past 5 years, we have had  
16 many conversations around charter schools and charter  
17 school reform. And, you know, I think it's always  
18 important to start off the conversation with, you know, a  
19 reminder that public charter schools are public schools  
20 and, you know, fall within the confines of School Code and,  
21 you know, the expectations we have set.

22           And there was a need and there continues to be a  
23 space for charter public schools. However, many of the  
24 recommendations we are making are a result of a really  
25 outdated and old charter school law. So it's really

1 looking to right-size and learn from the lessons that we  
2 have learned over the course of the past few years.

3           And so there absolutely is a larger proportionate  
4 share to some school districts of charter costs than  
5 others. Specifically, if you have more kids or more  
6 children with special needs attending a charter school,  
7 you're going to pay a higher proportionate share than  
8 schools or school districts that have a lower percentage.

9           First, you know, one of the biggest  
10 recommendations we're making, and probably getting, you  
11 know, the most attention, is looking specifically at the  
12 special education formula for charter schools. A number of  
13 years ago, you know, over 3 years ago, the General Assembly  
14 passed the special education formula for all traditional  
15 public schools, and we allocate special ed funds based on  
16 the level of need per student.

17           At that time, we did not, the General Assembly  
18 and the Administration did not institute that same formula  
19 for charter schools. So as a result, when you look at, you  
20 know, specifically when you look at, you know, a charter  
21 school that might be serving a Level 1 student, so a  
22 student may be receiving 45 minutes a day, you know, of  
23 service a year, and, you know, they're being reimbursed on  
24 the average or the same rate of a Level 1 or a Level 3  
25 student, which could be \$100,000-plus a year. And the

1 payment from the traditional public school is just that  
2 average proportionate share of that, whereas when we  
3 reimburse school districts, we look at, with new special  
4 education funding, we look at the level of funding, the  
5 level of need for that student before we provide that  
6 special education reimbursement.

7           The Governor is also proposing a single fee for  
8 cyber charter school students. So, you know, currently if  
9 you're, you know, a cyber charter school student in, you  
10 know, one district that has a lower per-pupil cost, you  
11 could be reimbursed for upwards of \$11,000 per child, and  
12 in the same cyber charter school, you know, for the same  
13 program in another district, you could be reimbursed for  
14 \$20,000 per child.

15           And so when we look at specifically some of the  
16 recommendations that, you know, the Governor is making  
17 there, they have just been recommendations that have not  
18 been taken into consideration as we have learned and  
19 adapted and adopted new policy for public schools.

20           And, you know, there are some other, you know,  
21 proposals that I have asked for; so, for example, the  
22 redirect fee to change the system for redirection. Often  
23 we find, the Department finds itself in the middle of  
24 having to remediate between the billing, the invoices of a  
25 charter school and the sending school, and there are cases

1 where we have to put a team in place to review accounting  
2 for under a dollar and sometimes it's thousands of dollars.  
3 In my opinion, we should set conditions that the charter  
4 school and the public school have to work together to  
5 remediate and to figure out those invoices and not pull the  
6 Department of Ed, who really doesn't have, you know, the  
7 personnel to facilitate, you know, just to kind of do that  
8 themselves at home.

9 REPRESENTATIVE SCHWEYER: Very good. Thank you,  
10 sir.

11 SECRETARY RIVERA: Thank you.

12 MAJORITY CHAIRMAN SAYLOR: Our next questioner is  
13 Representative Brown.

14 REPRESENTATIVE BROWN: Thank you, Mr. Chairman.

15 And good morning, Mr. Secretary and Deputy  
16 Secretaries.

17 SECRETARY RIVERA: We see each other a number of  
18 times in a year.

19 REPRESENTATIVE BROWN: Yes.

20 Good morning. Thank you both, and all of you,  
21 for being here this morning.

22 A couple of questions.

23 A couple years ago, as you know, we did the  
24 Basic Education Funding Commission, and we have established  
25 a new funding formula which has helped many districts, but

1 as you know, we still have some more work to do. So  
2 anytime we're looking at dollars and new appropriations, my  
3 mindset is always, could we use some of these dollars  
4 towards getting us into even a stronger position with that  
5 funding formula.

6 The only new education line item that I see  
7 requested is a \$7 million appropriation called "Transfer to  
8 Empowerment," which would provide funding for assistance to  
9 school districts in financial recovery or watch status.

10 So the past several years, the School Code has  
11 already allowed the Department to utilize up to \$7 million  
12 for undistributed funds or uncommitted funds for this, for  
13 grants or subsidies just for this very reason. So what is  
14 the need for the additional appropriation?

15 SECRETARY RIVERA: Yeah. Great, great question.

16 When we look at our empowerment, or schools that  
17 are deemed eligible for recovery under the empowerment line  
18 item, those are schools that meet a certain criteria, you  
19 know, set by the General Assembly and the Administration,  
20 so there's a process behind those schools. And this is the  
21 funding we use to provide systems of support, you know,  
22 kind of boots on the ground to help them engage in  
23 everything from, you know, level setting accounting to  
24 facilitating the report.

25 We used to be able -- we are able to use

1 carryover funds year to year. Over the course of the past  
2 5 years, you know, the collective "we," all of us, we have  
3 identified more schools in recovery or watch. So we're not  
4 as confident as we used to be that we're going to have the  
5 funding and carryover, year-to-year carryover, to meet that  
6 obligation. So we're just asking to create an  
7 appropriation for the empowerment, for an empowerment line  
8 item, that will support the schools that the General  
9 Assembly and the Administration identify as in need of  
10 recovery or watch.

11 REPRESENTATIVE BROWN: Okay. And so with that,  
12 according to this year's State accounting system, there is  
13 nearly 200 million in unexpended funds from prior PDE  
14 budgets that's still available. Can you transfer any of  
15 these dollars to the empowerment restricted fund, and if  
16 so, you know, the details of that 200 million as well, if  
17 you can't transfer that, you know, what are we doing with  
18 that 200 million as well, as I dig for further funds, of  
19 course.

20 SECRETARY RIVERA: Yeah, of course. And I'll let  
21 Danielle kind of -- some of it will go to, you know, some  
22 of it was answered with the question we answered earlier in  
23 terms of the spreadsheet, but she can share the nuance  
24 around transfer.

25 DIRECTOR MARIANO: So again, the \$7 million line

1 item is not a request for additional funds but that it  
2 would be a line item rather than the remainder or the  
3 carryover, as the Secretary pointed out.

4           Some of that money can be transferred, others  
5 cannot. And the balances we have, that we refer to them as  
6 "subsidy balances," are typically, I believe, what is  
7 permitted to be moved for the purpose of empowerment. And  
8 those dollars also go to other needs as well, making  
9 adjustments to, you know, various, from audits, paying PRRI  
10 schools which must be audited before they are paid. So a  
11 lot of it can be a timing issue in terms of available  
12 dollars. Those are numbers that frequently change, and  
13 depending on when you're looking at them, and as he pointed  
14 out, we have discussed the fact that what's waived on the  
15 waiver then often is both committed and available balance.

16           REPRESENTATIVE BROWN: But, so there really,  
17 there still is 200 million that has not been utilized, and  
18 it could change. Like you said, the numbers can change  
19 throughout the year depending on when you look at it.

20           DIRECTOR MARIANO: So I think we said that we  
21 would provide a more detailed accounting of the balances  
22 that exist and the requirements around them. I think that  
23 might get to your question.

24           REPRESENTATIVE BROWN: Yeah. That would be very  
25 helpful. Thank you. I know it's a big question for the

1 short period of time that we have.

2           And my time is almost up, but I'm going to ask  
3 one other question. I know the Deputy Secretaries worked  
4 with me on this as far as AEDs, automatic external  
5 defibrillators.

6           We do have a current registry that we are  
7 supposed to have fulfilled by the school districts as far  
8 as who has it and who doesn't. And I know this has been a  
9 constant battle, but I know it doesn't appear to be any  
10 sort of responsibility to reply from the school districts  
11 whether or not they have an AED or they don't on site. Is  
12 there any thought or any works on this?

13           SECRETARY RIVERA: Do you want to take this?

14           DEPUTY SECRETARY STEM: Sure.

15           No; thank you for that question. And again, this  
16 falls into the same category of keeping kids safe being our  
17 top priority.

18           You know, as you have shared with us and we have  
19 worked together, that legislation comes from a tragic  
20 situation that happened with a student. And so what I can  
21 tell you is that our reporting is improving. One of the  
22 things that we have made a priority in that division is to  
23 improve the reporting from our schools.

24           You are correct in saying that we don't have --  
25 there is no penalty provision for a district that doesn't

1 report, but our team has taken it upon themselves to be  
2 appropriately aggressive in soliciting those reports from  
3 schools. And we would be happy to follow up with you on  
4 that, but our reporting is improving.

5 REPRESENTATIVE BROWN: Thank you. And any way  
6 that I can help in this effort is something that, it's very  
7 important. Thank you so much.

8 DEPUTY SECRETARY STEM: Yeah. Thank you.

9 MAJORITY CHAIRMAN SAYLOR: Our next questioner is  
10 Representative Comitta.

11 REPRESENTATIVE COMITTA: Thank you, Mr. Chairman.

12 Good morning, Secretary Rivera and your staff  
13 team.

14 I have a question for you about our public  
15 libraries. And first I want to thank the Governor and you  
16 for the additional funding for our public libraries in last  
17 year's budget.

18 And I have a question about where that funding is  
19 this year, and I also have a question about funding  
20 possibilities for libraries like our schools, where we're  
21 having needed repairs, toxic remediation, and so on.

22 So our public libraries, as we know, are great,  
23 good places in our communities, and they are often also a  
24 lifeline for many people. They provide information needs  
25 for economic development and critical programming and

1 resources to meet the education needs not only of our  
2 children but of our adults and seniors.

3           So as I said, thank you for the extra funding  
4 last year. Could you talk a little bit about why there is  
5 not additional funding for public libraries this year, what  
6 the Governor and the Department plan to do to help the  
7 libraries, public libraries across Pennsylvania this year,  
8 and could you talk a little bit about plans for remediation  
9 for facilities, these libraries where many of our children  
10 spend a lot of time, just like our schools.

11           SECRETARY RIVERA: Mm-hmm.

12           So first, in terms of the increase, this is an  
13 opportunity for me to thank you, the General Assembly, for  
14 requesting the increase in our line item budget to provide  
15 \$5 million more to libraries.

16           This year, the Governor, funding the same as he  
17 did last year, did include those additional funds again for  
18 another year. So the increase requested by the General  
19 Assembly is again included in the Governor's proposal.

20           I don't have a specific answer around -- there's  
21 a fund that we provide to libraries for updates, upgrades,  
22 and to address, you know, their construction and facility  
23 needs. I don't have a one-pager specific to that in my  
24 big, thick binder here, but we do review that year to year  
25 together and approve that line item. So what I can do,

1 that appropriation, what I can do is make sure to forward  
2 you that list of who has received capital funds in our  
3 libraries.

4           And, you know, I can also close by sharing, we  
5 have really elevated our, you know, our use and our  
6 partnership with libraries, not only through the  
7 traditional sense. But we have two libraries this year  
8 that have partnered with the Department of Labor and  
9 Industry to provide CareerLinks in their libraries for  
10 community members, and those are partnerships that of  
11 course, you know, I want to build upon, because it is an  
12 issue, an opportunity, for access for community members.

13           As part of the broadband growth, the libraries  
14 have taken a leadership position and a role in that space,  
15 especially in our rural communities, and we look for every  
16 opportunity to expand their use in that space.

17           And this year, the library, you know,  
18 representing the Department of Ed, has been a tremendous  
19 significant partner in the Census outreach. Because as we  
20 know, this year is going to be the first year the Census is  
21 available online, and so in many of those cases, if a  
22 community doesn't have access, if a family doesn't have  
23 access for connectivity, we're going to, you know, really  
24 again highlight our libraries by being that space that  
25 community members can go to to be counted, you know, and

1 engaged.

2           And so there's always an opportunity for us to  
3 continue to advocate for more resources for our libraries,  
4 because each and every year, we make a case and we continue  
5 to show how dynamic of partners our librarians are and just  
6 the multifaceted systems of support they provide to our  
7 communities.

8           Thank you.

9           REPRESENTATIVE COMITTA: Thank you very much.

10          Yeah, the libraries are real partners---

11          SECRETARY RIVERA: They are.

12          REPRESENTATIVE COMITTA: ---with our schools,  
13 with our public schools and beyond, and they need to be,  
14 all of them need to be ADA accessible, safe, very similar  
15 to access for all.

16          So thank you so much for everything that you are  
17 doing, and thanks very much, Mr. Secretary.

18          SECRETARY RIVERA: Thank you for all that you do.

19          MAJORITY CHAIRMAN SAYLOR: Representative Topper.

20          REPRESENTATIVE TOPPER: Good morning,

21 Mr. Secretary. Thank you, Mr. Chairman.

22          You had mentioned earlier about our charter  
23 reform laws being outdated, and, you know, I couldn't agree  
24 more. And I guess the frustrating part of that statement  
25 is that, you know, the House, every term that I have been

1 here, has passed significant charter reform, and yet, you  
2 know, it's still not law. And as a guy who has been in the  
3 negotiating rooms in many of these instances with all of  
4 the stakeholder groups, which is incredibly difficult, you  
5 know, to pull everybody together and try and get a product  
6 that we can get through each body and then signed by the  
7 Governor. And then I feel like we are constantly  
8 backtracking and going over the same ground time and time  
9 and time again, and so it is frustrating.

10 But again, the House has shown that we can  
11 actually move this out of the Chamber, and so I think we  
12 need a little bit of help from the Administration to see  
13 some of this get across the goal line.

14 Now, we have heard for many years now from  
15 education groups that charter schools have overidentified  
16 or falsely identified special education students, maybe to,  
17 you know, up their funding, but I think the Department is  
18 responsible for monitoring that. Is that correct, for  
19 special education, the identification process?

20 SECRETARY RIVERA: We monitor the process of  
21 identification.

22 REPRESENTATIVE TOPPER: Right.

23 SECRETARY RIVERA: And so if there's something  
24 egregious, you know, we can flag it. But, you know,  
25 there's a lot of nuance in the identification process.

1           REPRESENTATIVE TOPPER: About how many of those  
2 egregious -- I mean, how many are flagged? Do we have any  
3 kind of numbers in terms of, because I know one of the  
4 elements is, you know, trying to shape how we do special  
5 education funding, and I just want to make sure that we  
6 have our facts straight in terms of the auditing of the  
7 charter schools and, you know, how many it has been found  
8 that are mishandling those special education identification  
9 processes.

10           SECRETARY RIVERA: So what would happen in terms  
11 of our process, if it's believed by a parent, a community  
12 member, a school district, a charter school, that there's a  
13 misidentification of students, we can go in and review  
14 their special education folders. If IEPs are lapsed, we  
15 can go in and review the IEP, you know, the caseload, to  
16 make sure that there aren't expired IEPs.

17           If a family believes they are not receiving free  
18 and appropriate education, we can go in and solicit that,  
19 that information, and then, you know, make a determination  
20 as, you know, as is expected.

21           I think the bigger issue that we identify  
22 through this proposal is not necessarily the identification  
23 of students but it's the fact that what we worked to  
24 address and we're continuing to discuss through the  
25 Special Education Commission is that there's a formula for

1 allocation to a Level 1 student versus a Level 3 student,  
2 and through the formula, we're just asking that all public  
3 charter schools are allocated special education funds  
4 through the same formula.

5           So I haven't even tried to address, because I  
6 can't justify whether or not there's overidentification,  
7 but what we can show numbers around is the---

8           REPRESENTATIVE TOPPER: But that's an important  
9 thing to note, because it's something that every room I  
10 walk into, and look, I have toured all the -- I have  
11 10 public school districts in my district, traditional K  
12 through 12.

13           SECRETARY RIVERA: Yeah.

14           REPRESENTATIVE TOPPER: I have gone into charter  
15 schools, private schools that are using the EITC and OSTC  
16 dollars, and, you know, just making sure that everything  
17 we're providing as tax dollars are going to help students.

18           And so I just, I struggle to find sometimes this,  
19 you know, the Moby-Dick that's out there about these  
20 special education students that are constantly, you know,  
21 falsely identified, and I'm just trying to get numbers one  
22 way or the other to help us forward.

23           You had said in response to the gentleman from  
24 Allentown's question, you had talked about public charters  
25 are still public schools.

1           SECRETARY RIVERA: Public charters by School Code  
2 are public schools.

3           REPRESENTATIVE TOPPER: Right, they are still  
4 public schools. So I want to get to the proposal by the  
5 Governor to institute a fee for charter schools when they  
6 access departmental services.

7           SECRETARY RIVERA: That's the redirection.

8           REPRESENTATIVE TOPPER: And I guess, do we not  
9 have enough staff to adequately -- well, what would be the  
10 fee? What would the fee be for? Let's put it that way.

11          SECRETARY RIVERA: And I'll share what a  
12 redirection is.

13           Currently, by law, if a school district is  
14 default in paying the charter school bill, the charter  
15 school submits the bill to PDE, the invoice to PDE. PDE  
16 pays the invoice, no questions asked, then pays the  
17 invoice, and then the school district has to appeal. It's  
18 a long and cumbersome process.

