

HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 819

PRINTER'S NO. 987

PRIME SPONSOR: Malagari

COST / (SAVINGS)

| FUND | FY 2024/25 | FY 2025/26 |
|--------------|------------|-------------------|
| General Fund | \$0 | \$1,975,000 |
| | | See fiscal impact |

SUMMARY:

Amends the Public School Code to establish the Access to Rigorous Courses of Study for All Students Grant Program.

ANALYSIS:

House Bill 819 adds Article XVII-E – Access to Rigorous Courses of Study for All Students – to the Public School Code. The bill defines a rigorous course of study as "an academically rigorous college-level course, including Advanced Placement, International Baccalaureate, Cambridge International, dual credit or a concentrated career and technical education program, delivered to secondary students by an eligible educator that may include an end-of-course exam that qualifies students to earn college credit for prior learning."

Each year, beginning with the 2025-2026 school year, each school entity, defined as a school district, area career and technical school, cyber charter school, charter school, regional charter school or intermediate unit, shall report the following to the Department of Education (PDE): all rigorous course offerings; the number of students participating in, completing, and taking an end-of-year exam in a rigorous course of study; and the number of college-level credits earned by each student enrolled in a dual-credit course. By December 1, 2026, and every five years thereafter, PDE is required to use the information collected from the school entities to develop a report that establishes benchmarks to improve access to and enrollment in rigorous courses of study and identifies school entities that require assistance in this regard.

To help ensure that all school entities can meet PDE's benchmarks, the House Bill 819 establishes the Access to Advanced Courses for All Students Grant Program, which consists of exam fee grants to students and educator training grants for school entities.

- For exam fee grants, PDE is required to reimburse school entities 100% of the exam fee for each student at or below 185% of the Federal poverty threshold who completes an exam for a rigorous course of study for which the student may take an exam for college credit.
- A school entity is eligible for the educator training grants if it is below PDE's benchmarks, is unable to offer a rigorous course of study due to the loss of an educator who teaches a rigorous course of study or offers less than eight rigorous courses of study. A school entity may receive an educator training grant annually for a maximum of five years. By June 30 of each year, each school entity that receives an educator training grant is required to report to PDE information regarding the use of funds as well as other access and enrollment metrics.

By September 1, 2027, and every five years thereafter, PDE shall issue a report on the grant program, which will include:

• The number of educators who received training in rigorous course instruction by type and subject

- The number of schools enrolling secondary students that offer rigorous courses of study over the fiveyear grant period
- The number of secondary students who completed a rigorous course of study
- The number of students who achieved a qualifying score from a rigorous course of study exam
- The number of higher-education institutions in the commonwealth that provide college-level credit for rigorous courses of study exam scores
- The names of school entities and high schools that do not offer rigorous courses of study or are below PDE's minimum benchmark
- The number of secondary students who completed rigorous courses of study at the institution of higher education for dual credit
- The number of higher-education institutions in the commonwealth that provide dual credit for rigorous courses of study
- The number of educators who were trained to teach rigorous courses of study outside the core academic areas who are teaching other rigorous courses

House Bill 819 also amends Article XII – Certification of Teachers – of the Public School Code to add opportunities for educators to serve as advanced coursework coaches to the list of options that may be included in a school entity's continuing professional education plan.

House Bill 819 would take effect in 60 days.

FISCAL IMPACT:

House Bill 819 states that the grant program, except for dual credit, shall be funded by an appropriation, available federal funds, or funds from private sources. In the event of insufficient funds, PDE is required to prioritize funding based on the poverty level of students enrolled in the eligible school entity, as well as the school entity's deficiency in providing rigorous courses of study opportunities relative to the benchmarks established by PDE.

Given the 60-day effective date and the requirement that exam fee reimbursement begin with the 2025-26 school year, the costs associated with House Bill 819 will be incurred beginning with the 2025-26 school year.

For exam fee grants, PDE is required to reimburse school entities 100% of the exam fee for each student at or below 185% of the Federal poverty threshold who completes an end-of-course exam for a rigorous course of study for which the student may receive college credit. Such exams may include an Advanced Placement (AP) program exam, International Baccalaureate Diploma Program exam, and a Cambridge International advanced level exam. Of these exam types, AP exams are by far the most prevalent. The table below provides a cost estimate.

| Cost Analysis for Exam Fee Grants to Students Under HB819 | | | | |
|---|--------------------------------------|----------------------------|------------------------------|--|
| Exam Type | Estimated Number of 2026 Exams | Estimated Cost Per Exam | Total Estimated 2026 Cost | |
| Low-Income AP Exams | 38,500 | \$53 | \$2,040,500 | |
| Low-Income AP Capstone Exams | 900 | \$101 | \$90,900 | |
| Estimated Other Exams (non AP) | 931 | \$123 | \$114,513 | |
| | \$2,245,913 | | | |

Current law (Section 2599.8 of the Public School Code) already requires PDE to provide exam fee assistance to Advanced Placement and International Baccalaureate students with financial need, which costs about \$800,000 and is paid from the state appropriation for PA Assessment. Therefore, the estimated net cost for the exam fee grants under House Bill 819 is \$1.4 million, which is the difference between the \$2.2 million total estimated cost and the \$800,000 currently provided for low-income students.

To be eligible for educator training grants, a school entity must offer less than eight rigorous courses of study, be unable to offer a rigorous course of study due to the loss of an educator who teaches a rigorous course of study, or be below the rigorous course of study benchmarks required to be established by the PDE no later than December 1, 2026. As educator training events will most likely take place in the summer, it is expected that any costs associated with educator training grants will be incurred beginning in 2027-28.

From an administrative perspective, PDE staff indicated that the additional responsibilities under House Bill 819 would necessitate two new staff -- one program, one administrative -- at a recurring cost of \$254,000 as well as operational costs of \$275,000 for guideline creation and e-grants support, most of which would not be recurring.

In summary, the estimated cost for Fiscal Year 2025-26 is \$1,975,000 for the expanded exam fee grants to students and administrative costs. Other costs for educator training grants will impact appropriations beginning in Fiscal Year 2027/28.

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DATE: April 8, 2025

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