
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1154 Session of
2024

INTRODUCED BY AUMENT, MARTIN, PITTMAN, ARGALL, PENNYCUICK,
LANGERHOLC, LAUGHLIN, MASTRIANO, REGAN, STEFANO, VOGEL AND
J. WARD, APRIL 26, 2024

REFERRED TO EDUCATION, APRIL 26, 2024

AN ACT

1 Establishing the Performance-based Funding Council and providing
2 for its powers and duties.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Performance-
7 based Funding Council Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Council." The Performance-based Funding Council established
13 by this act.

14 "Department." The Department of Education of the
15 Commonwealth.

16 "State-related university." The following institutions:

17 (1) The Pennsylvania State University.

1 (2) The University of Pittsburgh.

2 (3) Temple University.

3 Section 3. Performance-based Funding Council.

4 (a) Establishment.--The Performance-based Funding Council is
5 established for the purpose of the development of a new system
6 to distribute funding to the State-related universities. The
7 system shall utilize performance-based metrics designed to
8 increase degree attainment, encourage affordability in higher
9 education, meet workforce needs and grow the economy.

10 (b) Membership.--

11 (1) The council shall consist of voting members
12 appointed under paragraph (2) and nonvoting members, who
13 shall serve in an advisory role, described under paragraph
14 (3).

15 (2) The voting members of the council shall be:

16 (i) An individual appointed by the Governor.

17 (ii) An individual appointed by the President pro
18 tempore of the Senate.

19 (iii) An individual appointed by the Minority Leader
20 of the Senate.

21 (iv) An individual appointed by the Speaker of the
22 House of Representatives.

23 (v) An individual appointed by the Minority Leader
24 of the House of Representatives.

25 (3) The nonvoting members of the council shall be:

26 (i) The President of The Pennsylvania State
27 University or a designee.

28 (ii) The President of the University of Pittsburgh
29 or a designee.

30 (iii) The President of Temple University or a

1 designee.

2 (4) An individual appointed under paragraph (2) may not
3 be employed by or serve on the governing body of a State-
4 related university or other university or college in this
5 Commonwealth.

6 (c) Chairperson.--The voting members of the council shall
7 appoint a member to serve as the chairperson.

8 (d) Council meetings.--The meetings of the council shall be
9 held bimonthly and at the call of the chairperson as necessary
10 and shall be conducted in accordance with the requirements of 65
11 Pa.C.S. Ch. 7 (relating to open meetings).

12 (e) Quorum.--A majority of the voting members of the council
13 shall constitute a quorum, and a quorum shall be required to
14 vote on actions to be taken by the council.

15 (f) Council actions.--A two-thirds vote of the voting
16 members of the council shall be required for all actions taken
17 by the council.

18 (g) Administrative and technical support.--

19 (1) The General Assembly shall provide administrative
20 support, meeting space and any other assistance required by
21 the council to carry out the council's powers and duties
22 under this section.

23 (2) The department, the Pennsylvania Higher Education
24 Assistance Agency and the State-related universities shall
25 provide technical support, including data, research and other
26 assistance required by the council, to carry out the
27 council's powers and duties under this section.

28 (h) Powers and duties.--The council shall:

29 (1) Consult with Commonwealth agencies and experts to
30 assist in carrying out the duties of this section.

1 (2) Hold public hearings at each one of the State-
2 related universities and receive input from experts and
3 interested parties, including parents and students.

4 (3) No later than March 31, 2025, develop
5 recommendations for a new system to distribute funding to the
6 State-related universities that utilizes performance-based
7 metrics and requires the reallocation of between 3% and 5% of
8 the amount appropriated in fiscal year 2023-2024 in each
9 subsequent fiscal year.

10 (4) No later than April 30, 2025, transmit the
11 recommendations to the Governor, the department and the
12 General Assembly, including draft legislation to implement
13 the new system to distribute funding.

14 (i) Performance-based funding metrics.--The council shall
15 consider the following metrics when developing the new system
16 under subsection (h):

17 (1) A base level of funding to ensure ongoing
18 operations.

19 (2) Incentive funding.

20 (3) Performance thresholds.

21 (4) The four-year graduation rate for first-time college
22 students.

23 (5) The percentage of undergraduate students enrolled
24 who received a Pell Grant during the previous school year.

25 (6) The six-year graduation rate for students who are
26 awarded a Pell Grant in their first year.

27 (7) The four-year graduation rate for baccalaureate
28 students.

29 (8) Student retention rates.

30 (9) Bachelor's degree production per 100 full-time

1 enrolled students.

2 (10) Net tuition and fees per 120 credit hours.

3 (11) Postgraduation employment rates and salaries,
4 including wage thresholds that reflect the added value of a
5 baccalaureate degree.

6 (12) The number of students enrolled and the number of
7 degrees attained in high-priority occupations in this
8 Commonwealth.

9 (13) The number of nontraditional students enrolled in a
10 program to up-skill or reskill in high-priority occupations
11 in this Commonwealth.

12 (14) The number of high school students who are dual
13 enrolled and the number of credits earned.

14 (15) The percentage of credits articulated.

15 (16) Other metrics provided by each State-related
16 university.

17 (17) Other metrics related to higher education that the
18 council deems appropriate.

19 (j) Withholding of payments.--If the council fails to
20 transmit its recommendations to the department as required under
21 subsection (h) (4), the department shall withhold the payment of
22 money appropriated to each State-related university until such
23 time that the council transmits the recommendations to the
24 department as required under subsection (h).

25 Section 4. Effective date.

26 This act shall take effect July 1, 2024, or immediately,
27 whichever is later.