19           We have received invoices for under a dollar, as  
20 I shared, and so we have to engage in that same process if  
21 it's a dollar or if it's \$10,000. My thought, and I will  
22 share with you, the reason I support the fee is not  
23 because, one, I would never have enough staff. I mean,  
24 literally we pull everyone to kind of do this work. We  
25 need a number of more staff folks, and I have always said

1 to this body that I would rather ask for more money for  
2 schools than for more money for staff to do clerical work.  
3 My intent is not to generate revenue through the fees. My  
4 intent is to incentivize better behavior.

5 School districts and charter schools should be  
6 figuring this out themselves instead of sending us an  
7 invoice that we automatically have to pay and then, you  
8 know, assigning someone to be an arbitrator if the district  
9 doesn't agree and challenges the fee. And, you know, there  
10 are times where this process has gone on years.

11 REPRESENTATIVE TOPPER: Mm-hmm.

12 SECRETARY RIVERA: And it has cost us more than  
13 what the actual redirect is. And so, you know, I would  
14 love to streamline that process so that the two entities  
15 have to work it out and we're not pulling staff and  
16 manpower to figure out basic accounting.

17 REPRESENTATIVE TOPPER: All right.

18 And I think, I think part of that cooperation  
19 will come together when we stop as policymakers and people  
20 who have the bully pulpit stop pitting our educational  
21 opportunities against one another.

22 SECRETARY RIVERA: I agree.

23 REPRESENTATIVE TOPPER: I mean, every child is  
24 different and every child has the right to have an  
25 opportunity for a high-quality education, and we just need

1 to make sure those options are out there.

2 Thank you, Mr. Chairman.

3 SECRETARY RIVERA: Thank you, sir.

4 MAJORITY CHAIRMAN SAYLOR: The next questioner is  
5 Representative Flynn.

6 REPRESENTATIVE FLYNN: Thank you, Mr. Chairman.

7 Thank you, Mr. Secretary, for being here today.

8 SECRETARY RIVERA: Good morning.

9 REPRESENTATIVE FLYNN: One of the prior speakers  
10 brought up the point and said no one wants to send kids to  
11 school with lead and asbestos, but the sad reality is, we  
12 are. We're sending them to schools with lead and asbestos.  
13 The question is, do we as a body want to invest in the  
14 remediation of these schools?

15 There's lead and asbestos in 22 of 28 schools in  
16 my school district in Scranton, and given Scranton's  
17 already substantial underfunding, how can the district be  
18 expected to afford the massive infrastructural investment  
19 to abate asbestos and remediate lead without any other  
20 State funding?

21 SECRETARY RIVERA: I think the Governor, you  
22 know, and the team, the Administration, and, you know, many  
23 or most Members of the General Assembly, agree on the need,  
24 you know, to provide a system of support to remediate, you  
25 know, toxicity in schools.

1           School districts, many school districts as they  
2 have reported to us, do not have the funding, do not have  
3 the funding immediately available to remediate for lead and  
4 asbestos, and as a result, kids are missing school,  
5 families are missing school, and in many cases, they could  
6 be attending schools that are in need of serious  
7 remediation.

8           REPRESENTATIVE FLYNN: So if the Governor's plan  
9 isn't adopted, the RACP plan, I know that we have to change  
10 rules, and I know as was previous stated, we would have to  
11 change rules to do this. I thought that was our job as  
12 lawmakers to actually change laws and change rules. Is  
13 there any plans, other plans if this RACP isn't adopted?  
14 Will the Scranton School District get money without it?

15           SECRETARY RIVERA: So this is the Governor's  
16 plan. You know, we're the agency that is responsible for  
17 serving as the facilitator and pass-through of the  
18 Governor's proposal and the General Assembly's, you know,  
19 voted-upon budget, and if the General Assembly doesn't  
20 appropriate us funds to send to our districts to remediate,  
21 there aren't funds for districts to remediate.

22           REPRESENTATIVE FLYNN: Well, Mr. Secretary, I  
23 think we as a body have to step up to the plate here one  
24 way or another and make sure that no kids have to go to  
25 school where there's lead and asbestos, where their parents

1 have to worry about their safety physically by going to  
2 school in these kind of toxic environments. So I hope my  
3 compatriots on the other side of the aisle feel the same  
4 way.

5 Thank you.

6 SECRETARY RIVERA: Thank you, sir.

7 MAJORITY CHAIRMAN SAYLOR: Representative Fritz.

8 REPRESENTATIVE FRITZ: Thank you, Mr. Chairman.

9 And thank you, Mr. Secretary, for being here  
10 today. Pleased to see you.

11 Mr. Secretary, a portion of my district benefits  
12 greatly from responsible natural gas development, and the  
13 resulting effect has been a growth in wealth for a prior  
14 to, somewhat economically depressed area and a large and  
15 varying array of family-sustaining jobs, and perhaps most  
16 significantly, a very real reversal of brain drain.

17 My district, Mr. Secretary, really is a wonderful  
18 example of the benefits realized when we embrace  
19 responsible industry. Our schools, especially Susquehanna  
20 County career and vo tech, have risen to the challenge in  
21 preparing a skilled workforce.

22 With this state in mind, Mr. Secretary, your  
23 Department's budget proposes a career and tech ed  
24 appropriation of 99 million, and earmarked within that is  
25 20 million to be used for the PAsmart initiative. So,

1 Mr. Secretary, could you kindly share with us, reveal to us  
2 the focus of the PAsmart initiative. And really what I'm  
3 looking for in your response is the tie in with STEM and as  
4 well the findings of the Middle Class Task Force that was  
5 convened.

6 Thank you.

7 SECRETARY RIVERA: Thank you for that question  
8 and the opportunity to share.

9 And as I get to PAsmart, this year, the Governor  
10 is proposing a level funding from last year. And I do  
11 think it's important for me to remind, you know, I guess  
12 everyone and whomever is watching, the General Assembly and  
13 the Governor did increase career and technical education  
14 funding in '17-18 and '18-19, 10 million; in '18-19 and  
15 '19-20, it's 7 million, and so the level funding is with,  
16 includes those increases.

17 PAsmart, for us, has actually been a program that  
18 has shown some real promise and continued growth in school  
19 -- actually, I was going to say in school districts, but it  
20 goes well beyond school districts in the Commonwealth. So  
21 what we have done through PAsmart is provided grant  
22 opportunities for school districts and education partners  
23 to grow and to develop programs that really focus on the  
24 next-generation workforce.

25 You know, as you mentioned, and I know you know

1 the percentages really well, when we look at our projected  
2 workforce by 2025, you know, over 60 percent of  
3 Commonwealth residents are going to have to have an  
4 industry certificate or a 2-year degree or 4-year degree,  
5 and geographically that differs depending on what the  
6 workforce needs are. And what we have done through PAsmart  
7 and through our STEM and computer science initiatives is we  
8 created this space where, you know, external partners,  
9 whether it's higher ed partners and a number of community  
10 colleges have partnered, our local school district,  
11 agencies such as science centers and other community-based  
12 organizations, employers, have come together to create  
13 partnerships to help train students around the  
14 next-generation workforce needs.

15           Where PAsmart really worked is, because it's a  
16 local investment through State dollars, it allows local  
17 industry leaders and their school districts and higher ed  
18 partners to identify what the project, what the specific  
19 project is. So, you know, for example, one of the big  
20 initiatives we have been pushing as part of this whole  
21 portfolio is the Teacher in the Workplace Grant, where  
22 teachers are spending 2 weeks in industry, with industry  
23 partners, learning exactly what it is that they need to be  
24 successful in the workforce, and then they take those  
25 lessons back to their classroom to better support teaching

1 and learning.

2 We have partnerships where they are creating  
3 virtual options for kids to engage in the local workforce  
4 industry needs. So that grant opportunity has kind of  
5 created the space for partnerships and additional funding  
6 to think outside the box, and as a result, some of those  
7 programs have become staple programs to local businesses  
8 and their school district partner and others have helped  
9 develop new initiatives.

10 REPRESENTATIVE FRITZ: Okay. So thank you,  
11 Mr. Secretary.

12 So you mentioned that you, I'm going to use the  
13 word "embed" teachers within certain industries. Give us  
14 an example of what some of those industries may be.

15 SECRETARY RIVERA: Oh, sure. I can share some  
16 that I visited over the course of the past years.  
17 Actually, I can share one when I was a superintendent and  
18 then progressing.

19 When I was a superintendent, we used to partner  
20 with other external partners and send teachers to High  
21 Industries. And so they got to see in High Industries,  
22 which is a manufacturing and construction, you know,  
23 program, and they would work with the different departments  
24 within High and then take back those lessons learned to the  
25 classroom and integrate some of their high school lessons,

1 you know, to, they were being taught to kids to their  
2 specific needs.

3 Last summer, we went to Case New Holland,  
4 autonomous tractors, and teachers spent 2 weeks there,  
5 everything from their manufacturing lab, to their design,  
6 to the lab where they just break things to see how long,  
7 you know, the equipment can last and under what conditions.  
8 So the teachers spent 2 weeks with the professionals in  
9 that space and wrote lessons around how to integrate that  
10 learning back in their own classrooms.

11 Up in, you know, Allegheny County, some of our  
12 teachers have worked, you know, with industries like Google  
13 and beyond and really to better, you know, embed their  
14 competencies needed in the workforce to the lessons they're  
15 teaching in the classroom.

16 REPRESENTATIVE FRITZ: I'll just quickly mention  
17 that in a prior lifetime, I was known as Tractor Jon and  
18 sold New Holland tractors, so I liked that last bit there.

19 Thank you, Mr. Chairman, very much. Thank you,  
20 Mr. Secretary.

21 SECRETARY RIVERA: Thank you, sir.

22 MAJORITY CHAIRMAN SAYLOR: Representative  
23 McCarter.

24 REPRESENTATIVE McCARTER: Thank you very much,  
25 Mr. Chairman.

1           And again, thank you, Mr. Secretary, for being  
2 here today with your staff to answer questions.

3           And again, I know many of these are, you know,  
4 issues that are predicated on the fact that, quite  
5 honestly, we don't have enough money to do the job that we  
6 need to do, whether it's fixing schools or whether it's  
7 many of the other issues that are facing us at the present  
8 moment across the State.

9           Let me kind of focus in on two areas, if I can,  
10 real quickly here. The first one, I would like to go back  
11 to the charter school issue a little bit that was raised  
12 just recently by the good gentleman from Butler County.

13           And again, if you can explain, because we just  
14 had a lot of testimony on this in the Education Committee  
15 dealing with how much reimbursement is going to or how much  
16 money is going to the cyber charters across the State  
17 compared to what the education costs at the local level.  
18 If a local school district or an IU has a program, it seems  
19 that they're able to provide a very good cyber education  
20 for something between \$5,000 and \$6,000 per student, and  
21 yet we know the reimbursement rates that are going to the  
22 cyber charters are substantially higher than that, anywhere  
23 from roughly 13,000 to as high as well over \$40,000 for  
24 special needs students.

25           I need to ask you a couple of different areas.

1           Number one, what is the Department's, and again,  
2 this got into a little bit of the conversation before in  
3 terms of the review as to how the identification takes  
4 place. And what I want to focus on, though, is not just  
5 the identification but the accountability that comes at the  
6 end, after that money is granted to, let's say, a cyber  
7 charter for let's say an extreme special needs student of  
8 \$45,000 or more. What is the accountability that the  
9 Department has over that expenditure to see if in fact it  
10 was actually carried out and what the results were?

11           SECRETARY RIVERA: So, it's a great question.

12           So there is accountability -- so the Department  
13 of Education owns the accountability of the process, and I  
14 think that's an important distinction, because as I was  
15 processing through our role and responsibility and the role  
16 and responsibility of the local school district, it's  
17 always, you know, a good reminder in that here in  
18 Pennsylvania, we're a very proud local control State. And  
19 where we own, where we own the process, it's really the  
20 process by which making sure the resources are available to  
21 students who may have special needs.

22           So in the case of all schools, if a student is  
23 identified as having special educational needs, the family  
24 engages with the school district in forming the IEP. Now,  
25 if that doesn't happen, they report to us, we send a team,

1 and we engage in the process accordingly. However, if  
2 there is an IEP in place and the parent is receiving  
3 everything that has been identified and they feel that it's  
4 appropriate and never complains, we would never know.

5 REPRESENTATIVE McCARTER: How many teams were  
6 sent out last year to do investigation of situations like  
7 that?

8 SECRETARY RIVERA: We send teams out pretty  
9 regularly. I mean, it's probably in the hundreds to a  
10 thousand in terms of---

11 REPRESENTATIVE McCARTER: And were they for  
12 specifically cyber situations, or---

13 SECRETARY RIVERA: No, probably varied.

14 DEPUTY SECRETARY STEM: Yeah, it's varied.

15 SECRETARY RIVERA: Yeah, it varied.

16 REPRESENTATIVE McCARTER: Numbers? I mean, is  
17 there---

18 SECRETARY RIVERA: We can get you those numbers.

19 REPRESENTATIVE McCARTER: Okay. I would  
20 appreciate that.

21 SECRETARY RIVERA: Sure.

22 REPRESENTATIVE McCARTER: I would, because, you  
23 know, I think when we look at this, and as you said earlier  
24 about the designations between a Level 1 and a Level 3, I  
25 mean, that's substantial in terms of what happens. And we

1 know that cyber charters for the most part are looking at  
2 94 percent of the students identified in their programs are  
3 Level 1. They are not up to Level 3. It's a very small  
4 number. And yet, still we see designations again of higher  
5 amounts of money going there with a really small amount of  
6 accountability. I think that would be fair to say.

7           And we would like to make sure that, and again,  
8 with this expenditure of money, and we know that the  
9 Governor has proposed a means by which to try to scale this  
10 back, if I understand correctly, to about \$9600 of  
11 reimbursement? Is that correct?

12           SECRETARY RIVERA: So what the Governor is  
13 recommending is that we go with a flat State fee of  
14 \$9500---

15           REPRESENTATIVE McCARTER: 95.

16           SECRETARY RIVERA: ---for a regular education  
17 student and then a line item increase. So you would take  
18 that dollar amount, and if it's a special need Level 1, an  
19 increase; Level 2, an increase; Level 3, an increase above  
20 that.

21           REPRESENTATIVE McCARTER: Okay. I think, again,  
22 that's a step in the right direction to make sure that we  
23 can right some of this and be able to fund adequately  
24 students in all our schools in a way that I think would be  
25 more beneficial.

1           Thank you very much, Mr. Chairman, and thank you,  
2 Mr. Secretary.

3           SECRETARY RIVERA: Thank you, sir.

4           DEPUTY SECRETARY STEM: And, Representative, if I  
5 could just add also for the record.

6           So the accountability for students with IEPs in  
7 charter schools is much the same as it is in, you know,  
8 non-charter public schools. And again, just to reiterate,  
9 it's more about the funding and the way those students are  
10 funded than particularly the accountability system.

11           What our team in special ed does through cyclical  
12 monitoring mirrors in charter schools what's happening in  
13 non-charter schools. I just want to make sure everyone is  
14 clear on that. But we would focus our energies on more or  
15 less how we're funding in those different levels.

16           REPRESENTATIVE McCARTER: Thanks for that  
17 distinction.

18           Thank you.

19           MAJORITY CHAIRMAN SAYLOR: Just to note, we'll do  
20 one more questioner, and then we're going to break for  
21 lunch and come back at 1 o'clock.

22           Our next questioner and last one for this session  
23 is Representative Marcia Hahn.

24           REPRESENTATIVE HAHN: Thank you, Chairman.

25           Good morning, Secretary. Over here. Good to see

1 you again.

2 SECRETARY RIVERA: Good seeing you.

3 REPRESENTATIVE HAHN: I'm hoping you can give me  
4 a little clarity and understanding about funds that come in  
5 I think from the Federal Government, the IDEA funds for  
6 disabilities. So can you tell me, how much do we receive,  
7 or do you receive in those funds?

8 SECRETARY RIVERA: I'm going to defer that to our  
9 expert, Deputy Secretary Stem, but we can definitely pull  
10 the, if you bear with us, we can pull those numbers for  
11 you.

12 REPRESENTATIVE HAHN: And while you're looking  
13 for that, because I'm on the clock here---

14 SECRETARY RIVERA: Yes; I'm sorry.

15 REPRESENTATIVE HAHN: ---I'm just going to ask my  
16 next question.

17 It's my understanding that the State is not  
18 required to report how those funds are used, so is that  
19 correct?

20 SECRETARY RIVERA: There's specific use for those  
21 funds. You can't use them for anything, but you have to  
22 use them for FAPE, which is free and appropriate education  
23 for students who have special needs.

24 REPRESENTATIVE HAHN: So you look to see how  
25 they're spent. You know where that money is going.

1 SECRETARY RIVERA: Oh, yes. Yes.

2 REPRESENTATIVE HAHN: Okay.

3 SECRETARY RIVERA: In aggregate.

4 DIRECTOR MARIANO: So does the Federal  
5 Government.

6 SECRETARY RIVERA: Yeah, and so does the Federal  
7 Government.

8 DEPUTY SECRETARY STEM: Yeah; right. That's what  
9 we were just going to add.

10 So two things. Let me give you the numbers. For  
11 2018-19, our IDEA Part B funds were 446,896,000 and change.  
12 In 2019-20, our IDEA Part B funding was 449,731,000 and  
13 change.

14 And as the Secretary shared, there are -- I might  
15 get this wrong -- 18 or 19 categories that we track and we  
16 have to report out through our annual OSEP reporting to the  
17 Federal Government. And we are happy just to put a little  
18 plug in for our team at the Department. We are the only  
19 large State in the nation to have fully, you know, passed  
20 our OSEP reporting 9 out of the last 10 years, I believe.

