

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL

## No. 2940

Session of  
1994

INTRODUCED BY COWELL AND EVANS, JUNE 16, 1994

AS REPORTED FROM COMMITTEE ON EDUCATION, HOUSE OF  
REPRESENTATIVES, AS AMENDED, SEPTEMBER 26, 1994

## AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An  
2 act relating to the public school system, including certain  
3 provisions applicable as well to private and parochial  
4 schools; amending, revising, consolidating and changing the  
5 laws relating thereto," providing for alternative education  
6 programs for disruptive students, ~~for basic education~~ <—  
7 ~~funding, for other subsidy payments and for special education~~  
8 ~~payments.~~; AND MAKING AN APPROPRIATION. <—

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. The act of March 10, 1949 (P.L.30, No.14), known  
12 as the Public School Code of 1949, is amended by adding an  
13 article to read:

14 ARTICLE XIX-C.

15 ALTERNATIVE EDUCATION PROGRAMS FOR

16 DISRUPTIVE STUDENTS.

17 Section 1901-C. Definitions.--The following words and  
18 phrases, as used in this article, shall, unless a different  
19 meaning is plainly required by the context, have the following  
20 meaning:

1     (1) "Applicant" shall mean a school district or intermediate  
2     unit or a consortium of school districts, area vocational-  
3     technical schools and intermediate units which apply for grants  
4     under this article.

5     (2) "Community resources" shall mean those services for  
6     children and youth provided by the juvenile court, the  
7     Department of Health, the Department of Public Welfare and other  
8     public or private institutions.

9     (3) "Disruptive student" shall mean a student who poses a  
10    clear threat to the safety and welfare of other students or the  
11    school staff, creates an unsafe school environment, or whose  
12    behavior materially interferes with the learning of other  
13    students or disrupts the overall educational process. The  
14    disruptive student exhibits to a marked degree any or all of the  
15    following conditions:

16    (i) ~~Defiant-disregard~~ DISREGARD for school authority,     <—  
17    including persistent violation of school policies and rules.

18    (ii) Display of or use of controlled substances on school  
19    property or during school-affiliated activities.

20    (iii) Violent or threatening behavior.

21    (iv) Possession of a weapon on school property, as defined  
22    under 18 Pa.C.S. § 912 (relating to possession of weapon on  
23    school property).

24    (v) Commission of a criminal act on school property.

25    (vi) Misconduct that would merit SUSPENSION OR expulsion     <—  
26    under school policies.

27    (VII) HABITUAL TRUANCY.     <—

28    No student who is eligible for special education services  
29    pursuant to the Individuals with Disabilities Education Act  
30    (Public Law 91-230, 20 U.S.C. § 1400 et seq.) shall be deemed a

disruptive student for the purposes of this article, except as provided for in 22 Pa. Code § 14.35 (relating to discipline).

(4) "Program" shall mean an alternative education program for disruptive students which is developed by an eligible applicant and which removes disruptive students from their immediate school environment, provides for their education and provides individualized assistance to meet the needs of the student. The program may provide transitional services for students returning from placement in juvenile detention centers. The program may operate on a year-round basis. The objective of the program must be to return the student to the regular school environment equipped with the skills necessary to succeed in that environment. ENVIRONMENT WHEN THE APPLICANT DETERMINES THE STUDENT IS READY FOR THAT ENVIRONMENT.

(5) "Secretary" shall mean the Secretary of Education of the Commonwealth.

Section 1902-C. Grant Application.--The grant application shall require the following information:

(1) A statement of need which illustrates the type and severity of student disruption.

(2) A resource assessment describing community and school resources available to the applicant for the remediation of student disruption.

(3) A description of the academic curriculum to be utilized and a description of the supplementary curriculum to be utilized for the remediation of student needs. The supplementary curriculum shall identify community resources.

(4) A statement verifying that the program has been developed in consultation with faculty and administrative staff of the applicant and, where appropriate, with community resource

1 staff.

2 (5) A statement verifying that school personnel involved in  
3 the program are properly certificated.

