

AMENDMENTS TO HOUSE BILL NO. 1552

Sponsor: SENATOR KILLION

Printer's No. 2178

1 Amend Bill, page 1, line 6, by striking out the period after
2 "Education" and inserting
3 ; in reimbursements by Commonwealth and between school
4 districts, providing for student-weighted basic education
5 funding and for supplemental payment of basic education
6 funding for 2014-2015 school year; and making an
7 appropriation.

8 Amend Bill, page 1, lines 10 and 11, by striking out "a
9 section" and inserting
10 sections

11 Amend Bill, page 2, line 29, by striking out all of said line
12 and inserting

13 Section 2502.53. Student-Weighted Basic Education Funding.--
14 (a) The General Assembly finds and declares that the student-
15 weighted basic education funding formula is the result of the
16 work of the Basic Education Funding Commission established
17 pursuant to section 123.

18 (b) For the 2015-2016 school year and each school year
19 thereafter, the Commonwealth shall pay to each school district a
20 basic education funding allocation which shall consist of the
21 following:

22 (1) An amount equal to the school district's basic education
23 funding allocation for the 2013-2014 school year.

24 (2) A student-based allocation to be calculated as follows:

25 (i) Multiply the school district's student-weighted average
26 daily membership by the median household income index and local
27 effort capacity index.

28 (ii) Multiply the product in subparagraph (i) by the
29 difference between the amount appropriated for the allocation of
30 basic education funding to school districts and the amount
31 appropriated for the allocation in paragraph (1).

32 (iii) Divide the product in subparagraph (ii) by the sum of
33 the products in subparagraph (i) for all school districts.

34 (c) For the purpose of this section:

1 (1) Student-weighted average daily membership for a school
2 district shall be the sum of the following:

3 (i) The average of the school district's three most recent
4 years' average daily membership.

5 (ii) The acute poverty average daily membership calculated
6 as follows:

7 (A) Multiply the school district's acute poverty percentage
8 by its average daily membership.

9 (B) Multiply the product in clause (A) by six-tenths (0.6).

10 (iii) The poverty average daily membership calculated as
11 follows:

12 (A) Multiply the school district's poverty percentage by its
13 average daily membership.

14 (B) Multiply the product in clause (A) by three-tenths
15 (0.3).

16 (iv) The concentrated poverty average daily membership for
17 qualifying school districts with an acute poverty percentage
18 equal to or greater than thirty percent (30%), to be calculated
19 as follows:

20 (A) Multiply the school district's acute poverty percentage
21 by its average daily membership.

22 (B) Multiply the product in clause (A) by three-tenths
23 (0.3).

24 (v) The number of the school district's limited English-
25 proficient students multiplied by six-tenths (0.6).

26 (vi) The average daily membership for the school district's
27 students enrolled in charter schools and cyber charter schools
28 multiplied by two-tenths (0.2).

29 (vii) The sparsity/size adjustment for qualifying school
30 districts with a sparsity/size ratio greater than the
31 sparsity/size ratio that represents the seventieth percentile
32 sparsity/size ratio for all school districts calculated as
33 follows:

34 (A) Divide the school district's sparsity/size ratio by the
35 sparsity/size ratio that represents the seventieth percentile
36 for all school districts.

37 (B) Subtract one (1) from the quotient in clause (A).

38 (C) Multiply the sum of subparagraphs (i), (ii), (iii),
39 (iv), (v) and (vi) by the amount in clause (B).

40 (D) Multiply the product in clause (C) by seven-tenths
41 (0.7).

42 (2) Local effort index for a school district shall be
43 calculated as follows:

44 (i) Determine the school district's local effort factor
45 calculated as follows:

46 (A) Multiply the school district's median household income
47 by its number of households.

48 (B) Divide the school district's local tax-related revenue
49 by the product in clause (A).

50 (C) Multiply the quotient in clause (B) by one thousand
51 (1,000).

1 (D) Divide the product in clause (C) by the Statewide median
2 of clause (C).

3 (ii) Determine the school district's excess spending factor,
4 to be calculated as follows:

5 (A) Divide the school district's current expenditures by the
6 sum of its average daily membership and the amounts in paragraph
7 (1)(ii), (iii), (iv), (v), (vi) and (vii).

8 (B) Divide the quotient in clause (A) by the Statewide
9 median of clause (A).

10 (C) Divide one (1) by the quotient in clause (B).

11 (iii) Multiply the school district's local effort factor by
12 the lesser of one (1) or the school district's excess spending
13 factor.

14 (3) Local capacity index for a qualifying school district
15 shall be calculated as follows:

16 (i) Divide the school district's local tax-related revenue
17 by the sum of its market value and personal income valuation.

18 (ii) Multiply the sum of the school district's market value
19 and personal income valuation by the Statewide median of
20 subparagraph (i).