21 REPRESENTATIVE HAHN: Okay.

22 So I understand there's something called  
23 technical assistant consultants that are through the IUs,  
24 correct?

25 DEPUTY SECRETARY STEM: That's correct.

1                   REPRESENTATIVE HAHN: Which are funded with this  
2 fund. Is that---

3                   DEPUTY SECRETARY STEM: That's correct. There is  
4 five FTEs in each of the IUs that are funded as part of the  
5 set-aside from IDEA Part B.

6                   REPRESENTATIVE HAHN: Okay. And then there's  
7 something else, and I'm not sure if I'm going to say it  
8 right. It's either PaTTAN or PaTTAN funding---

9                   DEPUTY SECRETARY STEM: Yes. That's correct.

10                  REPRESENTATIVE HAHN: ---that only goes to three  
11 IUs.

12                  DEPUTY SECRETARY STEM: Those are -- that's  
13 right. So those, the three PaTTANs, run through three IUs.  
14 That's correct. And they're the technical assistant---

15                  REPRESENTATIVE HAHN: For like 138, about  
16 138 employees, I think, in those three IUs. And then what,  
17 do they help the other IUs? Are they helping the school  
18 districts? Like, I am confused why there are two different  
19 levels of IU funding or where that money is going.

20                  DEPUTY SECRETARY STEM: No, that's a great  
21 question.

22                  So we have three PaTTANs, and I'll do this  
23 quickly for you. There's one in the Pittsburgh region, one  
24 here in Harrisburg, and one that's located in Malvern. And  
25 what they do is, and this went in place, it predated our

1 Administration, but it was a system that was put in place  
2 to put in play really specific technical assistance and  
3 training to all schools in those regions. So Malvern  
4 handles the entire east region, Harrisburg handles central,  
5 and Pittsburgh handles the west.

6 And so you're talking about really specialized  
7 training, training for our IUs and also training directly  
8 to school districts free of charge, and it falls within our  
9 responsibilities under IDEA to provide that support.

10 REPRESENTATIVE HAHN: Well, can the school  
11 districts apply directly for that funding without going  
12 through these three PaTTAN systems, the three schools?

13 DEPUTY SECRETARY STEM: You mean could schools  
14 directly get funding that goes to the PaTTAN, to the  
15 technical assistance that way?

16 REPRESENTATIVE HAHN: Yeah.

17 DEPUTY SECRETARY STEM: I would have to follow up  
18 with you on that, because there are Federal requirements  
19 around technical assistance. So we would have to get back  
20 to you with a specific answer on how that funding would  
21 work. There's the TaC funding and also the PaTTAN funding,  
22 which are two different, two different sets of funding.

23 REPRESENTATIVE HAHN: So -- okay. I guess I'm  
24 just not clear on, you know, if the school districts can  
25 apply themselves, which I had heard they could. Because

1 this is new to me.

2 DEPUTY SECRETARY STEM: Sure; sure.

3 REPRESENTATIVE HAHN: I never heard of this  
4 program before, so I'm just trying to understand if the  
5 school districts can apply themselves why they have to go  
6 through the other system. And I was just wondering if you  
7 had any correspondence that you had sent out to the schools  
8 to tell them how to apply for that.

9 DEPUTY SECRETARY STEM: That's not, in my 5 years  
10 at the Department, that's not something that has been  
11 raised as an issue or even a question that we have  
12 responded to. So that's why I would have to do -- we would  
13 have to get back with the team and then---

14 REPRESENTATIVE HAHN: If you could, I would  
15 appreciate that.

16 And I think the other thing is then, you know,  
17 what -- so this money comes in every year, so if you're  
18 training staff, I mean, that seems like a lot of money that  
19 keeps going for training staff that's going out to train  
20 others. I guess I'm just a little not clear on how that's  
21 being used, and I just want to make sure we're getting the  
22 best bang for our dollar there, so.

23 DEPUTY SECRETARY STEM: Sure; sure.

24 REPRESENTATIVE HAHN: Thank you, and thank you,  
25 Mr. Chairman.

1 MAJORITY CHAIRMAN SAYLOR: With that, we'll  
2 recess this hearing until 1 o'clock.

3 SECRETARY RIVERA: Thank you, sir.

4

5 (A lunch break was taken.)

6

7 MAJORITY CHAIRMAN SAYLOR: I'm reconvening the  
8 Appropriations Committee hearing.

9 And since you're still under oath, we won't swear  
10 you in again. But we'll start this line of questioning  
11 this afternoon with Representative James.

12 REPRESENTATIVE JAMES: Thank you, Mr. Chairman.  
13 Gentlemen and ladies, I'm over here to your  
14 right.

15 My name is Lee James. I reside in Venango County  
16 in western PA, and today I would like to talk a little bit  
17 about or ask a couple of questions about the cost of  
18 transportation for our children.

19 Now, my district alone has about 785 square  
20 miles, so it's more than a couple blocks walk for my kids  
21 to get to school. This is a very important issue for all  
22 my school districts.

23 I see that the request this year is for  
24 549 million for pupil transportation, and as I understand  
25 it, that's the same amount that has been asked for the

1 last 6 years. Ordinarily, that wouldn't be a problem.  
2 However, it has come to our attention that as we approach  
3 the end of the fiscal year, there is often overspending in  
4 this area.

5 I have heard one person estimate that it might be  
6 as much as 100 million, but according to the Status of  
7 Appropriations report, which is through January 31<sup>st</sup> of this  
8 year, 538 million has already been spent. That only leaves  
9 about 11 million to cover the last 3 months. Can you  
10 explain the rather significant difference for us, please?

11 SECRETARY RIVERA: The pupil transportation  
12 funding line item is, you know, it's a pretty, I was going  
13 to say interesting line item in the sense that we  
14 appropriate it, that we distribute it out to schools as we  
15 receive that line item.

16 So just as a quick point of clarification, we  
17 can't overspend on that line item, but what we do is we  
18 would take the current appropriation and pay whatever  
19 outstanding invoices exist first and then shift funding  
20 subsequently to school districts.

21 So school districts are always made whole, but we  
22 allocate those funds as we receive them. So the current,  
23 the appropriation that we're asking that you approve, may  
24 go to cover some of the existing expenditures, and then we  
25 move forward.

1           So they are made whole, but it could cause a  
2 cash-flow issue. But we never overspend on that line  
3 item.

4           REPRESENTATIVE JAMES: Is there a reason then  
5 that the Department has not required or requested a larger  
6 amount of money since you know that it will be overspent?

7           SECRETARY RIVERA: To date, we have been able, we  
8 have always been able to cover the outstanding expenditures  
9 with the new balance. So we have always been able to make  
10 school districts whole.

11           This year should be the same. We should be able  
12 to make them whole. However, I can share with you, as we  
13 go into next year, that might be the first year we report  
14 that we will not be able to make school districts whole on  
15 the year-to-year transaction.

16           REPRESENTATIVE JAMES: And just for the record,  
17 if I'm the superintendent of X School District and I run  
18 out of funds for transportation, say at the end of March,  
19 am I expected to dip into my usual appropriations to cover  
20 that until I hear from your Department in 6 months? Is  
21 that how that works?

22           SECRETARY RIVERA: You could, until it's  
23 processed, and then you are reimbursed for the invoice.  
24 You might. You could.

25           REPRESENTATIVE JAMES: Okay.

1 I guess for a year or maybe even two I can  
2 understand that, but if we've been doing this for 6 years,  
3 I guess my counsel would be to maybe revisit that number  
4 and come back to us, please, with something a little bit  
5 more realistic that we can deal with. I would appreciate  
6 that.

7 Thank you, Mr. Chairman.

8 SECRETARY RIVERA: Thank you, Representative.

9 MAJORITY CHAIRMAN SAYLOR: Mr. Secretary, as  
10 Appropriations Chairman, how much are you looking to roll  
11 into this fiscal year, carrying it over into next fiscal  
12 year, of transportation funding?

13 What I'm concerned about, to follow up  
14 Representative James's question is, that all of a sudden we  
15 get hit in the General Assembly with a large appropriation  
16 increase in one year, which creates a headache for all of  
17 us here. So what is the amount that you project that you  
18 will have to take out of the allocation for transportation  
19 in the '20-21 budget to cover the '19-20 budget?

20 SECRETARY RIVERA: The current projected  
21 shortfall we're looking at is 157 million.

22 MAJORITY CHAIRMAN SAYLOR: \$157 million.

23 SECRETARY RIVERA: If we're going to make  
24 everything whole.

25 MAJORITY CHAIRMAN SAYLOR: Wow. And you haven't

1 asked for that amount of money in this year's budget?

2 SECRETARY RIVERA: We have been managing it at  
3 the Department procedurally. But I know there have been  
4 conversations that take place between the Administration  
5 and the General Assembly, so we have been doing our due  
6 diligence to make sure that school districts receive those  
7 funds as quickly as possible.

8 MAJORITY CHAIRMAN SAYLOR: That's a lot of money.

9 All righty. We'll move to the next questioner.

10 Representative Gainey.

11 REPRESENTATIVE GAINEY: Hello. How are you doing  
12 today?

13 SECRETARY RIVERA: Good. Good morning.

14 REPRESENTATIVE GAINEY: First of all, I just  
15 wanted to say thank you. I think your leadership in  
16 creating a partnership between the Wilkinsburg School  
17 District and Pittsburgh Public Schools has worked out  
18 tremendously for two reasons: one, every year we have been  
19 able to see an increase in the GPA of the students that  
20 came from Wilkinsburg, and overall, the whole Wilkinsburg  
21 and PPS schools, Pittsburgh Public Schools, to see that  
22 increase is fantastic; and two, to show how our children  
23 come together. They won a city championship this year,  
24 which I thought was phenomenal. What, in less than 5 years  
25 they put together a championship-winning team.

1           I want to thank you for also agreeing to meet  
2 with Wilkinsburg School District. They are being hampered  
3 by their charter school costs. I mean, it's hampering  
4 them. I mean, you know they have already had financial  
5 issues. They worked their way out of that. But right now,  
6 I think that they really need a conversation with you to  
7 talk about the reform that you guys want to do.

8           So I really asked all my questions, but I just  
9 wanted to personally say thank you, and I look forward to  
10 having a further discussion.

11           SECRETARY RIVERA: And, Representative, if I  
12 could, this is an opportunity to also thank you and the  
13 Members of the General Assembly. Through the conversation  
14 between Wilkinsburg and Westinghouse, it presented another  
15 model we can use for school districts that just couldn't  
16 afford, you know, to run a full program. And so the  
17 tuitioning-out model has now been a model that is looked at  
18 by other school districts in lieu of merger or, you know,  
19 looking at the dissolution of schools.

20           So in allowing for this opportunity, one, we  
21 provided students more options, and as you said, a more  
22 enriched experience for those students. So thank you for  
23 championing that cause.

24           REPRESENTATIVE GAINEY: I appreciate it. Thank  
25 you.

1 MAJORITY CHAIRMAN SAYLOR: Representative  
2 Lawrence.

3 REPRESENTATIVE LAWRENCE: Thank you,  
4 Mr. Chairman.

5 And, Mr. Secretary, thank you for being here  
6 today.

7 I had the opportunity to speak with several of my  
8 school superintendents in my own district in the last week,  
9 and of the many concerns they shared with me, I just want  
10 to ask about two in particular: special education and  
11 school safety.

12 So first, as you know, special education costs  
13 continue to escalate for our school districts. Federal law  
14 places mandates on school districts, and Federal funding  
15 has never kept up with those mandates. The Federal  
16 Government promised to fund 40 percent of the costs  
17 associated with their special education mandates, and they  
18 have never come remotely close to that number.

19 So, Mr. Secretary, I would like to ask, what  
20 conversations have you or the Governor had with Federal  
21 stakeholders on this subject in the recent past? How are  
22 you advocating for more special education funding from our  
23 partners in the Federal Government?

24 SECRETARY RIVERA: Thank you, Representative.

25 So first and foremost, you're right. In terms of

1 the obligation of the Federal Government to meet that  
2 40-percent threshold, as was originally intended, has not  
3 been met. As a matter of fact, not only have we been  
4 advocating on behalf of additional funding here at the  
5 State level, but as a part of a larger consortium at the  
6 national level through the Council of Chief State School  
7 Officers. It's one of the areas that we have asked for  
8 additional appropriation and fair appropriation for  
9 students who are some of our most vulnerable learners. So  
10 we are advocating to that end.

11 At the same time, we know that, you know, the  
12 identification of special needs students continues to grow,  
13 because through science and neuroscience, around those  
14 areas, we're able to identify the needs of students on the  
15 spectrum with a much more pinpoint accuracy than ever  
16 before. So those are costs that, you know, continue to  
17 grow and be associated, but they are costs that at least  
18 are directed in the right path, because we can better  
19 diagnose what students need to learn and to grow.

20 REPRESENTATIVE LAWRENCE: Thank you.

21 With regard to school safety, I have to say I was  
22 a little surprised to hear your response to Representative  
23 Struzzi's question in the first session. He asked why the  
24 Governor had proposed reducing school safety grants by  
25 \$45 million, and you said, I have no idea and I am not

1 involved in these conversations. So I just wanted to give  
2 you the opportunity to clarify. Did I hear you correctly  
3 on that?

4 SECRETARY RIVERA: Sure.

5 So there was context. The reduction in that  
6 school safety line item was in PCCD's budget, the  
7 Pennsylvania Commission on Crime and Delinquency, and we do  
8 not oversee that specific budget or that specific line  
9 item.

10 So I was not, because it's another agency, I  
11 would normally not get involved in the decisions that are  
12 made with other agencies, for other agencies, and what the  
13 intent of those decisions were. So I was not---

14 REPRESENTATIVE LAWRENCE: But as the top  
15 education official in this State, I would think you would  
16 be intimately involved in conversations at the highest  
17 level surrounding these school safety grants.

18 SECRETARY RIVERA: We are involved in  
19 conversations around programmatic decisions that are made,  
20 but as it relates to specific line item budgets -- in  
21 Education, I get to, you know, I have the great  
22 distinction, or sometimes burden, of having a partnership  
23 and influence in almost every agency in the Commonwealth.  
24 Almost everyone you can think of has an education  
25 relationship or an education arm. And I don't, you know,

1 I don't influence, you know, their line items or, you know,  
2 how much more they receive or how much less they receive  
3 year to year.

4 REPRESENTATIVE LAWRENCE: So, and I respect that,  
5 but this issue of school safety is top of mind for at least  
6 my superintendents and many parents who have called me, my  
7 own children.

8 Again, you mentioned to Representative Struzzi,  
9 you said, I didn't ask. That's what you said, I didn't ask  
10 about the Governor's proposed changes to the school safety  
11 grant program. Again, I want to give you the opportunity  
12 to clarify these comments. Are you really saying you  
13 didn't ask the Governor about the school safety grant  
14 program? You didn't advocate for the funding, for more  
15 funding?

16 SECRETARY RIVERA: So as I remember our  
17 conversation, our exchange, I shared that I can't speak  
18 specifically to their recommendations and ultimately the  
19 programming that PCCD is going to offer. However, I did  
20 share specifically that through the Department of  
21 Education, we have identified a number of specific needs  
22 around school safety, the biggest and the largest of which  
23 were mental health services and the need for continued  
24 mental health services.

25 And then I can reiterate again, but then I went

1 through a number of programs that we offer and we develop  
2 and we partner with school districts through PDE to better  
3 support students across the Commonwealth.

4 REPRESENTATIVE LAWRENCE: Yeah, and that is very  
5 admirable, and I commend you for it. But again I come back  
6 to, you really didn't ask the Governor about this, these  
7 safety grants?

8 SECRETARY RIVERA: Each and every agency has  
9 their own budget.

10 REPRESENTATIVE LAWRENCE: I'm asking about you.  
11 Did you ask the Governor about it?

12 SECRETARY RIVERA: I don't speak specifically to  
13 the Governor about anyone's, any other agency's budget.

14 REPRESENTATIVE LAWRENCE: I think that's  
15 remarkable on this issue. I really do. Honestly, it  
16 really concerns me.

17 My time is up, but I would like to follow up on  
18 this with you.

19 Thank you, Mr. Chairman.

20 MAJORITY CHAIRMAN SAYLOR: Our next questioner is  
21 Representative Krueger.

22 REPRESENTATIVE KRUEGER: Thank you, Mr. Chairman.

23 Thank you, Mr. Secretary, so much for joining us  
24 here today.

25 During budget hearings, as a Member of the

1 Appropriations Committee, I reach out to the folks that I  
2 serve and ask them what issues are top of mind for them,  
3 and in preparing for today, the issues I heard from my  
4 folks about were investing in early childhood education,  
5 making sure that we're able to pay those instructors a fair  
6 wage, and a number of emails about charter school reform  
7 proposals. And I know most of those things have already  
8 been asked by my colleagues. I just want to underscore the  
9 importance to the folks that I serve in Delaware County on  
10 those issues.

11 I want to talk about the State's progress towards  
12 the Every Student Succeeds State plan. I know that this is  
13 an area where the Department has been providing technical  
14 assistance for the past 2 years, particularly for schools  
15 that have had academic and student success challenges over  
16 a 2-year period.

17 Now, going over the list of who is receiving  
18 support, I identified one school in my school who is  
19 designated for additional targeted support and improvement  
20 because of below average graduation rates for students  
21 receiving special education services. Can you tell us,  
22 over the 2 years that this program has been in place, what  
23 kind of support are schools, like the one in my district,  
24 receiving from the Department?