4 (6) A statement verifying that the school board or boards of  
5 those applicants forming the consortium have adopted policies  
6 which include a procedure for informing the student and the  
7 parents or guardians of the student of the reasons for the  
8 placement and an opportunity for the student and the parents or  
9 guardians of the student to respond before the placement becomes  
10 effective. However, in the case of an assault by a student, or  
11 other act which threatens the health or safety of others, the  
12 offending student may be transferred immediately into the  
13 disruptive student program under 22 Pa. Code § 12.6 (relating to  
14 exclusion from school). The opportunity to respond to such  
15 placement shall be provided to the student and the parents or  
16 guardians of the student as soon thereafter as is practical.

17 (7) A statement verifying that the program shall be used  
18 only when other established methods of discipline have been  
19 utilized and have failed, except, in the event of an assault by  
20 a student or other act which threatens the health or safety of  
21 others which warrants immediate placement.

22 Section 1903-C. Grant Awards.--(a) The secretary shall  
23 ~~award grants to eligible applicants based upon evaluation of the~~ <—  
24 ~~applications. Priority shall be given to those applications~~  
25 ~~which exemplify collaboration between the applicant and~~  
26 ~~community resources.~~ AWARD GRANTS TO THREE CATEGORIES OF SCHOOL <—  
27 DISTRICTS: URBAN, SUBURBAN AND RURAL, AS DEFINED BY THE  
28 SECRETARY. THE AMOUNT OF THE GRANTS AWARDED TO APPLICANTS WITHIN  
29 EACH CATEGORY SHALL BE PROPORTIONAL TO THE WEIGHTED AVERAGE  
30 DAILY MEMBERSHIP (WADM) OF EACH CATEGORY TO THE STATE-WIDE

1 WEIGHTED AVERAGE DAILY MEMBERSHIP (WADM). IN THE CASE OF  
2 APPLICATIONS MADE ON BEHALF OF A CONSORTIUM OF SCHOOL DISTRICTS,  
3 THE SECRETARY SHALL HAVE THE DISCRETION TO ASSIGN THE  
4 APPLICATION TO ONE OF THE CATEGORIES TO WHICH ONE OF THE  
5 COMPONENT DISTRICTS IS A MEMBER. IF ALL OF THE FUNDS FROM A  
6 CATEGORY ARE NOT ALLOCATED, THE SECRETARY SHALL HAVE THE  
7 AUTHORITY TO SHIFT UNALLOCATED FUNDS TO ANOTHER CATEGORY FOR THE  
8 PURPOSE OF AWARDING GRANTS TO APPLICANTS. THE SECRETARY SHALL  
9 AWARD GRANTS TO ELIGIBLE APPLICANTS WITHIN EACH CATEGORY BASED  
10 UPON EVALUATION OF THE APPLICATIONS. PRIORITY SHALL BE GIVEN IN  
11 ALL CATEGORIES TO THOSE APPLICATIONS WHICH EXEMPLIFY  
12 COLLABORATIVE ARRANGEMENTS BETWEEN A CONSORTIUM OF SCHOOL  
13 ENTITIES AND TO THOSE APPLICANTS WHICH EXEMPLIFY COLLABORATION  
14 BETWEEN THE APPLICANT AND COMMUNITY RESOURCES.

15 (b) For fiscal year 1994-1995 only, priority shall be given  
16 to applicants which have an established alternative education  
17 program for disruptive students that meets the requirements of  
18 this article. In determining the amount of the grants, the  
19 secretary shall consider the number of students involved in the  
20 program during the 1993-1994 school year.

21 (c) For fiscal year 1994-1995 and each school year  
22 thereafter, grants may be awarded to applicants with established  
23 programs and to applicants seeking to establish a program.

24 (d) Grants shall be awarded to selected applicants no later  
25 than September 30 of the year for which the grant has been  
26 awarded.

27 (e) The secretary shall augment the State appropriation with  
28 appropriate Federal funds.