21 (iii) Determine the school district's local capacity per
22 student by dividing the product in subparagraph (ii) by the sum
23 of its average daily membership and the amounts in paragraph (1)
24 (ii), (iii), (iv), (v), (vi) and (vii).

25 (iv) If the school district's local capacity per student is
26 less than the Statewide median of subparagraph (iii):

27 (A) Divide the school district's local capacity per student
28 by the Statewide median.

29 (B) Subtract the quotient in clause (A) from one (1).

30 (4) Local effort capacity index for a school district shall
31 equal the sum of its local effort index and local capacity
32 index.

33 (5) The data used to calculate the factors and indexes in
34 this section shall be based on the most recent years for which
35 data is available as determined by the Department of Education.

36 (d) For purposes of this section:

37 (1) "Acute poverty percentage" shall mean the number of
38 children six (6) to seventeen (17) years of age living in a
39 household where the ratio of income to poverty is less than one
40 hundred percent (100%) of the Federal poverty guidelines divided
41 by the total number of children six (6) to seventeen (17) years
42 of age as determined by the most recent five-year estimate of
43 the United States Census Bureau's American Community Survey.

44 (2) "Households" shall mean the number of households in each
45 school district as determined by the most recent five-year
46 estimate of the United States Census Bureau's American Community
47 Survey.

48 (3) "Local tax-related revenue" shall mean the sum of school
49 district revenues for State property tax reduction allocation,
50 taxes levied and assessed, delinquencies on taxes levied and
51 assessed, revenue from local government units, and other local

1 revenues not specified elsewhere, as designated in the Manual of
2 Accounting and Financial Reporting for Pennsylvania Public
3 Schools.

4 (4) "Median household income" shall mean the median
5 household income for school districts and the State as
6 determined by the most recent five-year estimate of the United
7 States Census Bureau's American Community Survey.

8 (5) "Median household income index" shall mean a number
9 calculated as follows:

10 (i) Divide a school district's median household income by
11 the State median household income.

12 (ii) Divide one (1) by the quotient in subparagraph (i).

13 (6) "Poverty percentage" shall mean the number of children
14 six (6) to seventeen (17) years of age living in a household
15 where the ratio of income to poverty is between one hundred
16 percent (100%) and one hundred eighty-four percent (184%) of the
17 Federal poverty guidelines divided by the total number of
18 children six (6) to seventeen (17) years of age as determined by
19 the most recent five-year estimate of the United States Census
20 Bureau's American Community Survey.

21 (7) "Size ratio" shall mean a number calculated as follows:

22 (i) Divide the average of a school district's three most
23 recent years' average daily membership by the Statewide average
24 of the three most recent years' average daily membership for all
25 school districts.

26 (ii) Multiply the amount in subparagraph (i) by five-tenths
27 (0.5).

28 (iii) Subtract the amount in subparagraph (ii) from one (1).

29 (8) "Sparsity ratio" shall mean a number calculated as
30 follows:

31 (i) Divide the average of a school district's three most
32 recent years' average daily membership by its total square miles
33 as reported in the latest decennial census as reported by the
34 United States Census Bureau.

35 (ii) Divide the State total average daily membership by the
36 State total square miles.

37 (iii) Divide the quotient in subparagraph (i) by the
38 quotient in subparagraph (ii).

39 (iv) Multiply the quotient in subparagraph (iii) by five-
40 tenths (0.5).

41 (v) Subtract the product in subparagraph (iv) from one (1).

42 (9) "Sparsity/size ratio" shall mean a number calculated by
43 adding the following amounts:

44 (i) The sparsity ratio multiplied by four-tenths (0.4).

45 (ii) The size ratio multiplied by six-tenths (0.6).

46 Section 2502.54. Supplemental Payment of Basic Education
47 Funding for the 2014-2015 School Year.--(a) The Commonwealth
48 shall make the following supplemental basic education funding
49 payments for the 2014-2015 school year as follows:

50 (1) For a third class school district identified in
51 financial watch status under section 611-A to curtail its

1 educational program and assign pupils to a neighboring school
2 district through a written agreement, an amount of three million
3 dollars (\$3,000,000).

4 (2) For a second class school district declared to be in
5 financial recovery status under section 621-A(a)(1)(i)(B) to
6 reduce its structural deficit, an amount equal to twelve million
7 dollars (\$12,000,000).

8 (b) Payments made under this section shall be deemed to be
9 part of the school district's allocation amount under section
10 2502.53(b)(1) for the 2015-2016 school year and each year
11 thereafter.

12 Section 2. The sum of \$15,000,000 is hereby appropriated to
13 the Department of Education for the purpose of supplemental
14 payments of basic education funding for the 2014-2015 school
15 year in accordance with section 2502.54 of the act.

16 Section 3. This act shall take effect as follows:

17 (1) The addition of section 2502.53 of the act shall
18 take effect July 1, 2016, or immediately, whichever is later.

19 (2) The remainder of this act shall take effect
20 immediately.