25 SECRETARY RIVERA: That's a great question.

1 Under ESSA, we have the designation of CSI, which  
2 is the comprehensive support, A-TSI, and TSI, which serves  
3 as the early warning system. Historically, when we look at  
4 specifically the levels or the types of support offered to  
5 schools that fall within those designations, we know that  
6 resources are extremely finite, and how we leverage those  
7 resources is extremely important. So we took a different  
8 tack in terms of how we go into a school district and  
9 provide technical support.

10 One of the areas that we invested in that's  
11 available to all schools, but specifically for the subset  
12 of schools that you mentioned, is the Evidence Resource  
13 Center. So we have facilitators regionally across the  
14 Commonwealth that help support schools with their school  
15 improvement planning and their comprehensive plans. What  
16 we have done is we have started to identify some of those  
17 best-practice strategies and we made them available through  
18 an online tool that schools and their school teams can have  
19 access to to better enrich and support their plans moving  
20 forward. So I'll give you one specific example.

21 If you have a school that has been identified in  
22 need of or being on that list because of their graduation  
23 rate in a specific student group, they can go on to the  
24 Evidence Resource Center, look at strategies by grade group  
25 and then the specific need, and then not only will we

1 identify research-proven strategies but schools that are  
2 employing those strategies along with contact information.

3           So part of what we have done, you know, in  
4 addition to training schools and providing development for  
5 schools, we are creating this network so that a school that  
6 might not be receiving that specific CSI type of training  
7 can reach out to one of their partners who is employing  
8 that strategy to, you know, kind of build the relationship  
9 to get that support.

10           Because, you know, one of the things we realized,  
11 and its lessons learned over many years of school  
12 leadership, there are some really good intervention type of  
13 strategies out there. However, either because of lack of  
14 capacity or an understanding of the strategy, many folks,  
15 you know, either don't or can't implement with fidelity.  
16 So by putting the Evidence Research Center forward, not  
17 only will we identify the strategy for you, share with you  
18 the research and the intended audience, but a partner that  
19 you can identify to employ that strategy accordingly.

20           REPRESENTATIVE KRUEGER: And over the 2 years of  
21 this program, can you give us any metrics, outcomes, so  
22 far? Have schools gotten themselves off the list, or do  
23 they have the full 4-year period to do that?

24           SECRETARY RIVERA: So ESSA is 2 years old, but  
25 the CSI, A-TSI, and TSI list isn't as old as the law.

1           REPRESENTATIVE KRUEGER:   Okay.

2           SECRETARY RIVERA:   So we have really just started  
3 to employ some of those strategies.   But I can share with  
4 you, so each of the school improvement facilitators, they  
5 meet, and then quarterly, one of the groups meets with me.  
6 And, you know, some of the evidence that I have seen, so  
7 I met with a school district during my last kind of  
8 check-in with them, and some of the strategies employed by  
9 that school district aligned exactly with what we were  
10 looking to accomplish, and that specific school district  
11 showed diagnostic data that showed really good, strong,  
12 continuous improvement.   They specifically were focusing on  
13 literacy, and literacy with their higher free and reduced  
14 lunch population, and what they were doing in terms of how  
15 they were tracking along with success, it was very  
16 promising.

17           REPRESENTATIVE KRUEGER:   That's great.

18           And just one other point I want to make on the  
19 record.   I'm pleased to see the Governor talking about  
20 addressing the statewide lead and asbestos issues.   As  
21 members of the PlanCon Commission, you and I together  
22 traveled to schools across the Commonwealth.   I'll never  
23 forget a school in Philadelphia where we were not allowed  
24 onto the third floor because of asbestos in that section of  
25 the building.

1           This is something we have to do. I believe our  
2 students have a constitutional right to go to school in a  
3 building that is safe and not going to cause their health  
4 harm. I believe the same thing is true of our teachers,  
5 and I hope we fight for this every step of the way.

6           Thank you, Mr. Secretary.

7           SECRETARY RIVERA: I appreciate you participating  
8 and bringing that up and advocating. Thank you.

9           MAJORITY CHAIRMAN SAYLOR: Our next questioner is  
10 Representative Seth Grove.

11           And before he starts -- I apologize -- I wanted  
12 to recognize that Representative Isaacson is here as well.

13           REPRESENTATIVE GROVE: Thank you, Mr. Chairman.

14           Good afternoon. How are you?

15           SECRETARY RIVERA: Good. How are you?

16           REPRESENTATIVE GROVE: If your child came home  
17 with a 37-percent final grade, what would you do?

18           SECRETARY RIVERA: I would ask what percentage of  
19 his total score is that first, and then he and I would have  
20 a long conversation.

21           REPRESENTATIVE GROVE: A long conversation.

22           So you would probably call the school, call his  
23 teachers, figure out what went wrong, how we can improve  
24 it, and have those discussions, right?

25           SECRETARY RIVERA: Well, I have a 16-year-old.

1 REPRESENTATIVE GROVE: Mm-hmm.

2 SECRETARY RIVERA: So first I would ask him, what  
3 did he do.

4 REPRESENTATIVE GROVE: What did he do.

5 SECRETARY RIVERA: But then ultimately I'd get  
6 there, yes.

7 REPRESENTATIVE GROVE: All right.

8 I bring that up because the Adult and Family  
9 Literacy program has a 37-percent success rate, and it's  
10 one of the few programs we actually have outcome data  
11 because it's a Federal requirement. And while last year in  
12 your Budget Book you actually gave statistics, this year  
13 was actually very educational for me and my kids because we  
14 got to do a math problem, so I could explain, there's  
15 actually math in real-day life that you actually extract  
16 from a word problem.

17 So in fiscal year '18-19, 20,916 adults  
18 participated in the program that received State Adult and  
19 Family Literacy funds. When given an initial assessment,  
20 90 percent of these adults entered the program with skills  
21 below the ninth grade level. Of that 20,916 adults served,  
22 10,547, or 50 percent, attended adult basic education  
23 classes long enough to receive a follow-up assessment for  
24 educational gain, with 66 percent of those adults showing a  
25 gain of one or more education functioning levels.

1           So when you actually break it down and show it,  
2           it's actually 37 percent of the 20,000 actually showed an  
3           educational gain of 1 percentage or above. And then you do  
4           have some other data on 1,440 adults who did not already  
5           see a second grade diploma level and so forth.

6           Now, the Governor is proposing a 6.41-percent  
7           reduction in that line item. I also noticed that the  
8           Federal funds don't change, so I assume that's not a dollar  
9           for dollar---

10           SECRETARY RIVERA: Yes.

11           REPRESENTATIVE GROVE: ---that State funds are  
12           not dependent on how much Federal drawdown we get,  
13           correct?

14           SECRETARY RIVERA: Correct.

15           REPRESENTATIVE GROVE: So the big question is,  
16           if our success is 37 percent, are we holding providers  
17           accountable? Are we going through the contracts, where  
18           we're putting the money, and finding successful ones and  
19           funding them versus ones that are actually failing our  
20           adult learners?

21           SECRETARY RIVERA: So, yes.

22           In terms of the accountability of the program, I  
23           know that our team in the office of Adult and Family  
24           Literacy do monitor those programs closely. And not only  
25           do they monitor the programs, but they have established

1 relationships where they have continuous conversations  
2 around the specific requirements of the program and  
3 expectations of the program.

4 I think to be fair, and I want to be mindful of  
5 your time, twofold: one, knowing the program really well,  
6 and, you know, also I can share with you through personal  
7 experience, I used to teach in a program like this when I  
8 was a teacher in Philadelphia. The individuals served in  
9 this through the Adult and Family Literacy Program are very  
10 nontraditional. You know, for example, I'll just share my  
11 experience with you.

12 I had individuals who were going through to work  
13 on their high school equivalency diploma who were seasonal  
14 construction workers. So they would come and engage in the  
15 program and they would take the courses with absolute  
16 diligence, and then whenever they were called because a  
17 project came up or there was work for them and, you know,  
18 to support their families, they left and they went to work.  
19 There were individuals who came, you know, when they were  
20 on unemployment.

21 REPRESENTATIVE GROVE: So work is actually a good  
22 thing. You should actually track work as part of this.  
23 Everybody supports work, right?

24 SECRETARY RIVERA: But this is completion of the  
25 program, which is what we track.

1           REPRESENTATIVE GROVE: I get it, but we should  
2 count that as well.

3           I'm just saying, if you're looking at this from a  
4 data standpoint, it's failing. And believe me, this is one  
5 of the actual few programs we actually have robust data.  
6 The only reason is because the Feds require data collection  
7 to operate it. I just wanted to bring that up.

8           Two, West York School District is refinancing  
9 bonds because it's the lowest, 30-year Treasury is the  
10 lowest historically it has ever been. We will be  
11 recapturing \$490,000 of that through the PlanCon. When we  
12 recapture that, how is that utilized within the PlanCon  
13 process?

14           SECRETARY RIVERA: So as part, and I had to check  
15 with my expert, but we do take into account refinancing of  
16 bonds in the PlanCon equation.

17           REPRESENTATIVE GROVE: Okay. How? In what way?  
18 Like, where will ultimately that money go?

19           DIRECTOR MARIANO: It would depend on, if they  
20 are recouping it, it more than likely will reduce the  
21 PlanCon payment, but it would depend on the particulars of  
22 the formula and the refinancing.

23           REPRESENTATIVE GROVE: Okay. I mean, they  
24 basically took out a lump sum bond, repaid all their debt,  
25 and from my understanding, they're going to give us a check

1 for \$490,000.

2 So obviously we don't have PlanCon moving  
3 forward. We have the bond. Are you still doing  
4 recalculations within that program, so that money will come  
5 in and you'll recalculate it against another school  
6 district potentially? I'm just trying to understand how  
7 that functions when we get those dollars in.

8 DIRECTOR MARIANO: So PlanCon is a reimbursement.

9 REPRESENTATIVE GROVE: Mm-hmm.

10 DIRECTOR MARIANO: So they have to pay their bond  
11 funds first, and then we reimburse on whatever the formula  
12 indicates is appropriate.

13 REPRESENTATIVE GROVE: Mm-hmm.

14 DIRECTOR MARIANO: And we do that up until the  
15 end of the length of the bond, however long the financing  
16 dictates.

17 REPRESENTATIVE GROVE: Well, I get that, but  
18 they're giving us a check for \$490,000. What are we doing  
19 with that money? How does that function?

20 DIRECTOR MARIANO: Are you saying that the  
21 bondholder, or -- I'm sorry.

22 REPRESENTATIVE GROVE: So they redid their --  
23 they had a bond. They did a brand-new bond and cleared out  
24 all their old debt at a lower payment.

25 DIRECTOR MARIANO: Right.

1           REPRESENTATIVE GROVE: Twelve percent of the  
2 savings -- it was \$3.49 million. Twelve percent of that  
3 savings, \$490,000, comes back to us. So we will be getting  
4 \$490,000 from one school district because they refinanced.  
5 Where does that money go and how is that utilized moving  
6 forward?

7           Because I assume we're going to see more and more  
8 school districts, if they're smart, refinancing their debt,  
9 correct? So potentially we should be getting more payments  
10 back in. Where is that money going and how is it being  
11 utilized?

12           DIRECTOR MARIANO: We would not expect them to  
13 repay any of the money that they have received. If they  
14 continue to be owed PlanCon and their payments were  
15 reduced, then that, you know, we would reduce what they  
16 were receiving going out. We wouldn't ask them to pay back  
17 money or anything like that.

18           REPRESENTATIVE GROVE: Okay. This is literally  
19 what they said, the school district says, so you may want  
20 to clarify: A refunding on that amount would return about  
21 \$3.49 million. The State would receive 12 percent, so  
22 that's what it now pays the district in PlanCon funding, a  
23 reimbursement plan that the State discontinued for new  
24 projects. So it would be a net savings of \$3 million for  
25 the school district, \$490,000 back.

1 SECRETARY RIVERA: It would be reducing---

2 DIRECTOR MARIANO: Right. That's what I'm  
3 saying, yeah.

4 REPRESENTATIVE GROVE: So you're just saying that  
5 we just wouldn't be giving them---

6 SECRETARY RIVERA: We would reduce -- yeah. That  
7 would be a reduction of their payments they get moving  
8 forward.

9 REPRESENTATIVE GROVE: Okay. Correct. So if we  
10 reduce their payments going out, is that now in the PlanCon  
11 bond process, correct?

12 SECRETARY RIVERA: It's in the PlanCon line item  
13 that was generated from the bond, yes.

14 REPRESENTATIVE GROVE: Okay. Thank you.

15 MAJORITY CHAIRMAN SAYLOR: Okay.

16 Representative Kim.

17 REPRESENTATIVE KIM: Mr. Secretary, I just want  
18 to thank you and your Department for helping out the  
19 Harrisburg School District. Angela Fitterer was my contact  
20 person, and she was great with all of my questions and  
21 help.

22 The first question: What are your plans for the  
23 coronavirus with the schools?

24 SECRETARY RIVERA: So over the week, well, on  
25 Friday, we forwarded a communication out to superintendents

1 and the education community just informing them, one, it's  
2 something that we're working very closely with the  
3 Department of Health, and a number of resources were listed  
4 online for them to utilize, everything from the All-Hazards  
5 Toolkit to looking at school policies and how this would  
6 impact, you know, the traditional running of schools, and  
7 then the information that could be made available to  
8 parents and community members.

9           Today, we posted that letter and those resources  
10 online so that everyone can have access to them, but we  
11 continue to work really closely with our Department of  
12 Health, our Secretary of Health, and will communicate  
13 accordingly.

14           And it was reminded to me also, we have the  
15 PEMA Toolkit online as well, which really gets into the  
16 nitty-gritty of how we respond to an all-hazards call.

17           REPRESENTATIVE KIM: Thank you for planning  
18 ahead.

19           I don't envy a principal, a superintendent, of a  
20 struggling school district. Everybody has an idea how to  
21 make the school district better, from the school board,  
22 parents, teachers, everybody. So I want to give my two  
23 cents about how I can improve urban school districts. I've  
24 been thinking a lot about it.

25           Whether I be a -- I used to be a Sunday school

1 teacher. I'm sure that's scary for some people to think  
2 about. I used to coach soccer. I was a teacher for  
3 Junior Achievement, BizTown. And whatever race you are,  
4 whatever socioeconomic, there's always one or two kids in  
5 that group that you just want to strangle. Okay, that's  
6 not -- you know, just won't listen to you, stands up, moves  
7 around, you know, won't pay attention.

8           And on a serious note, there are kids with  
9 serious ACEs or trauma that they're going through, and what  
10 happens is that the teacher has to focus on this one person  
11 who needs one-on-one attention while the other students  
12 can't learn in that environment. It's just kind of  
13 chaotic. What are we doing to make sure that those kids, I  
14 don't want to say separated, but are given the attention  
15 that they need so that the other students can learn and  
16 have an education? Because I know in my urban school  
17 district, we have a lot of talented kids there. It's just  
18 the one or two that consumes everyone's attention.

19 Thoughts on alternative schools? Secretary, what are your  
20 thoughts on this?

21           SECRETARY RIVERA: Yeah. So of all the questions  
22 and conversations that educators have at the leadership  
23 level and, you know, of course at the classroom level,  
24 that's probably one of the ones that comes up the most: how  
25 do we provide, you know, a strong system of support,

1 wraparound services, to support some of our most vulnerable  
2 kids and not do so at the expense of, you know, students of  
3 everyone else.

4           And, you know, one of the things that we have  
5 been employing and really supporting schools and school  
6 districts around and providing professional development  
7 around has been what we call MTSS, our Multi-Tiered System  
8 of Supports. And putting a referral, and I hate to call it  
9 a referral, but, you know, that's how we'll best understand  
10 it, but putting a system in place where the educators can  
11 come together, identify the students who are in need, and  
12 then have a more specific conversation around, you know,  
13 how do they provide intervention for those students.  
14 Because sometimes it could be a matter of, you know,  
15 incentives, or a matter of surroundings, or a matter of  
16 more intentional, you know, psychological and social and  
17 emotional need and support.

18           And I think one of the things that we have  
19 learned through this practice is that, you know, part of  
20 the difficulty is we always -- we only have the resources  
21 and the science to only address the needs of those students  
22 kind of as needed.

23           REPRESENTATIVE KIM: Right.

24           SECRETARY RIVERA: And the frustration comes when  
25 it's in response to or, you know, just kind of, you know, a

1 real quick response to an action.

2           And so as we have been investing a little more  
3 and really providing development around the Multi-Tiered  
4 System of Supports, while at the same time the Governor is  
5 doing and trying to advocate for more professionals in our  
6 buildings, you know, certified school social workers  
7 partnering with our other agencies to get mental health  
8 service providers in school, you know, partnering with  
9 families, I think that response to those challenges is  
10 getting better.

11           However, I would be remiss if I didn't, you know,  
12 use this as an opportunity to say, you know, the needs of  
13 kids in our classrooms are growing, which is why year after  
14 year as we, you know, try to introduce new strategies and  
15 new programs, it's really in response to what we have been  
16 learning and hearing from our colleagues out in the field,  
17 and we're going to continue to engage them.

18           One I think I definitely want to add, it's also  
19 why we're changing our Chapter 49, our teacher preparation  
20 standards, to include trauma-informed instruction and  
21 cultural competency. Because coming out of college, you  
22 know, into the classroom, historically, we were never  
23 prepared to address some of the needs that we see in our  
24 students today, and so we want to do a better job on the  
25 front end preparing teachers to teach those most vulnerable

1 students in the classroom.