29 ~~Section 2. Section 2502.5 of the act is amended by adding a~~ <—  
30 ~~subsection to read:~~

1       ~~Section 2502.5. Limitation of Certain Payments. \* \* \*~~

2       ~~(f) For the 1993 1994 school year no school district~~  
3 ~~qualifying for payments under section 2502.30 shall receive an~~  
4 ~~increase which is less than one percent (1%) of payments~~  
5 ~~received under section 2502.20 for the 1992 1993 school year.~~

6       ~~Section 3. Section 2502.25 of the act, added June 7, 1993~~  
7 ~~(P.L.49, No.16), is amended to read:~~

8       ~~Section 2502.25. Growth Supplement. (a) For the school~~  
9 ~~{year} years 1992 1993 and 1993 1994, each school district may~~  
10 ~~qualify for payment of a supplement based upon growth in the~~  
11 ~~school district's average daily membership, in addition to any~~  
12 ~~other subsidy to which the district may be entitled.~~

13       ~~(b) To qualify for the growth supplement pursuant to this~~  
14 ~~section for the school year 1992 1993, the district's average~~  
15 ~~daily membership for the school year immediately preceding the~~  
16 ~~school year for which reimbursement is being paid must have~~  
17 ~~increased by at least four and five tenths percent (4.5%) or by~~  
18 ~~at least two hundred fifty (250) pupils in average daily~~  
19 ~~membership compared to the school year two (2) years prior to~~  
20 ~~the school year for which reimbursement is being paid.~~

21       ~~(c) The Commonwealth shall pay to each qualifying school~~  
22 ~~district pursuant to subsections (a) and (b) a supplement in an~~  
23 ~~amount calculated as follows:~~

24       ~~(1) Subtract the district's average daily membership for the~~  
25 ~~school year two (2) years prior to the school year for which~~  
26 ~~reimbursement is being paid from the district's average daily~~  
27 ~~membership for the school year for which reimbursement is being~~  
28 ~~paid.~~

29       ~~(2) Multiply the result of the calculation pursuant to~~  
30 ~~clause (1) by the district's market value/income aid ratio for~~

~~the school year for which reimbursement is being paid.~~

~~(3) Multiply the result of the calculation pursuant to clause (2) by four hundred dollars (\$400).~~

~~(d) To qualify for the growth supplement pursuant to this section for the school year 1993-1994, the district's average daily membership must have increased by at least four and five tenths percent (4.5%) or by at least two hundred fifty (250) pupils in average daily membership compared to the school year prior to the school year for which reimbursement is being paid.~~

~~(e) The Commonwealth shall pay to each qualifying school district pursuant to subsection (a) a supplement in an amount calculated as follows:~~

~~(1) Subtract the district's average daily membership for the school year prior to the school year for which reimbursement is being paid from the district's average daily membership for the school year for which reimbursement is being paid.~~

~~(2) Multiply the result of the calculation pursuant to clause (1) by the district's market value/income aid ratio for the school year for which reimbursement is being paid.~~

~~(3) Multiply the result of the calculation pursuant to clause (2) by five hundred dollars (\$500).~~

~~Section 4. The act is amended by adding sections to read:~~

~~Section 2502.29. Local Effort Base. For the purposes of this article, the local effort base for each district means the sum of:~~

~~(1) The 1992 real property valuation of the district multiplied by eighteen thousandths (0.018).~~

~~(2) The 1992 personal income valuation of the district multiplied by five thousandths (0.005).~~

~~Section 2502.30. Foundation Funding for Equity. Foundation~~

~~funding for equity is the minimum level of revenue resources that shall be available to support the education of pupils in the school districts of this Commonwealth. For the 1993 1994 school year, the Commonwealth shall pay to qualifying school districts a foundation funding for equity that shall consist of a foundation component pursuant to section 2502.31, a poverty component pursuant to section 2502.32, a growth component pursuant to section 2502.25(d), a population component pursuant to section 2502.33 and a minimum increase guarantee pursuant to section 2502.5(f).~~

~~Section 2502.31. Foundation Component. For the 1993 1994 school year, the Commonwealth shall pay to each school district an amount calculated by subtracting, from the product of four thousand seven hundred fifty one dollars (\$4,751) times the average daily membership of the district, the sum of the following:~~

~~(1) The amount payable to the district pursuant to section 2502.20 for the 1993 1994 school year.~~

