



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1154

PRINTER'S NO. 1819

PRIME SPONSOR: Aument

COST / (SAVINGS)

FUND	FY 2024/25	FY 2025/26
General Fund	See fiscal impact	\$0

SUMMARY:

Senate Bill 1154 establishes the Performance Based Funding Council within the State Board of Higher Education.

ANALYSIS:

Senate Bill 1154 amends the Public School Code by adding Article XX-L – Institutions of Higher Education. Subarticle B establishes the Performance Based Funding Council. The Council’s duty is to recommend, by a two-thirds vote, a process to distribute state funding to Penn State University, the University of Pittsburgh, and Temple University.

The legislation provides metrics the Council should consider and goals for the recommended distribution, including predictability, transparency, outcomes driven, and student access. The Council is made up of the PDE Secretary and one member from each caucus. Additionally, the three impacted state-related universities will have a nonvoting role.

The Council is required to share its recommendations by April 30, 2025, and then the Council is dissolved until reconstituted five years later by the State Board of Higher Education (established in other legislation) to reevaluate the performance metrics utilized for the distribution of funds to state-related universities.

FISCAL IMPACT:

Senate Bill 1154 will have a minimal impact on commonwealth funds. The Office of the Budget, the Department of Education, PHEAA, and the state-related universities are required to provide technical support to the Council. It is expected that the state agencies and the legislature can provide this technical support within their existing budgets. Costs associated with travel reimbursements to the required hearings are expected to be minimal.

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House Appropriations Committee (D)

DATE: July 11, 2024

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.