2 REPRESENTATIVE KIM: It sounds like we're on the  
3 same page. Thank you for that response.

4 Thank you, Mr. Chairman.

5 MAJORITY CHAIRMAN SAYLOR: Representative Owlett.

6 REPRESENTATIVE OWLETT: Thank you, Mr. Chairman,  
7 and thank you for joining us today, Secretary.

8 I just wanted to make a comment quickly on the  
9 school safety. It has been a critical piece for our school  
10 districts and we're all advocating for that.

11 Just by way of note, there was 116 million  
12 dollars' worth of requests this year, and so to leave  
13 really a lot of that out there of really assessed needs by  
14 all of our schools, we're all hearing that. So to see such  
15 a reduction in what we're hearing as a critical need within  
16 our communities, especially, I mean, it's not just urban,  
17 it's rural schools as well. We all have similar challenges  
18 there.

19 But I had a question on your GGO line item. It  
20 is increased by 7 million, a little over \$7 million,  
21 26 percent. I understand that there is a merger of another  
22 line item in that GGO this year. What was the line item  
23 that's being merged into that?

24 DIRECTOR MARIANO: It's the information and  
25 technology improvement appropriation.

1           REPRESENTATIVE OWLETT: And how much of that  
2 \$7 million, is it about half of that?

3           DIRECTOR MARIANO: Yes.

4           REPRESENTATIVE OWLETT: Okay. So that leaves, I  
5 mean, it's right around a 13-percent increase this year.  
6 Is that something you guys were advocating for, and what is  
7 that going to cover?

8           SECRETARY RIVERA: The information technology  
9 line item?

10          REPRESENTATIVE OWLETT: No, the additional.

11          SECRETARY RIVERA: Oh.

12          REPRESENTATIVE OWLETT: The 13 percent increase  
13 other than the information technology.

14          SECRETARY RIVERA: Yeah. So of the additional,  
15 the majority, almost half of that is to cover litigation  
16 costs.

17          REPRESENTATIVE OWLETT: Okay.

18          SECRETARY RIVERA: So pretty much all of our  
19 increase in GGO are for existing costs, but primarily the  
20 information technology transfer, some information  
21 technology increases, and increased litigation costs.

22          REPRESENTATIVE OWLETT: How much was the increase  
23 in litigation this year?

24          DIRECTOR MARIANO: It's a piece of \$2.1 million.  
25 We could give you the exact set-aside in a follow-up

1 request, if you'd like.

2 REPRESENTATIVE OWLETT: So is there something  
3 specific that's increasing that? I mean, I looked at the  
4 general line item, the government operations for that.  
5 Your increase last year was 5 percent, like just over  
6 1.3 million. Are we being sued more this year than last  
7 year? Like, what's the increase there?

8 SECRETARY RIVERA: I don't -- so I don't know the  
9 exact long-term historical trends around lawsuits, but we  
10 are currently engaged and over the course of the past year  
11 have been engaged in significant litigation, everything  
12 from challenges of the language of statute to, we have some  
13 litigation out there when a charter school closes, we are  
14 responsible for FAPE of the special education children.  
15 And even when we agree to provide them those educational  
16 services, there are still legal fees associated with that  
17 in closing out the case.

18 We have had a couple of lawsuits, you know, in  
19 regards to actions within the education field that have  
20 been appealed and then appealed again, and we're on the  
21 hook for paying those fees. So there has been a lot of  
22 ongoing litigation for us in the Department.

23 REPRESENTATIVE OWLETT: Would you be able to get  
24 the Committee kind of the increase in litigation this year  
25 versus last year and maybe the year before so we can see

1 some trends so we can plan accordingly?

2 SECRETARY RIVERA: Absolutely.

3 REPRESENTATIVE OWLETT: And I guess my other  
4 question would be, would you be willing or interested in  
5 using some of those lapsed funds from other years that are  
6 out there that we could maybe put towards some of this  
7 litigation?

8 SECRETARY RIVERA: We do that as well.

9 REPRESENTATIVE OWLETT: Okay.

10 SECRETARY RIVERA: Yeah.

11 REPRESENTATIVE OWLETT: All right. Thank you.

12 SECRETARY RIVERA: Thank you.

13 MAJORITY CHAIRMAN SAYLOR: Representative Gabler.

14 REPRESENTATIVE GABLER: Thank you, Mr. Chairman.

15 Up here, Mr. Secretary. I know we have played  
16 ping-pong all over the place, but.

17 I appreciate the opportunity to ask a couple of  
18 questions today. I wanted to take kind of a broad look for  
19 a second and ask if you or any of your colleagues at the  
20 Department of Education have had the opportunity to look  
21 into what the impact on our students and, you know, on our  
22 education system in this State is specifically as it  
23 relates to the availability of nonpublic schools, and kind  
24 of where we stand and what would happen if we saw a  
25 significant decline in the availability of nonpublic school

1 options for students in the State.

2 SECRETARY RIVERA: We have had a number of  
3 conversations around, as educational options do decrease, a  
4 number of trends happen. Some of those students go to  
5 their local school district, which increases their, you  
6 know, their ADM. Some take advantage of cyber options or  
7 other options, charter options, that exist as well.

8 REPRESENTATIVE GABLER: And I appreciate that.

9 I think that, you know, one of the things that I  
10 have the great pleasure of being able to share the  
11 perspective on is to have a rural legislative district that  
12 has very solid-performing public schools, and also we're  
13 very blessed to have some very nice nonpublic options as  
14 well. And we see a great symbiotic relationship where the  
15 provision of the services can be spread across multiple  
16 sectors, and so the school district and the other  
17 educational options in the area kind of team together to  
18 provide the ultimate public good, which is an educated  
19 populace.

20 So the reason I wanted to build towards this is,  
21 I think it's important to recognize that almost one in five  
22 students in Pennsylvania are educated in some other setting  
23 besides a traditional public school, and as a result of  
24 that, it certainly would cause concern to consider, if we  
25 saw a significant decline in those other options, that our

1 public school system may struggle to keep up with an influx  
2 of demand, and certainly the limited resources that we have  
3 would be spread even thinner.

4           So I set that up because I think that it's  
5 important to think about, those one in five students in our  
6 State are still every bit as much important when it comes  
7 to the future of our country, the future of our  
8 Commonwealth, the future of our communities, and the future  
9 of our workforce. And so I'm looking at a few line items  
10 that I see have been level funded, and now with the  
11 proposal in this budget, it would be 5 years in a row, and  
12 that would be the textbooks, materials, and equipment for  
13 nonpublic schools and services to nonpublic schools. And I  
14 know that the thought process behind these line items is  
15 that these are funds that provide services that benefit  
16 students specifically rather than the school themselves,  
17 because the students we are responsible for as a  
18 Commonwealth and certainly want to do the best for.

19           So I wanted to ask if you could speak to the  
20 reasoning behind the level funding request here, and do you  
21 think that there is any need to look at these line items  
22 specifically as it relates to inflation given the great  
23 increases that we have seen in other areas of public  
24 education? Is there a need to put these line items in  
25 parallel with our public school resources to make sure that

1 we're adjusting for inflation to make sure we're taking  
2 care of the needs of a hundred percent of our students in  
3 the Commonwealth?

4           SECRETARY RIVERA: This line item specifically is  
5 normally one that is generated in conversation between the  
6 General Assembly and, you know, us in the Department, which  
7 is, you know, the information that we have used to dictate  
8 if there is a need for increase or, you know, adjustments  
9 thereafter.

10           What I can share with you, although an increase,  
11 a specific increase has not been identified as part of this  
12 line item, we have done a much better job with including  
13 the non-pubs in partnering with us around our professional  
14 development opportunities. So, for example, if you go --  
15 we have the SAS Institute and our data training each year,  
16 and every time, we have a good representation from the  
17 parochial, from parochial schools and nonpublic.

18           So we have been doing a much better job of  
19 integrating them as part of our overall educator and school  
20 community, and that's what, quite honestly, I have been  
21 focusing much more aggressively on, just making them part  
22 of the overall, you know, connection and education  
23 community, not specific to this line item, because this is  
24 usually something that comes up as we go through every  
25 iteration of this conversation.

1           REPRESENTATIVE GABLER: And I'll look forward to  
2 engaging in that conversation as we go forward over the  
3 next couple of months.

4           I just want to say that I certainly appreciate  
5 your recognition and what you have shared with us in your  
6 Department's perspective on partnering with the service  
7 providers, whether they be public or nonpublic options, to  
8 make sure that we're looking after the resources that  
9 educate 100 percent of our kids.

10           Sometimes I think there's a misnomer out there,  
11 well, they chose to go to something else, so therefore,  
12 their family should be completely on the hook. And I think  
13 that we need to recognize that it's a public good that  
14 we're providing for all across the board and these students  
15 are important as well, and I appreciate your recognition of  
16 that.

17           Thank you, Mr. Chairman.

18           SECRETARY RIVERA: Thank you, sir.

19           MAJORITY CHAIRMAN SAYLOR: Before I move to my  
20 next questioner, we have been joined by the Speaker of the  
21 House, Mike Turzai.

22           With that, we'll move on to Representative  
23 Delozier.

24           REPRESENTATIVE DELOZIER: Thank you,  
25 Mr. Chairman.

1           Thank you all for being here. Yes, we keep  
2 flipping sides on you. Sorry about that.

3           I have a couple of questions that are a little  
4 bit different from each. But real quick, I was looking at  
5 the Executive Offices, and I know that's not you, but there  
6 is a transfer for Census outreach, and I know our  
7 libraries, which is you in the line item with level  
8 funding, but a lot of people are directing people to go to  
9 the libraries to get information on the Census. Will any  
10 of this outreach line item go to the libraries in order to  
11 cover some of those costs?

12           SECRETARY RIVERA: So not a specific line item  
13 for libraries, but I can share with you that our advocates,  
14 you know, in our library space are, you know, very  
15 aggressive in trying to receive some share, or at least a  
16 coverage of some of that, but not as a specific line item.

17           REPRESENTATIVE DELOZIER: Okay.

18           My second question deals with basic education,  
19 and taking a look and working with my school districts, and  
20 they're trying to be fiscal, you know, overseeing their  
21 fiscal health, budget reserves are a big issue. Do you  
22 have the numbers as to each of the school districts and  
23 what their budget reserves are and what that total number  
24 may be statewide?

25           SECRETARY RIVERA: We do track that. I don't

1 have it in my Budget Book---

2 REPRESENTATIVE DELOZIER: Okay.

3 SECRETARY RIVERA: ---but I can forward it on.

4 REPRESENTATIVE DELOZIER: I would appreciate it.

5 We're just trying to connect the numbers and what we have  
6 and where the dollars are going.

7 And my last question actually deals with charters  
8 and deals with, and again, I'm working with West Shore  
9 School District, and they were kind enough to get me some  
10 numbers as to what it is. And anytime I talk to either my  
11 superintendents or the school boards or the teachers, that  
12 is a big issue for them.

13 One of the issues that came up is taking a look  
14 at the regular ed versus special ed and taking a look at  
15 two of the numbers. And two particular years that I  
16 thought was stark was the issue that, for the regular ed,  
17 the costs went down by over \$500,000, but the costs for  
18 special ed went up \$500,000, and we only had a difference  
19 of nine students.

20 So my question comes back around to the fact of,  
21 do we have the numbers as to, the perception is that they  
22 go to charter and then they get an IEP plan. Do you have  
23 numbers as to how many children go in without an IEP and  
24 then get switched over to an IEP plan of some sort?

25 SECRETARY RIVERA: We don't have those numbers,

1 because much of that accounting is done at the local  
2 school level. However, I can share with you that the  
3 reasoning, and that's, you know, part of what we shared  
4 earlier, although I didn't get into the detail. Much of  
5 that reasoning is because there is no formula associated.  
6 Their total number is always based on a denominator of  
7 17 percent, which is what we pay at the---

8 REPRESENTATIVE DELOZIER: Mm-hmm.

9 SECRETARY RIVERA: You know, at the State level  
10 is our average -- excuse me -- not what we pay. So as the  
11 number, as the numerator grows, the denominator never  
12 changes, and that's what brings up those costs, so.

13 REPRESENTATIVE DELOZIER: Okay. And I remember  
14 you talking about that. I apologize. Because the ability  
15 for us to take a look, and one of the biggest frustrations  
16 that I have with working with the school districts is we  
17 want to support our public schools. We also want to  
18 support options, because all children do educate in  
19 different ways. But I also want to have a level playing  
20 field, not only for our taxpayers but for our school  
21 districts. And so a lot of times, putting numbers around  
22 that I think is very difficult, and when perceptions are  
23 out there that it's an automatic money grabber, we want to  
24 dissuade that, that we are tracking the dollars, dollar for  
25 dollar, and making sure that the students are getting the

1 services that they need with options.

2           Is there the ability to take a look at, I know  
3 with West Shore, and I have Mechanicsburg and West Shore,  
4 the numbers seem to go up higher and higher. What is the  
5 ability for us to say that we need to have the ability to  
6 track those dollars better? Is there something that we  
7 need to do better with accountability of the dollars that  
8 are going, because some of the ideas behind cyber, and I  
9 agree with the Representative earlier that was talking  
10 about the need to make sure that we have reform. We didn't  
11 have cyber school when it first was put into place, and we  
12 want to be supportive of both types of learning. But what  
13 type of reforms would you support at this point in time in  
14 order to make it more of a balance?

15           SECRETARY RIVERA: Yeah, it's a great  
16 conversation to have. And, you know, what I recommended to  
17 the Governor, and some of what he used in terms of this  
18 proposal, addresses some of those, so a static fee for  
19 cyber; using a different shaded cost for the different  
20 levels of special education.

21           But what I do think would be a great opportunity,  
22 because you're interested and obviously you have a good  
23 command of your local expenditures, if you ever wanted to  
24 sit with us, you know, for a half hour, 45 minutes, we can  
25 come over and just look at the real specific numbers and

1 then, you know, how could it be impacted, you know, up or  
2 down from that average. Because that's kind of where --  
3 that's the detail that's really telling around what we're  
4 trying to address.

5           And it's again showing this is not an indictment  
6 on charter schools. It's definitely, you know, being  
7 respectful of, you know, the opportunities that charter  
8 schools bring. Nor is it an indictment on cyber, you know.  
9 Nor is it, you know, siding fully with traditional schools.  
10 It's just us trying to come up with a fix for a law that  
11 was created for all the right reasons. It's just 20 years  
12 old and conditions change.

13           And so I think one of the things that we can do  
14 is just go through, you know, West Shore and your districts  
15 and say, here's the little thing that happened that kind  
16 of, you know, pushed this cost up and here's what a  
17 potential fix could be.

18           REPRESENTATIVE DELOZIER: And I would appreciate  
19 having that conversation, because it's one of the biggest  
20 conversations that I do have with the supers, as well as,  
21 anytime there's a PTA or a PTO meeting, I get a lot of  
22 emails the next day when they see the numbers. So I would  
23 appreciate that conversation.

24           Thank you.

25           SECRETARY RIVERA: Thank you.

1 MAJORITY CHAIRMAN SAYLOR: Representative  
2 Heffley.

3 REPRESENTATIVE HEFFLEY: Thank you, Mr. Chairman,  
4 and thank you, Secretary, for being here today.

5 A question earlier was, a lot of questions raised  
6 about the proposal for a billion dollars in borrowing for  
7 schools to address asbestos and lead remediation. Many of  
8 these are older schools, and districts had known for years  
9 that they had issues with asbestos and lead but yet failed  
10 to act.

11 Many of the districts did act and spent money. I  
12 live in one of the areas. We have some of the highest  
13 property taxes per capita for school districts. And you  
14 get those taxes increased, and schools were built, and  
15 remediation was done. This billion dollars in borrowing  
16 for school districts that have been derelict in protecting  
17 their students, and then now we're asking the folks that  
18 have been paying much higher taxes to pay back that  
19 borrowing, it doesn't seem fair that we wouldn't then  
20 reimburse those schools who did take action and make sure  
21 that their kids were safe.

22 And what accountability do we have for those  
23 municipalities and school districts who to this day are  
24 sending children to school districts, and if this is such a  
25 big issue that it could be, as you said earlier, between a

1 billion and possibly 10 billion, where is the  
2 accountability on those folks that are running the schools  
3 to allow this to happen for so long?

4 SECRETARY RIVERA: So I can't, I can't speak to  
5 an issue of accountability. I mean, there are a number of  
6 varying factors, you know, in that question --  
7 transitioning leadership, changing school boards, the  
8 ability to generate revenue.

9 REPRESENTATIVE HEFFLEY: But does the Department  
10 oversee that? I mean, obviously right now if you're saying  
11 we need this money, we need this extent of borrowing -- and  
12 we're talking about charter schools. I was blessed, both  
13 my daughters graduated from public schools and got a great  
14 education. And I understand charter reform, and I know  
15 that Representative Topper had spoke to that earlier, it's  
16 something that we certainly need to do. I have heard about  
17 it. I met with my school business officials and  
18 superintendents. I know that there's an issue there with  
19 special education. But at the same time, my God, if my  
20 children were being sent to a classroom that was unsafe,  
21 why wouldn't we want to encourage those children to take  
22 advantage of the safe option of using charter schools if  
23 those districts have been that negligent for so long?