~~(2) The contributions by the Commonwealth relating to the district employees' retirement funds pursuant to 24 Pa.C.S. § 8326(a) (relating to contributions by the Commonwealth) for the 1993 1994 school year.~~

~~(3) The Commonwealth share of payments on account of social security of district personnel pursuant to 24 Pa.C.S. § 8329 (relating to payments on account of social security deductions from appropriations) for the 1993 1994 school year.~~

~~(4) The local effort base for the 1993 1994 school year. If the result is a negative number, no amount shall be paid.~~

~~Section 2502.32 Poverty Component. (a) For the purposes of this section, a district's rate of children in low income~~



~~families means the number of children in low income families in the district divided by the average daily membership of the district in the prior school year, expressed as a percentage.~~

~~(b) For the 1993-1994 school year, the Commonwealth shall pay to each school district an amount calculated by multiplying one hundred forty dollars (\$140) times the number of children in low income families in the district, if the rate of children in low income families is less than thirty five percent (35%).~~

~~(c) For the 1993-1994 school year, the Commonwealth shall pay to each school district an amount calculated by multiplying one hundred fifty dollars (\$150) times the number of children in low income families in the district, if the rate of children in low income families is equal to or more than thirty five percent (35%).~~

~~Section 2502.33 Population. For the 1993-1994 school year, the Commonwealth shall pay to each school district with a population density of one hundred or less according to the 1980 census data an amount equal to two hundred thirty seven dollars and fifty five cents (\$237.55) per student in average daily membership multiplied by the district's aid ratio.~~

~~Section 2502.34 Temporary Special Aid to School Districts Suffering Severe Reductions in Assessed Valuation of Taxable Property. (a) For the school year 1992-1993 and each school year thereafter, a school district experiencing a total of ten percent (10%) or greater reduction in the assessed valuation of taxable property during the preceding seven (7) school years or which has been declared a distressed school district pursuant to section 691, shall qualify for temporary special aid under the provisions of this section for a period of four (4) years as provided for in this subsection. Payments made pursuant to this~~

~~1 section shall be made from funds appropriated for distressed  
2 school districts and from other funds appropriated to the  
3 Department of Education which would otherwise lapse. The first  
4 payment of such temporary special aid shall be made in the  
5 second year following qualification based upon the total  
6 reduction in assessed valuation and shall be equal to the amount  
7 of lost real estate tax revenues determined by multiplying the  
8 total reduction in assessed valuation, but not less than ten  
9 percent (10%), by the real estate tax millage rate for the year  
10 in which the district qualifies. The second payment shall be  
11 made in the third year following qualification and shall be  
12 equal to seventy five percent (75%) of the amount payable to the  
13 school district during the first school year of such payments.  
14 The third payment shall be made in the fourth year following  
15 qualification and shall be equal to fifty percent (50%) of the  
16 amount payable to the school district during the first school  
17 year of such payments. The fourth payment shall be made in the  
18 fifth year following qualification and shall be equal to twenty  
19 five percent (25%) of the amount payable to the school district  
20 during the first school year of such payments. Such temporary  
21 special aid shall be paid only upon the condition that the  
22 school district tax rates which were in effect at the beginning  
23 of the seven (7) year decline in assessed valuation are not  
24 reduced prior to the time the district qualifies or during the  
25 four (4) years in which payments are made pursuant to this  
26 section.~~

~~27 (b) Nothing contained in this section shall disqualify a  
28 school district from receiving temporary special aid due to real  
29 property reassessments pursuant to the provisions of section  
30 2502.10 or temporary special aid due to bankruptcy of businesses~~

~~in the school district pursuant to the provisions of section 2502.16: Provided, however, That no school district shall qualify simultaneously for payments pursuant to sections 2502.10, 2502.16 and this section.~~

~~(c) A school district may qualify for temporary special aid pursuant to this section more than once. No school district may however, receive payments again until the conclusion of the four (4) years during which payments are made pursuant to a previous qualification. A school district may again requalify for temporary special aid during the third year during which a district receives payment pursuant to this act and if qualified, shall receive payments in the second year after requalification.~~