24 SECRETARY RIVERA: I don't think it's an  
25 apples-to-apples conversation. I think, you know, as far

1 as I'm concerned sitting here---

2 REPRESENTATIVE HEFFLEY: But it's all children.

3 I mean, these are children, right?

4 SECRETARY RIVERA: Yeah.

5 REPRESENTATIVE HEFFLEY: And it's about their  
6 safety. I mean, I don't understand---

7 SECRETARY RIVERA: So -- I'll respond.

8 So I have had the great distinction to be here  
9 for, you know, a number of years, and I can't justify or  
10 argue around any of the decisions of my predecessors. But  
11 what I do know sitting here today is that we have had a  
12 number of schools that we have been working with and have  
13 identified their schools as being schools that are serving  
14 kids in toxic environments. We now know, you know, what  
15 some of our lead levels look like in drinking water. We  
16 now know the impact and effects of, you know, asbestos to  
17 the air quality.

18 REPRESENTATIVE HEFFLEY: So the issue is the  
19 lead---

20 SECRETARY RIVERA: This is something that I know  
21 today, so as Secretary, I have to present remediation.

22 REPRESENTATIVE HEFFLEY: The issue is the lead in  
23 the drinking water. Is that inside of the buildings or --  
24 is that coming from the water that is coming into these  
25 buildings or is that inside of the buildings?

1                   SECRETARY RIVERA: It's an issue of aging  
2 infrastructure in terms of lead in their pipes. It could  
3 be water that is coming from the inside. It could be water  
4 that is ultimately, you know, coming from---

5                   REPRESENTATIVE HEFFLEY: Are they providing, are  
6 they providing clean, safe drinking water to their  
7 students?

8                   SECRETARY RIVERA: As we know it, the schools  
9 that have been identified have closed those water fountains  
10 down and are providing -- they have to provide water.  
11 That's, you know, a matter of law. But the schools that  
12 are working to remediate are.

13                   REPRESENTATIVE HEFFLEY: All right.

14                   I mean, at the end of the day, I think we all  
15 have the same passion for wanting children to have a safe  
16 environment to learn in. But at the same time, I think,  
17 you know, when you have certain areas which are paying  
18 extremely high property taxes, and they had to do this to  
19 fix some of these problems, now being asked to flip the  
20 bill for districts that have been negligent in taking care  
21 of that, I think that's a tough, that's a tough pill to  
22 swallow for a lot of folks.

23                   And I look forward to working with you to address  
24 the issue of the charter school funding formula. I hope we  
25 can all come to the table and get something resolved on

1 that. But thank you.

2 SECRETARY RIVERA: Thank you, sir.

3 MAJORITY CHAIRMAN SAYLOR: Our next questioner is  
4 Representative Rothman.

5 REPRESENTATIVE ROTHMAN: Thank you,  
6 Mr. Secretary. Thanks for being here.

7 Just to point out a problem that my colleague was  
8 just talking about, asbestos was banned in 1977. My  
9 elementary school, Sporting Hill, had asbestos abatement in  
10 1977. I was a student there. Lead-based paint was banned  
11 in 1978, and lead pipes, they stopped using lead in pipes  
12 in 1986. And we're talking about 40-some years of  
13 knowledge of this, and I agree that we're almost ignoring  
14 the bad, or rewarding the bad behavior of ignoring these  
15 important issues by saying, well, it's okay, don't spend  
16 money on it, someone else will spend it on you.

17 But my question is about full-day kindergarten,  
18 and you talked about it earlier this morning, that there  
19 will be hardship cases. I have heard from my  
20 superintendent of my largest school: They just don't have  
21 the room, and actually, they don't even have the demand.

22 So I understand a proposal and certainly believe  
23 that there are parents and children that could benefit from  
24 full-day kindergarten, but any thought about not making it  
25 a mandate but making it an option and that schools, if they

1 want to have full-day kindergarten, can do it, but not a  
2 mandate.

3 Thank you, and thank you for your time,  
4 Mr. Secretary.

5 SECRETARY RIVERA: No; absolutely.

6 And just to kind of share a perspective on that,  
7 that's why the Governor is looking at a window and  
8 providing an opportunity for hardship, so a roll-in window,  
9 and those are all the conversations that are going to take  
10 place that ultimately will impact the---

11 REPRESENTATIVE ROTHMAN: But it would be a  
12 mandate. Even if there's a window and a hardship, we are  
13 going to mandate that every school district do full-day  
14 kindergarten, or is it an option?

15 SECRETARY RIVERA: Yeah. So this being that  
16 starting conversation, I am sure those are conversations  
17 that are going to happen between the Administration and the  
18 General Assembly.

19 REPRESENTATIVE ROTHMAN: Thank you.

20 MAJORITY CHAIRMAN SAYLOR: With that, we'll move  
21 to the Chairman of the Education Committee, Representative  
22 Curt Sonney.

23 REPRESENTATIVE SONNEY: Thank you, Mr. Chairman.

24 Mr. Secretary, good to see you.

25 SECRETARY RIVERA: Good to see you.

1           REPRESENTATIVE SONNEY: I'm going to start off  
2 with my home county, Erie County.

3           You know, everybody here obviously knows that  
4 Erie County or the Erie City School District received a  
5 special appropriation of \$14 million of reoccurring  
6 revenue, and part of them receiving that was for them to  
7 get a watch officer, and that watch officer was former  
8 Secretary Zogby. And he has been removed, and I was  
9 wondering if you could tell me why he has been removed and  
10 if a replacement is coming.

11           SECRETARY RIVERA: I can't comment on personnel  
12 issues. However, we are expecting and we are moving to  
13 replace the position. So we do want to have a financial  
14 administrator on site to continue the work that Erie has  
15 been engaged in.

16           In the meantime, we do have boots on the ground.  
17 We have a representative from PFM there full time  
18 continuing as a liaison between the Department and the  
19 school district. And we're going to work with the General  
20 Assembly and the Governor to make another recommendation to  
21 fill that position.

22           REPRESENTATIVE SONNEY: And when that position  
23 becomes filled, will that new person have the ability to  
24 write a new plan or is the existing plan going to be, you  
25 know, moved forward?

1           SECRETARY RIVERA: Yeah. So when the position --  
2 so that, the plan that they are currently following, is the  
3 approved plan.

4           REPRESENTATIVE SONNEY: Mm-hmm.

5           SECRETARY RIVERA: So there's an expectation that  
6 they're going to continue with that plan. However, I want  
7 to be fair in saying that any financial administrator can  
8 amend a plan, but it would go through the same process. So  
9 not under the cover of night or anything; they would have  
10 to follow that same process. But our expectation is that  
11 we will replace -- we'll place a new financial  
12 administrator, and they're going to continue to follow the  
13 plan.

14           REPRESENTATIVE SONNEY: And just for  
15 clarification, what's the difference between watch and  
16 recovery?

17           SECRETARY RIVERA: So recovery. So when you're a  
18 school district in watch, you are kind of looser oversight.  
19 Recovery is a little bit more defined in terms of the plan  
20 that you submit. And then the ultimate, you know, plan  
21 within that is receivership, and that's when you have a  
22 court-appointed receiver.

23           So watch, we provide some, you know, some fiscal  
24 analysis. We go in and kind of do some higher-level  
25 accounting with them. When you're in recovery or

1 receivership, it's a much more intensive plan.

2 REPRESENTATIVE SONNEY: Recovery is similar to  
3 watch where the, you know, local school board isn't forced  
4 to follow. In other words, the school board still has  
5 their authority under both of those designations. Is that  
6 correct?

7 SECRETARY RIVERA: That's it. So it's almost  
8 like progressive planning. If you don't follow watch, then  
9 we'll go more aggressive -- recovery.

10 REPRESENTATIVE SONNEY: Mm-hmm.

11 SECRETARY RIVERA: And if you don't follow  
12 recovery, then ultimately you're in receivership, and  
13 that's mandated, court-appointed. The school board only  
14 has the ability to increase taxes.

15 REPRESENTATIVE SONNEY: And so we anticipate that  
16 schools that go into watch will eventually come out of  
17 that.

18 SECRETARY RIVERA: Yes.

19 REPRESENTATIVE SONNEY: Because we do have a  
20 history of schools in receivership that don't come out. Is  
21 that correct?

22 SECRETARY RIVERA: We have a history where  
23 schools in receivership have not met the requirements to  
24 come out.

25 We have some schools in recovery that are

1 improving, and we have lessened their monitoring. I have  
2 not yet felt confident, either because of like longitudinal  
3 accounting or whatever, didn't feel confident in making a  
4 recommendation to fully pull them out. But some are in  
5 the, kind of in the process of loosening restrictions.

6 REPRESENTATIVE SONNEY: Thank you for that.

7 On transportation funding, I just want to touch  
8 back on that for a second.

9 So I think you said you're about 150 million  
10 short, so to speak, right?

11 SECRETARY RIVERA: Yes.

12 REPRESENTATIVE SONNEY: So we're going to have to  
13 back-pay 150 million from the new appropriation that comes  
14 within this next budget.

15 SECRETARY RIVERA: Yes.

16 REPRESENTATIVE SONNEY: And, you know, you  
17 reiterated that, you know, we're going to have to have a  
18 conversation.

19 SECRETARY RIVERA: Yeah.

20 REPRESENTATIVE SONNEY: And so why is the  
21 150 million the magic number for the conversation? In  
22 other words, why didn't the conversation start sooner? Is  
23 it because the 150 million means that they're going to wait  
24 3 months to get that money back and we can't let them wait  
25 6 months to get their money back?

1           You know, obviously if we're going to play that  
2 mentality, we could do that throughout the entire budget.  
3 And of course we all know that it's not new to budgeting,  
4 it's just not a good practice in budgeting. Generally we  
5 budget money for the new fiscal year, not for the previous  
6 year. And so why is 150 million the magic number?

7           SECRETARY RIVERA: So we have raised this as a  
8 conversation ongoing. Why the 100--- Well, the  
9 150 million actually wasn't the magic number. It's a bit  
10 higher, which is kind of like our significant caution  
11 number. It's when we would not have enough appropriations  
12 to make school districts whole in that upcoming year. So  
13 that's why I shared that next year, it's going to be of  
14 serious concern.

15           REPRESENTATIVE SONNEY: That's 500 million.

16           SECRETARY RIVERA: It's---

17           REPRESENTATIVE SONNEY: That's not 150 million,  
18 that's 500 million.

19           SECRETARY RIVERA: Right. So 150 came up because  
20 we shared the number, but our biggest concern is when we  
21 can't make them whole anymore.

22           REPRESENTATIVE SONNEY: So your biggest concern  
23 is when it reaches the 500 million.

24           SECRETARY RIVERA: Well, our biggest concern has  
25 been every year that we have been reporting, but the

1 absolute siren that goes off is when we can't make them  
2 whole.

3 REPRESENTATIVE SONNEY: NPRC was formed back in,  
4 I think, 2014, and back in 2014, Erie County was at the  
5 last minute included into the footprint of that new type of  
6 community college. And now, of course, in Erie County  
7 we're dealing with the county's submission to have their  
8 own stand-alone community college. And so we are going to  
9 have an evidentiary hearing in Erie, and my question is,  
10 first, you know, is this the first time that this has  
11 happened? Has the Department held other evidentiary  
12 hearings concerning any of the other existing community  
13 colleges?

14 SECRETARY RIVERA: As I know, the State Board of  
15 Education has not held any other evidentiary hearings as it  
16 relates to community colleges. And I think that's a -- if  
17 you would allow me to provide a point of clarification.

18 This is the State Board process. The Department  
19 of Ed is staff in this process, so to speak. So we don't  
20 -- we support the process, but the State Board facilitates  
21 the process.

22 REPRESENTATIVE SONNEY: Okay.

23 And lastly, I just want to revisit the charter  
24 special education funding, and I'm going to kind of  
25 piggyback on Representative Delozier.

1           So if I heard correctly, you know, you don't have  
2 any physical data -- okay? -- that supports that school  
3 districts are sending more educational dollars to the  
4 charter world that the charter world is not spending on  
5 those students. In other words, do we have a way to know  
6 if the money being shipped to the charters is actually  
7 being spent on the special education students? Or do we  
8 know from data there is excess money that is not being  
9 spent?

10           Because it is formula driven. You know, we are  
11 not---

12           SECRETARY RIVERA: I understand the question.

13           REPRESENTATIVE SONNEY: We are not a  
14 pay-as-you-go. It's a formula driven.

15           SECRETARY RIVERA: Yeah; yeah.

16           REPRESENTATIVE SONNEY: So do we have that data?

17           SECRETARY RIVERA: When we have identified -- and  
18 I'm going to be really fair as I say this to all parties,  
19 public schools and charter schools.

20           When we have identified the excess in terms of  
21 what we believe there's a payment of, in no way were we  
22 indicting charter schools to say they're not spending that  
23 funding on those students. What we have said is that we  
24 have appropriated a special education funding formula to  
25 traditional schools. So you get the level: Level 1

1 students receive X, Level 2, and Level 3 and Level 3B.  
2 However, charter schools still receive special education  
3 funding on the average student, which is higher for Level 1  
4 and Level 2 students than, you know, what the new formula  
5 appropriation would be.

6 And I think to be fair to both parties, we have  
7 said the increase or the excess is just based on the  
8 formula, but I could -- and I would never say that charter  
9 schools aren't spending those funds on the students who  
10 have special needs. What we have said---

11 REPRESENTATIVE SONNEY: And we don't know  
12 either---

13 SECRETARY RIVERA: We don't know. We don't---

14 REPRESENTATIVE SONNEY: ---because we don't track  
15 that.

16 SECRETARY RIVERA: We don't track that for  
17 traditional public schools or, you know, charter schools.

18 REPRESENTATIVE SONNEY: Do we track the actual  
19 services themselves? In other words, you know, can you  
20 tell me that, you know, X amount of students are receiving  
21 speech therapy, X amount of students -- you know, do we  
22 track that?

23 SECRETARY RIVERA: The level of services, yes.

24 REPRESENTATIVE SONNEY: Yes. But not the cost of  
25 services.

1           SECRETARY RIVERA: Not the cost nor whether or  
2 not anyone is going above and beyond.

3           REPRESENTATIVE SONNEY: And of course the local  
4 school district has the ability to raise taxes and raise  
5 any shortfall that they have locally, where the charter  
6 world does not have that ability.

7           SECRETARY RIVERA: Correct.

8           Now, we have said that, many expenses. But as  
9 the traditional school districts and school boards have  
10 been reporting, their ability to generate enough revenue  
11 through taxes and their expenses is, you know. And even  
12 with our, in many cases with what we're providing them, you  
13 know, it has been offset. They haven't been able to  
14 generate enough revenue.

15           REPRESENTATIVE SONNEY: So should we be looking  
16 at collecting different data to be able to better quantify  
17 what those costs should be?

18           SECRETARY RIVERA: Of the specific student  
19 programs?

20           REPRESENTATIVE SONNEY: Of special education.

21           SECRETARY RIVERA: I think the work of the  
22 Special Education Commission, I think staying within those  
23 spans has provided a good accounting of what those costs  
24 would be. I think the work that we have done through the  
25 Commission and the work that has been done independently

1 provides a good band of costs associated. I think our  
2 Level 1, Level 2, and Level 3 program costs, the way we  
3 account for them, is really good, you know, is a good  
4 representation of the cost of the program.

5 REPRESENTATIVE SONNEY: Okay. Thank you.

6 Thank you, Mr. Chairman.

7 MAJORITY CHAIRMAN SAYLOR: Representative White.

8 REPRESENTATIVE WHITE: Thank you, Mr. Chairman.

9 Today we have discussed a lot about the safety of  
10 our students, important issues like how much money we  
11 should allocate toward lead and asbestos remediation that  
12 had previously been ignored by local municipalities and  
13 some school districts for nearly a half century. We talked  
14 about the trauma-informed education dollars to help those  
15 children who have suffered from severe incidents in their  
16 life, including those children exposed to illegal drug  
17 activity. And this week in Philadelphia, our city would  
18 have permitted a safe heroin injection site to be opened  
19 and placed in the same building complex as a preschool and  
20 mere blocks away from our local high school.

21 In other countries, residents and business owners  
22 who live and work near safe heroin injection sites have  
23 warned us of the local impact of these sites. They have  
24 witnessed increased open-air drug dealing, heroin usage,  
25 theft, and prostitution taking place within its vicinity,

1 leaving parents very concerned for their children walking  
2 to and from school.

3 Can you tell us why these sites are permitted in  
4 Pennsylvania so close to our children and how your agency  
5 plans to keep our kids safe from these sites?

6 SECRETARY RIVERA: The information on the site  
7 you are describing, I have only learned of it in reading  
8 about it through the newspaper. As I understand, it  
9 ultimately was not approved. So I don't know how -- one  
10 is, I'm not exactly familiar with the process, you know, by  
11 which they created it, but I do know what I read last, that  
12 it was not an approved program.

13 REPRESENTATIVE WHITE: So it's my understanding  
14 that the person who was going to lease to the facility the  
15 site, that they just removed and did not issue the lease.  
16 That's the only way that it didn't go through. But the  
17 site, the safe house, is looking for a new site, and that's  
18 concerning again. I mean, what do you think that the  
19 appropriate distance from our children's schools would be  
20 permissible for these sites to even be open?

21 SECRETARY RIVERA: One, I would have to do much  
22 more due diligence around it. It just wouldn't be  
23 responsible for me to respond without knowing all the  
24 information.

25 But I do support, you know, there is currently a

1 safe and drug-free school zone, and I'm extremely  
2 supportive of the safe and drug-free school zone. So I  
3 would think that, you know, everyone should be expected to  
4 follow the expectation of that zone.

5 REPRESENTATIVE WHITE: Well, it's my  
6 understanding that this site was permitted to open in  
7 Philadelphia, and in Pennsylvania, there weren't any, you  
8 know, rules or regulations that they would be violating.  
9 They were just going to open up this week, and those  
10 little kids would be having to walk past that kind of  
11 activity.

12 I think it behooves us as Legislators to consider  
13 this issue, and I also would like to hear, you know, if the  
14 Governor or your Department has a position on these heroin  
15 injection sites, especially as it pertains to the proximity  
16 to our children.

17 SECRETARY RIVERA: Let me do a little more due  
18 diligence on this, and we'll respond accordingly.

19 REPRESENTATIVE WHITE: Well, do you think at a  
20 minimum, I mean, right now, we don't allow cigarette sales  
21 to happen within 500 feet of a school. Do you think that  
22 that's appropriate, at least?

23 SECRETARY RIVERA: Selling cigarettes?

24 REPRESENTATIVE WHITE: As it pertains to heroin  
25 injection sites being located near our children.

1           SECRETARY RIVERA: Yeah. I mean, I can share,  
2 I've gone on -- so what I have gone on the record, and I  
3 think we can make a connection, although, again, I would  
4 have to do a little more digging. But I have gone on the  
5 record in terms of the sale of tobacco. I've gone on the  
6 record against the use of vaping. I've gone on the record  
7 around the use of drugs in and around our schools.

8           REPRESENTATIVE WHITE: But wouldn't you say that  
9 heroin injection is far more severe than cigarettes?

10          SECRETARY RIVERA: Yeah. I absolutely would not  
11 like to see heroin in and around our schools, but the  
12 specific proposal you are mentioning, I just don't have  
13 enough information to, you know, qualify a statement.

14          REPRESENTATIVE WHITE: Would you be considering  
15 any, you know -- I mean, this was a site that was going to  
16 open up this week. Our children will be walking past these  
17 types of drug activities, which are, you know,  
18 traumatizing, I imagine, for young minds. Do you have any  
19 intentions of asking for more dollars for our  
20 trauma-informed education to help with that potential  
21 environment that they are faced with? Should these sites  
22 open up in Pennsylvania?

23          SECRETARY RIVERA: So we'll continue to request  
24 more support and more funding for trauma-informed to  
25 address the social and emotional needs of students, you

1 know, just in general.

2           Again, I don't want to go on the record in  
3 speaking about a program I know very little about, because  
4 I could make a statement that is just not true or not  
5 aligned to the intent of the program. So I just don't -- I  
6 don't know anything or enough of the program to make a  
7 comment. But we can absolutely have a conversation around  
8 do I support trauma-informed, do I support mental health  
9 services, do I support drug-free schools, do I support  
10 safety communities. The answer to that is absolutely  
11 without question. But, you know, to comment specifically  
12 on a program I don't know anything about, it would just not  
13 be responsible.

14           REPRESENTATIVE WHITE: Thank you very much,  
15 Chairman.

16           MAJORITY CHAIRMAN SAYLOR: Representative  
17 McCarter.

18           REPRESENTATIVE McCARTER: Thank you very much,  
19 Mr. Chairman.

20           I would like to get back to a little bit again on  
21 school safety as well and the issue of the school safety  
22 grants and looking at last year compared to this year as to  
23 where we're going as well.

24           Last year, as I understand, there was \$60 million  
25 in the program, of which roughly a third was the basic

1 grant to all school districts. I think it was 18 percent  
2 or 19 percent. And then the -- or more than that. I'm  
3 sorry. It was actually \$19 million, I think was the  
4 minimum payment divided up. And then the rest of that was  
5 in competitive grants in one form or another, and that's a  
6 total of \$15 million, I know, for the different funds in  
7 the competitive grant program.

8           Now, I have heard from numerous people, school  
9 personnel back in my district, who have looked at, over the  
10 past week since the grants were announced, looked at these  
11 and really had a lot of questions dealing with how  
12 decisions were made as to who got the grants and who didn't  
13 get the grants. In fact, in Montgomery County, the grants  
14 there, I think only a third of the school districts  
15 applying got grants, and I know there were 470-some  
16 districts that applied, so it was a highly competitive  
17 situation.

18           But one of the criteria that I think, and I think  
19 I have heard you speak on this several times, and obviously  
20 for the new program coming, was that mental health issues  
21 should be a major criteria for getting money. Many of them  
22 put in for mental health money, and yet, one of the  
23 grantees was the Agora Cyber School, or Cyber Charter  
24 School. And the major part of their proposal, as I  
25 understand it, was that they were putting in for school

1 personnel for a resource officer.

2 Well, I guess they're all having trouble and I'm  
3 having trouble understanding how a cyber school would win a  
4 grant for a resource officer when they physically don't  
5 have buildings -- they're not brick and mortar -- how they  
6 would get a grant, and yet the schools that are putting in  
7 for mental health programs and trying to deal with the  
8 problem there were rejected. Can you enlighten me a little  
9 bit?

10 SECRETARY RIVERA: I wish I had -- I can  
11 definitely do some digging. Well, I can reach out to PCCD  
12 and ask them to provide a response. But I was not involved  
13 either in the facilitating of those grants.

14 REPRESENTATIVE McCARTER: Okay. The Department  
15 of Ed didn't have anything to do with the facilitating of  
16 those in terms of criteria?

17 SECRETARY RIVERA: We help with criteria and some  
18 in terms of facilitation, but it's not something that I was  
19 directly involved in.

20 REPRESENTATIVE McCARTER: Okay. Well, let's  
21 change then to this year's grants since we're now reduced  
22 down from 60 million down to 15 million, and that  
23 15 million will be competitive also in grants. Is that  
24 correct?

25 SECRETARY RIVERA: I believe so, as I have read.

1           REPRESENTATIVE McCARTER: Okay. And the major  
2 criteria again, I think as you have emphasized, should be  
3 on mental health. Is that correct?

4           SECRETARY RIVERA: We have made that  
5 recommendation, yes.

6           REPRESENTATIVE McCARTER: Okay. And who will be  
7 doing the assessment of the grants this year? Will that be  
8 the Department of Education, or---

9           SECRETARY RIVERA: No. The PCCD grant funding is  
10 specific to PCCD.

11          REPRESENTATIVE McCARTER: Okay. So that will go  
12 through PCCD.

13          SECRETARY RIVERA: Much like the Members of the  
14 General Assembly were one seat on the committee and, you  
15 know, kind of have one voice at that table.

16          REPRESENTATIVE McCARTER: I will put in a plea,  
17 since I know for my school districts as well that the idea  
18 of the competitive grants are making this very difficult  
19 for the school systems, that they are spending a lot of  
20 time developing these grant proposals, that the amount of  
21 money available is very restrictive at this point,  
22 especially down to 15 million, and it doesn't make sense  
23 for them to take the time to do this knowing that it seems  
24 like the criteria have not been followed adequately in the  
25 past and that they surely, you know, want some better

1 parameters here.

2           So if we can change this program in some way, and  
3 if we can go back to, again, trying to find a way within  
4 the legislative fix to be able to add more money back into  
5 this program from the General Fund, as we did in the past  
6 years, that would be very, very beneficial as well.

7           Thank you.

8           SECRETARY RIVERA: I'll pass that along. Thank  
9 you, Representative.

10           MAJORITY CHAIRMAN SAYLOR: Representative  
11 McCarter, I agree with you. We have had a lot of  
12 complaints from our area of the State as well about how the  
13 grants are given out and disappointment in the way the  
14 evaluations and how they have been awarded, so I appreciate  
15 your comments.

16           With that, we'll move to Representative Greiner.

17           REPRESENTATIVE GREINER: Thank you, Mr. Chairman.

18           I want to follow up on something that came up  
19 earlier. It's interesting, the Nellie Bly tuition program.  
20 Certainly with my financial background, I know there is  
21 concerns and we're having spirited discussions about the  
22 funding of it. That is one issue.

23           I think there's a second issue conceptually that  
24 I struggle with, and coming from an area where Thaddeus  
25 Stevens is in my district now. They're expanding. You

1 have HACC in my district and other schools. What I'm  
2 wondering is, why would the students that attend those  
3 schools, and let's face it, Penn State has branches  
4 throughout the State, Pitt, Temple. You know, why can't  
5 the kids at these institutions, why would they be shut out  
6 from receiving moneys in this program?

7 SECRETARY RIVERA: So that's a great question,  
8 and as we have been engaging, and specifically this year  
9 around the Nellie Bly scholarship, there's a real workforce  
10 rationale behind it. And now I'll kind of start at the  
11 higher level and then work my way down, if you don't mind,  
12 Representative.

13 First, one of the things that we have realized  
14 through the Department as we have been doing our workforce  
15 readiness work is that we know, as I have shared a few  
16 times, you know, 2025, that 60 percent number of  
17 individuals that need an industry certificate or a 2-year  
18 or 4-year degree, and we are well below that number, both  
19 in terms of the percentages of high school graduates that  
20 are going on and attaining those. Our graduates, our  
21 percentages are increasing, but the number is decreasing.  
22 And then we know that there's a real shifting of population  
23 and demographic here, you know, here in Pennsylvania, and  
24 that, you know, really forces us to be a little more  
25 aggressive in that, in the degree-attainment area.

1           So as we were strategizing and working with the  
2 Governor and the Governor's team on this, PASSHE was  
3 identified for a number of reasons: one, it's the State  
4 System of Higher Ed, so it's the State System schools.  
5 Geographically, their schools represent a larger geographic  
6 map. So one institution represents almost every county in  
7 the Commonwealth, so it's geographically diverse. It holds  
8 socioeconomic diversity and diversity as a whole. And it's  
9 one of the, it's the cheapest higher ed option in terms of  
10 a 4-year option in the Commonwealth, so \$7,000 for tuition.

11           So by investing in Nellie Bly and looking at that  
12 6-year program, it will provide, for students who qualify,  
13 practically free college tuition for that cohort of  
14 students, and that's what we were focused on.

15           REPRESENTATIVE GREINER: Yeah. Well, I still  
16 think when you look at Penn State, you know, and I don't  
17 want to -- I mean, I'm looking at Thaddeus Stevens and  
18 everybody, the community colleges. But Penn State has  
19 probably even as large a footprint, if not more, than the  
20 PASSHE system, let alone throw in Pitt's branch campuses  
21 and you have Temple in Philly. I'm just saying, because  
22 what else to me is problematic, and I guess I understand  
23 why, but I don't understand, my understanding is that  
24 non-Pennsylvania residents are going to be eligible for  
25 this.

1           I mean, I would like to help -- I mean, my  
2           commitment is to help our own Pennsylvania kids, young  
3           people, to do this. I mean, what's the thought process by  
4           allowing out-of-Staters this ability to go get this  
5           scholarship and then they only can go to a PASSHE school?

6           SECRETARY RIVERA: Mm-hmm.

7           And the position to align the PASSHE is because  
8           it's \$7,000 a year as opposed to a more costly 4-year  
9           option. And moving towards out-of-State students or  
10          out-of-State graduates, in order to qualify for the  
11          Nellie Bly scholarship, you have to stay in Pennsylvania  
12          for 6 years after graduation. If you leave before those  
13          6 years, you have to reimburse the State for the amount of  
14          funding that you use proportionately during that time.

15          So what the Governor, you know, identified and I  
16          support is that in addition to a higher educational  
17          opportunity, a higher ed opportunity, this is also a  
18          workforce opportunity. So we know that keeping individuals  
19          in State for 6 years after graduation will, you know,  
20          reinforce our pool and also keep folks here in the  
21          Commonwealth.

22          REPRESENTATIVE GREINER: I appreciate clarifying  
23          that. I wasn't sure that it was 6 years. I thought it was  
24          only the amount of years that people, that they received  
25          those grants. I thought it was a proportionate amount.

1                   SECRETARY RIVERA: We're both correct in that.  
2                   So it's the amount of years individuals received the grant  
3                   up to 6 years.

4                   REPRESENTATIVE GREINER: What other criteria  
5                   would, for instance, an out-of-State student, how do you  
6                   prioritize who is going to get these grants, you know, in  
7                   this setup?

8                   SECRETARY RIVERA: Yeah. You would have to  
9                   qualify based on the Federal standards in terms of Federal  
10                  Student Aid. So, one, it would be a need based. So, you  
11                  know, some of us call it last dollar, others need based.  
12                  So it would kick in after you receive your Federal aid and  
13                  other financial aid.

14                  REPRESENTATIVE GREINER: I'm just going to say  
15                  that I think the funding of it is a spirited discussion. I  
16                  think there's going to be spirited discussion on this part  
17                  of it, too. Just my thoughts. But I appreciate the  
18                  answers.

19                  Thanks, Mr. Chairman.

20                  MAJORITY CHAIRMAN SAYLOR: Next is Representative  
21                  Seth Grove.

22                  REPRESENTATIVE GROVE: Thank you, Mr. Chairman.

23                  I just want to make sure I heard that correctly.  
24                  Safe injection sites are not part of the STARS program,  
25                  right?

1 SECRETARY RIVERA: Keystone STARS?

2 REPRESENTATIVE GROVE: Yeah.

3 SECRETARY RIVERA: Right, it's not.

4 REPRESENTATIVE GROVE: There's no connection  
5 there, right?

6 SECRETARY RIVERA: I hope you're not picking on  
7 my child again.

8 REPRESENTATIVE GROVE: All right. I just wanted  
9 to make sure. I just wanted to make sure.

10 How much money did we totally allocate in PlanCon  
11 bonds to date?

12 SECRETARY RIVERA: Total?

13 REPRESENTATIVE GROVE: Total.

14 DIRECTOR MARIANO: So we have bonded 1.6 billion  
15 over the three bonds that have been taken out.

16 REPRESENTATIVE GROVE: So we injected  
17 \$1.6 billion in the school districts. And that allows lump  
18 sums, too, correct? Lump sum payments?

19 DIRECTOR MARIANO: If that was the arrangement,  
20 then I believe so, yes.

21 REPRESENTATIVE GROVE: Okay.

22 So we have had \$1.6 billion in the school  
23 districts across this Commonwealth, but yet we need an  
24 additional billion dollars for toxic schools?

25 SECRETARY RIVERA: I think PlanCon as a

1 reimbursement---

2 REPRESENTATIVE GROVE: Mm-hmm.

3 SECRETARY RIVERA: And actually we know this,  
4 because as we visited school districts across the  
5 Commonwealth through the PlanCon commission, the need for  
6 that level of remediation and the intention of PlanCon were  
7 different historically, which is why---

8 REPRESENTATIVE GROVE: But there's some overlap,  
9 right?

10 SECRETARY RIVERA: There can be some.

11 REPRESENTATIVE GROVE: There's overlap.

12 SECRETARY RIVERA: Yes.

13 REPRESENTATIVE GROVE: So the big question is,  
14 what did those school districts who got lump sum payments  
15 do with that money and they still have toxic schools? I  
16 think that's a question we need to answer, right?

17 SECRETARY RIVERA: We would have to look into it.

18 REPRESENTATIVE GROVE: That's fair, right?

19 SECRETARY RIVERA: We would have to look into if  
20 there's a connection between who received PlanCon dollars  
21 and whether or not they're on that list.

22 REPRESENTATIVE GROVE: Yeah. I mean, listen, if  
23 I got a school district somewhere in Pennsylvania that  
24 received \$2 to \$3 million in lump sum payments and they  
25 have toxic schools, why didn't they plow that money back

1 into those schools to make sure it's safe, right? I mean,  
2 that is a fair question to ask those school districts who  
3 received those dollars.

4 SECRETARY RIVERA: Yeah. Having lived through  
5 the PlanCon process, I could have put in a school for  
6 submission through PlanCon to renovate that one building  
7 but then have another building in my district that may have  
8 been in phase 3, 4, or 5 and then submit PlanCon for that.  
9 So I don't know if there's -- there could be a connection,  
10 but I don't know if there's a connection.

11 REPRESENTATIVE GROVE: Well, I'm just saying,  
12 like, in past building projects, if we gave them a lump sum  
13 that they're owed, because remember, when we did those  
14 bonds, we owed school districts obviously a lot of money.  
15 So if we caught them up and gave them lump sums, there has  
16 got to be an overlapping connection.

17 I think I wrote you a letter last year saying  
18 what the connection was between PlanCon and so forth. But  
19 I think it's something that we need to look for and you  
20 need to look into as a Department to see, what is the  
21 connection, how much money in PlanCon bonds do these  
22 schools receive, and what did they do with that money. Did  
23 they prioritize it to take care of and make sure the safety  
24 and well-being of those students was a priority? I think  
25 it's a fair question to ask.

1                   One other follow-up. Basic ed funding can be  
2 used for the formula and then for financial recovery, the  
3 loan, correct? Is there any other use of those dollars  
4 that I'm not aware of?

5                   DIRECTOR MARIANO: Are you talking about the BEF,  
6 basic education funding?

7                   REPRESENTATIVE GROVE: Yeah, BEF. Yep; mm-hmm.

8                   DIRECTOR MARIANO: Well, that has many different  
9 uses when it gets to the school district, because it goes  
10 into their general fund.

11                   REPRESENTATIVE GROVE: But for us, us, the  
12 State's use, right? We can send out basically by the  
13 formula, or if there is access, we can give it to schools  
14 through the financial recovery loan, correct?