~~(d) Payments made pursuant to this section shall be in accordance with the provisions of section 2517(c).~~

~~Section 5. Section 2509.1(b.1) and (d) of the act, amended June 7, 1993 (P.L.49, No.16), are amended to read:~~

~~Section 2509.1. Payments to Intermediate Units. \* \* \*~~

~~(b.1) For programs operated during the 1992-1993 school year and each school year thereafter, the Commonwealth shall pay intermediate units, based on their costs of operating and administering classes or schools for institutionalized children, an amount to be determined by the Department of Education following review of annual reports of the costs of such classes or schools for the immediately preceding year. To qualify for such payments, each intermediate unit that operates and administers classes or schools for institutionalized children annually shall submit to the Department of Education on or before the first day of July a report of the cost of operating and administering such classes or schools. Notwithstanding the foregoing, intermediate units may submit their annual reports~~

~~for the 1991 1992 school year until June 30, 1993, although this date may be extended as deemed necessary by the Secretary of Education provided that for programs operated during the 1992-1993 school year and the 1993 1994 school year the aggregate amounts paid on this account shall not exceed twenty million six hundred thousand dollars (\$20,600,000) per year. For programs operated during the 1994 1995 school year, the aggregate amounts paid on this account shall not exceed twenty one million two hundred eighteen thousand dollars (\$21,218,000).~~

~~\* \* \*~~

~~(d) For the 1991 1992 school year, each intermediate unit which is coterminous to a school district of the first class or first class A shall be paid fifty percent (50%) of the amount received by the intermediate unit for the cost of operating and administering classes or schools for exceptional children, as approved by the Department of Education for the 1990 1991 school year. For the 1991 1992 school year, each intermediate unit not coterminous with a school district which operates all the special education programs for handicapped children for its constituent school districts shall be paid ten percent (10%) of the amount received by the intermediate unit for the cost of operating and administering classes or schools for handicapped children, as approved by the Department of Education for the 1990 1991 school year. For the 1992 1993 [and the], 1993 1994 and 1994 1995 school years, each intermediate unit which is coterminous to a school district of the first class or first class A shall be paid twenty five percent (25%) of the amount received by the intermediate unit for the cost of operating and administering classes or schools for exceptional children, as approved by the Department of Education for the 1990 1991 school~~

1 year.

2 \* \* \*

3 Section 6. ~~Sections 2509.5 and 2509.8 of the act are amended~~  
4 ~~by adding subsections to read:~~

5 Section 2509.5. ~~Special Education Payments to School~~  
6 ~~Districts. \* \* \*~~

7 ~~(h) During the 1994 1995 school year, each school district~~  
8 ~~shall be paid:~~

9 ~~(1) an amount to be determined by multiplying one thousand~~  
10 ~~thirty five dollars (\$1,035) by fifteen percent (15%) of its~~  
11 ~~average daily membership; and~~

12 ~~(2) an amount to be determined by multiplying twelve~~  
13 ~~thousand five hundred dollars (\$12,500) by one percent (1%) of~~  
14 ~~its average daily membership.~~

15 ~~(i) Amounts paid under this section may be used by school~~  
16 ~~districts only to pay for the costs of special education~~  
17 ~~programs or services without regard to the particular~~  
18 ~~exceptionality or degree of intervention required for an~~  
19 ~~individual exceptional student.~~

20 Section 2509.8. ~~Extraordinary Special Education Program~~  
21 ~~Expenses. \* \* \*~~

22 ~~(d) The Department of Education shall, for the 1994 1995~~  
23 ~~school year, set aside one percent (1%) of the State special~~  
24 ~~education appropriation for extraordinary expenses incurred in~~  
25 ~~providing special education programs or services to one or more~~  
26 ~~exceptional students as approved by the Secretary of Education.~~  
27 ~~The Secretary of Education shall provide reports to the chairman~~  
28 ~~and minority chairman of the Education Committee of the Senate~~  
29 ~~and the chairman and minority chairman of the Education~~  
30 ~~Committee of the House of Representatives on January 1, 1995,~~