15                   DIRECTOR MARIANO: If we move money into the  
16 financial recovery loan account from prior year funding---

17                   REPRESENTATIVE GROVE: Mm-hmm.

18                   DIRECTOR MARIANO: Is that what you're talking  
19 about?

20                   REPRESENTATIVE GROVE: Yes. Yeah.

21                   DIRECTOR MARIANO: Yes, that is a possibility.

22                   REPRESENTATIVE GROVE: Is there any other  
23 possibility for that, the use of BEF, or is that it in the  
24 statute?

25                   DIRECTOR MARIANO: Not the current year subsidy.

1 It's just based on what the formula drives out.

2 REPRESENTATIVE GROVE: Prior year funds, what can  
3 that be used for outside of the financial recovery loans?

4 DIRECTOR MARIANO: A variety in terms of, we have  
5 audit adjustments that we have to make where we would need  
6 to potentially address over or underpayments. I believe a  
7 piece of it can also be moved to another restricted account  
8 for transportation recovery.

9 REPRESENTATIVE GROVE: Okay. So audit recovery,  
10 in 2017, there was an increase to the, or this fiscal year  
11 there was an increase to the 2017 line item of \$810,000,  
12 but yet we spent -- 2008, by the way, 2008 was before I was  
13 elected to this place. The 2008 line item was still active  
14 this fiscal year. The Department spent \$189,766. Would an  
15 audit go back that far?

16 DIRECTOR MARIANO: I would have to look into that  
17 issue and get back to you.

18 REPRESENTATIVE GROVE: Yeah. Because the data  
19 I'm looking at is 2008, 2010, 2011, 2014.

20 2014 has \$2.6 million. I mean, if you want to  
21 give that to my districts in the 196, I would be  
22 appreciative of it. 2015, 25,000, which was spent this  
23 fiscal year; and then 2016, \$2 million.

24 I'm just saying, that's a lot of money to be  
25 holding there. I get some audit fluctuations, but having

1 that corrected and not having this money sit there,  
2 particularly if it's going to one school district. I mean,  
3 the idea of BEF is everybody benefits, and I'm out of time.

4 Thank you, Mr. Chairman.

5 MAJORITY CHAIRMAN SAYLOR: All right.

6 Representative Topper.

7 REPRESENTATIVE TOPPER: Again, Mr. Secretary,  
8 real quick, I want to hit on teacher evaluations, because  
9 that has been a topic that obviously has been in the mix  
10 legislatively for a while and we have discussed, maybe held  
11 up a little bit more than I would have liked throughout the  
12 process, as most education bills seem to get.

13 But I guess now my concern is implementation. If  
14 we are able to get the updates to Act 82 into law within  
15 the next few months, does that still give the Department  
16 enough time, with a couple tweaks that we might, you know,  
17 have to put in, do you feel comfortable that you could get  
18 that implemented for the next school year?

19 SECRETARY RIVERA: We would work with the  
20 General Assembly to make sure it's a good, aggressive  
21 timeline. If that happens within the next few months,  
22 allowing us the end of the school year into the summer to  
23 orient superintendents and principals around, and then the  
24 data collection -- do you want to jump into it?

25 DEPUTY SECRETARY STEM: May I real quick?

1 SECRETARY RIVERA: Yeah.

2 DEPUTY SECRETARY STEM: Thanks for letting me  
3 jump in.

4 So I had the privilege of working closely with  
5 individuals and the General Assembly to support or give  
6 feedback. So in this area, there are some regulatory  
7 requirements that then have to follow that would probably  
8 take us, at this point, into the start of the, the start of  
9 the '21-22 school year.

10 So I think we wouldn't be able to go live this  
11 fall. However, if we were to get legislation passed and  
12 have a runway that would allow for the regulatory  
13 activities that have to happen, then we would be -- there  
14 are certain things that need to be published in regulations  
15 to operationalize what's in the statute.

16 REPRESENTATIVE TOPPER: Okay.

17 DEPUTY SECRETARY STEM: So we would be looking at  
18 '21-22.

19 REPRESENTATIVE TOPPER: Well, we're going to  
20 still push, you know, I still want to see this get done.  
21 Anything that we can do legislatively, you know, to make  
22 sure we can at least start getting it in place this year or  
23 for the next year we'll try to do. But yeah, I'm sure we  
24 have already, you know, walked around that circle for a  
25 little while now.

1           And one more thing on cyber charters. As we move  
2 forward, there's 14 cyber charters currently authorized.

3 Am I---

4           SECRETARY RIVERA: Fourteen. Yes.

5           REPRESENTATIVE TOPPER: Okay. Of those 14,  
6 because obviously a charter, a brick-and-mortar charter  
7 school has a home school district that authorizes, or an  
8 authorizing school district.

9           SECRETARY RIVERA: Correct.

10          REPRESENTATIVE TOPPER: But cybers are authorized  
11 by---

12          SECRETARY RIVERA: The State.

13          REPRESENTATIVE TOPPER: By the State.

14          How many of the schools are currently operating  
15 with expired contracts? Do you happen to have that  
16 information?

17          SECRETARY RIVERA: I can pull it up.

18          REPRESENTATIVE TOPPER: Or charter agreements?

19          SECRETARY RIVERA: I want to say I think we  
20 finally worked through about four. If you don't mind, I'll  
21 forward that to you. I didn't bring the sheet of the  
22 authorized---

23          REPRESENTATIVE TOPPER: But, I mean, obviously  
24 you guys know what you're working on. I mean, how many --  
25 are we caught up? Are we close to being caught up? Are

1 the ones that are not authorized -- I guess my point is, I  
2 mean, we do have discretion. If we're authorizing the  
3 charters for these schools, I assume that we feel they are  
4 meeting the expectations of the Department.

5 SECRETARY RIVERA: The ones we authorize, we're  
6 very confident. They are meeting the expectations or they  
7 have a plan in place to meet those expectations.

8 REPRESENTATIVE TOPPER: All right. So you feel  
9 comfortable having the authority as the authorizer. We  
10 don't need to go find an independent third party. You feel  
11 like you've got a handle on it?

12 SECRETARY RIVERA: Well, we actually have been  
13 having conversations around not necessarily for ultimate  
14 authorization, but there's a lot more work that can go into  
15 authorizing that we don't have the capacity to engage in.

16 So, for example, the four cyber charters that we  
17 have worked with over the course of the past few years was  
18 extremely work intensive. I mean, we like to go on and  
19 provide site visits and look at the curriculum, look at  
20 governance, look at, you know, their financial accounting,  
21 and so we put in a lot of time and effort.

22 Part of what we have been discussing at our level  
23 is to do that due diligence, it may be worthwhile for us to  
24 look at contracting or finding someone else to do the  
25 report for us and then we ultimately make the

1 recommendation. Because I just use the same existing, the  
2 existing team to go out, drop what they're doing, and then  
3 go out and work on authorization of charters.

4 REPRESENTATIVE TOPPER: Okay.

5 Thank you, Mr. Chairman.

6 SECRETARY RIVERA: Sure.

7 MAJORITY CHAIRMAN SAYLOR: Very good.

8 Since Chairman Bradford spoke for 10 minutes  
9 earlier, I'm only going to give him a minute now.

10 MINORITY CHAIRMAN BRADFORD: But I noticed it.

11 MAJORITY CHAIRMAN SAYLOR: But you noticed it. I  
12 know. You shouldn't have told the Chairman that you had  
13 already spoken for 10 minutes.

14 With that, I'll turn it over to Representative  
15 Bradford.

16 MINORITY CHAIRMAN BRADFORD: Thank you, Chairman  
17 Saylor, and thank you for the opportunity to speak.

18 I would be remiss, though, if I didn't go back to  
19 the issue of school construction and the obvious concern  
20 that many of us have about lead and asbestos abatement.

21 There is kind of two schools of thought that I  
22 have heard in response to the Governor's proposal.

23 Alternatively, it's, you're on your own, these districts  
24 need to figure it out; or basically, live with it, it's  
25 your school district, figure it out. I don't think that

1 obviously plays to the best in Pennsylvania. In fact, I  
2 think it is ignorant of the reality.

3           The one gentleman actually talked about asbestos  
4 and lead were banned in, I believe, and I'm going to throw  
5 out the dates because I'm not sure they were true, but I  
6 think he said '73, '78, and '86. I am very concerned when  
7 we go down this road that we pit our more affluent  
8 communities against our poorer communities and what those  
9 kids look like. In fact, I heard the term used, if we were  
10 to do something for these districts, we would be "rewarding  
11 bad behavior" was the term I heard. I think that sorely  
12 misses the point.

13           I have four kids. They go to public schools. I  
14 have a ninth grader who was born in '05, a seventh grader  
15 who was born in '07. I have to write these down. That's  
16 embarrassing. I have a first grader who was born in '12  
17 and a pre-K who was born in '14. Their schools don't have  
18 asbestos or lead, not because we reward bad behavior but  
19 they won the lottery of life. They're in one of our  
20 wealthier school districts.

21           I think we really miss the point as to what we're  
22 here to do if we go down and talk about how those children,  
23 and that's who we're talking about, children, should pay  
24 the price for the failings of their parents' school  
25 district or, frankly, our Commonwealth.

1           We have school districts that have tremendous,  
2 tremendous disparity in wealth -- tremendous. In fact,  
3 there's a Supreme Court case right now challenging the  
4 equity of how schools are funded in this Commonwealth.

5           My kids go to a school, I mentioned, that was  
6 built in the mid-nineties. These concerns weren't even an  
7 issue. My kids go to a school that has a 12-to-1  
8 student-to-teacher ratio and about an 82 percent  
9 proficiency in reading and math. These are very different  
10 districts we're talking about. And so when we compare  
11 apples and oranges, districts that are dealing with the  
12 most basic struggles of providing kids an education and  
13 then wonder why these other districts that we can say are  
14 other people's problem, I think we missed the point by a  
15 far, far spot.

16           Now again, I think we also need to pack some of  
17 the emotion with some facts. The old PlanCon, PlanCon as  
18 it was originally intended, PlanCon, the idea that was put  
19 out by the gentleman from York was to provide an  
20 opportunity for these poorer districts to do remediation.  
21 Well, let's remember that there was a 20-percent alteration  
22 rule in the old PlanCon program. So in order to get  
23 PlanCon, you needed a renovation that would have been  
24 20 percent of rebuilding costs. So these weren't small,  
25 let's go in and just do lead, let's do asbestos. Only

1 wealthier districts that were doing massive renovations  
2 could have used PlanCon.

3 Now, the wisdom of this building in the new  
4 PlanCon, we actually have allowed for smaller renovation  
5 projects that would allow for asbestos and lead  
6 remediation, but the same wisdom that allowed us to set up  
7 that program allowed us in every year since it was set up  
8 not to fund it. So there has been no funding. These  
9 schools are our kids.

10 I actually in a hearing the other day, after it  
11 was over, I recognized some of our Members who, when they  
12 were speaking at the ag industry in Pennsylvania, spoke  
13 glowingly of it. We don't have a lot of Democratic Members  
14 that are closely connected to the ag industry, though we  
15 are all consumers of the many products they provide. But  
16 they know we have a vested interest in that industry. We  
17 as a Commonwealth need to recognize that we have a vested  
18 interest in every child. We're not rewarding bad behavior.  
19 These kids weren't even born when these problems were  
20 created, when they were recognized, and frankly, it doesn't  
21 matter at this point. We have a huge, very costly  
22 obligation, and we need to get about the business of  
23 addressing it.

24 So I would say to my good friends, we can all be  
25 upset about how we found ourselves in this predicament, but

1 we need to address it. That's it.

2 SECRETARY RIVERA: Thank you.

3 MINORITY CHAIRMAN BRADFORD: Thank you, Chairman.

4 MAJORITY CHAIRMAN SAYLOR: Very good.

5 Just to remind you, Chairman Bradford, that  
6 without ag, your students wouldn't eat. So I think you do  
7 have a vested interest in the city of Philadelphia and  
8 Pittsburgh in York and cities in ag.

9 MINORITY CHAIRMAN BRADFORD: I agree.

10 MAJORITY CHAIRMAN SAYLOR: So the other thing I  
11 wanted to do is correct Representative Comitta in thanking  
12 the Governor for the libraries. It was not the Governor  
13 who put \$5 million in for the libraries, it was the State  
14 Legislature who put them in, and this is again another year  
15 where the Governor has ignored our libraries in this  
16 Commonwealth, who are a big part of our communities, and  
17 for many of our children, it is critical that that funding  
18 be put into place. And I'm disappointed that again the  
19 Governor has not made recommendations to at least increase  
20 that line item by some amount.

21 The other consideration I have and a real  
22 concern, Mr. Secretary, as we talked about earlier, is the  
23 pupil transportation issue, \$157 million short, and there's  
24 no recommendation.

25 Look, we have a Secretary of the Department of

1 Health and Human Services who overspent the budget this  
2 year by \$900 million. My concern is, you're going to be  
3 back here next year looking for \$300 to \$400 million for  
4 pupil transportation to balance your budget, in all truth  
5 and honesty. That's scary.

6           What the Secretary of Health and Human Services  
7 has done is put us into a crisis here as we draw this  
8 budget up, because we need to invest more, as you fully  
9 recognize, and I know you have always stood for more money  
10 for education. But when we have Secretaries who overspend  
11 the budget, it puts us in a difficult position to fund  
12 special education, to pre-K, to the Governor's proposal for  
13 full-day kindergarten. So it's a real concern I have that  
14 we have not got a request for additional money for pupil  
15 transportation.

16           Another thing I really hope that the Department  
17 will focus on with our colleges that are doing teacher  
18 training is working with these new teachers to understand  
19 the new technology and incorporating them into the  
20 classrooms. That's the biggest complaint I get from  
21 superintendents about new teachers. They're bright,  
22 they're intelligent, they're enthusiastic, but they haven't  
23 learned coming out of college how to incorporate technology  
24 into their techniques of teaching. And so I would  
25 encourage you to work with those colleges to do that.

1           Last but not least is the big issue of asbestos  
2 and lead. You know, my colleague talks about, well, you  
3 know, let's just move on. I'm not going to move on, and I  
4 don't think anybody is. We all care about kids and the  
5 teachers in these classrooms, but the incompetence, the  
6 malfeasance in office that these school boards have had,  
7 every one of these school districts that I know of that  
8 have not dealt with this issue that has been around for  
9 40 years are getting over 48 percent of their funding from  
10 the State compared to other school districts in York and  
11 Montgomery and Chester and counties across this State who  
12 are getting 15 to 19 to 20 percent of their funding. Yet,  
13 those school districts dealt with this issue.

14           The school districts who got the most funding  
15 from the Commonwealth of Pennsylvania failed to do the  
16 right thing. They didn't seem to care about kids because  
17 there's other ways to spend money. Now, whether that was,  
18 I don't know, but it's a real shame that we have school  
19 boards and superintendents who have ignored the health and  
20 safety of teachers and children for this long -- 40 years.  
21 Unbelievable.

22           And I'm not willing to give anybody a pass for  
23 their incompetence. Yes, it's past school boards, and yes,  
24 it's time we fix the problem. And nobody is saying that we  
25 shouldn't fix the problem on this side of the aisle, but

1 somewhere along the line, we have to, and people expect us  
2 to have accountability in government. That's why so often  
3 government is looked down on, is because there is nobody  
4 held accountable when they do malfeasance in office, when  
5 they mismanage the dollars that our taxpayers pay. They  
6 don't blame the Stan Saylor or Matt Bradfords. They  
7 belong to the taxpayers of Pennsylvania, and they expect  
8 accountability. They expect that their children go to a  
9 school that is safe and that the teachers in those  
10 classrooms also are being kept safe.

11           And I visited probably, Mr. Secretary, and I know  
12 you have as well, probably 30-some school buildings in the  
13 city of Philadelphia. Some of them are 25 percent filled  
14 to 50 percent filled, and nothing has changed. They could  
15 have closed down and moved kids around in those school  
16 buildings and fixed that problem a number of times, but  
17 instead they continue, the City Council continues to ignore  
18 the children of Philadelphia, and that's a shame that they  
19 are in control and could have fixed this problem. Instead,  
20 they also are complicit in the malfeasance and  
21 mismanagement of the Philadelphia school system when it  
22 comes to protecting children.

23           So all I can say is, we want to fix this. We  
24 want to make sure the kids are safe. But I will tell you,  
25 I'm not one who is just going to wave off mismanagement and

1 poor management and people who ignore the safety of our  
2 children of this Commonwealth so easily.

3           So with that, Mr. Secretary, I want to thank you  
4 for being here today. I look forward to working with you  
5 as we progress through this budget process and throughout  
6 the year. Thank you for your service.

7           And with that, this Committee will reconvene in  
8 10 minutes to hear from the Pennsylvania Higher Education  
9 Assistance Agency. Thank you.

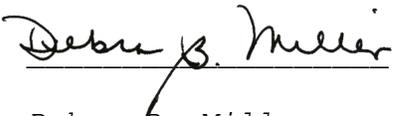
10           SECRETARY RIVERA: Thank you, sir.

11           DIRECTOR MARIANO: Thank you.

12

13           (At 2:40 p.m., the budget hearing adjourned.)

1 I hereby certify that the foregoing proceedings  
2 are a true and accurate transcription produced from audio  
3 on the said proceedings and that this is a correct  
4 transcript of the same.

5  
6  
7 

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