~~and June 30, 1995, listing the school districts which have applied for assistance under this section, school districts approved for funds and the dollar amount of each request.~~

~~Section 7. The act is amended by adding a section to read:~~

~~Section 2509.11 Supplemental Funding for Special Education. (a) For the purposes of this section, the following terms shall have the following meanings:~~

~~(1) "Net Special Education Expenditures" special education expenditures as reported on the school district's 1992-1993 school year annual financial report under function 1200 Special Programs for Elementary/Secondary, as designated in the Manual of Accounting and Related Financial Procedures for Pennsylvania school systems, minus the sum of the amount received pursuant to section 2509.5 during the 1992-1993 school year and the amount received pursuant to section 2509.8 during the 1992-1993 school year.~~

~~(2) "Total education expenditures" all General Fund expenditures and other financing uses as reported in the school district's 1992-1993 school year annual financial report, as designated in the Manual of Accounting and Related Financial Procedures for Pennsylvania school systems.~~

~~(3) "Special education expenditure rate" net special education expenditures divided by total education expenditures.~~

~~(4) "Statewide special education expenditure rate" the sum of the net special education expenditures for all districts divided by the sum of all total education expenditures for all districts.~~

~~(5) "Eligible school district" any school district having a special education expenditure rate that exceeds one hundred fifty percent (150%) of the Statewide special education~~

1 ~~expenditure rate.~~

2 ~~(b) (1) During the 1994 1995 school year, the Commonwealth~~  
3 ~~shall pay to each eligible school district an amount calculated~~  
4 ~~by multiplying the following three factors:~~

5 ~~(i) the difference between one hundred fifty percent (150%)~~  
6 ~~of the Statewide special education expenditure rate and the~~  
7 ~~special education expenditure rate of the eligible school~~  
8 ~~district;~~

9 ~~(ii) the total education expenditures of the eligible school~~  
10 ~~district; and~~

11 ~~(iii) the market value/income aid ratio of the eligible~~  
12 ~~school district.~~

13 ~~(2) During the 1995 1996 school year, the Commonwealth shall~~  
14 ~~pay to each eligible school district an amount calculated by~~  
15 ~~multiplying the amount derived from subsection (b)(1) times one~~  
16 ~~half (1/2).~~

17 ~~(3) During the 1996 1997 school year, the Commonwealth shall~~  
18 ~~pay to each eligible school district an amount calculated by~~  
19 ~~multiplying the amount derived from subsection (b)(1) times one~~  
20 ~~quarter (1/4).~~

21 ~~Section 8. Section 2517(d) of the act, amended June 7, 1993~~  
22 ~~(P.L.49, No.16), is amended to read:~~

23 ~~Section 2517. Payments. \* \* \*~~

24 ~~(d) Subsection (c) of this section shall apply to:~~

25 ~~(1) All payments to which a school district is entitled~~  
26 ~~under any provision of sections 2502, 2502.3, 2502.4, 2502.8,~~  
27 ~~2502.9 and 2592 for the school year 1981 1982.~~

28 ~~(2) Payments to which a school district is entitled under~~  
29 ~~any provision of sections 2502, 2502.8 and 2502.11 for the~~  
30 ~~school year 1982 1983 and the school year 1983 1984.~~

1     ~~(3) Payments to which a school district is entitled under~~  
2     ~~any provision of sections 2502, 2502.8, 2502.11, 2502.13 and~~  
3     ~~2502.20 for the school year 1984 1985 and each school year~~  
4     ~~thereafter.~~

5     ~~(4) Payments to which a school district is entitled under~~  
6     ~~the provisions of sections 2502.20, 2502.30 and 2502.34 for the~~  
7     ~~school year 1993 1994.~~

8     ~~Section 9. This act shall take effect July 1, 1994, or~~  
9     ~~immediately, whichever is later.~~

10     SECTION 2. THE SUM OF \$5,000,000 IS HEREBY APPROPRIATED TO     <—  
11     THE DEPARTMENT OF EDUCATION FOR GRANTS FOR PROGRAMS UNDER  
12     ARTICLE XIX-C OF THE ACT.

13     SECTION 3. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.