

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2940 Session of
1994

INTRODUCED BY COWELL AND EVANS, JUNE 16, 1994

REFERRED TO COMMITTEE ON EDUCATION, JUNE 16, 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.

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 for school authority including
17 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 expulsion under school
26 policies.

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

1 provided for in 22 Pa. Code § 14.35 (relating to discipline).

2 (4) "Program" shall mean an alternative education program
3 for disruptive students which is developed by an eligible
4 applicant and which removes disruptive students from their
5 immediate school environment, provides for their education and
6 provides individualized assistance to meet the needs of the
7 student. The program may provide transitional services for
8 students returning from placement in juvenile detention centers.
9 The program may operate on a year-round basis. The objective of
10 the program must be to return the student to the regular school
11 environment equipped with the skills necessary to succeed in
12 that environment.

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

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

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

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

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

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

30 (5) A statement verifying that school personnel involved in

1 the program are properly certificated.

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

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

20 Section 1903-C. Grant Awards.--(a) The secretary shall
21 award grants to eligible applicants based upon evaluation of the
22 applications. Priority shall be given to those applications
23 which exemplify collaboration between the applicant and
24 community resources.

25 (b) For fiscal year 1994-1995 only, priority shall be given
26 to applicants which have an established alternative education
27 program for disruptive students that meets the requirements of
28 this article. In determining the amount of the grants, the
29 secretary shall consider the number of students involved in the
30 program during the 1993-1994 school year.

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

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

7 (e) The secretary shall augment the State appropriation with
8 appropriate Federal funds.

9 Section 2. Section 2502.5 of the act is amended by adding a
10 subsection to read:

11 Section 2502.5. Limitation of Certain Payments.--* * *

12 (f) For the 1993-1994 school year no school district
13 qualifying for payments under section 2502.30 shall receive an
14 increase which is less than one percent (1%) of payments
15 received under section 2502.20 for the 1992-1993 school year.

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

18 Section 2502.25. Growth Supplement.--(a) For the school
19 [year] years 1992-1993 and 1993-1994, each school district may
20 qualify for payment of a supplement based upon growth in the
21 school district's average daily membership, in addition to any
22 other subsidy to which the district may be entitled.

23 (b) To qualify for the growth supplement pursuant to this
24 section for the school year 1992-1993, the district's average
25 daily membership for the school year immediately preceding the
26 school year for which reimbursement is being paid must have
27 increased by at least four and five-tenths percent (4.5%) or by
28 at least two hundred fifty (250) pupils in average daily
29 membership compared to the school year two (2) years prior to
30 the school year for which reimbursement is being paid.

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

(1) Subtract the district's average daily membership for the school year two (2) years 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 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

1 clause (2) by five hundred dollars (\$500).

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

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

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

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

10 Section 2502.30. Foundation Funding for Equity.--Foundation
11 funding for equity is the minimum level of revenue resources
12 that shall be available to support the education of pupils in
13 the school districts of this Commonwealth. For the 1993-1994
14 school year, the Commonwealth shall pay to qualifying school
15 districts a foundation funding for equity that shall consist of
16 a foundation component pursuant to section 2502.31, a poverty
17 component pursuant to section 2502.32, a growth component
18 pursuant to section 2502.25(d), a population component pursuant
19 to section 2502.33 and a minimum increase guarantee pursuant to
20 section 2502.5(f).

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

27 (1) The amount payable to the district pursuant to section
28 2502.20 for the 1993-1994 school year.

29 (2) The contributions by the Commonwealth relating to the
30 district employees' retirement funds pursuant to 24 Pa.C.S. §

1 8326(a) (relating to contributions by the Commonwealth) for the
2 1993-1994 school year.

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

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

9 Section 2502.32 Poverty Component.--(a) For the purposes of
10 this section, a district's rate of children in low-income
11 families means the number of children in low-income families in
12 the district divided by the average daily membership of the
13 district in the prior school year, expressed as a percentage.

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

19 (c) For the 1993-1994 school year, the Commonwealth shall
20 pay to each school district an amount calculated by multiplying
21 one hundred fifty dollars (\$150) times the number of children in
22 low-income families in the district, if the rate of children in
23 low-income families is equal to or more than thirty-five percent
24 (35%).

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

1 Section 2502.34 Temporary Special Aid to School Districts
2 Suffering Severe Reductions in Assessed Valuation of Taxable
3 Property.--(a) For the school year 1992-1993 and each school
4 year thereafter, a school district experiencing a total of ten
5 percent (10%) or greater reduction in the assessed valuation of
6 taxable property during the preceding seven (7) school years or
7 which has been declared a distressed school district pursuant to
8 section 691, shall qualify for temporary special aid under the
9 provisions of this section for a period of four (4) years as
10 provided for in this subsection. Payments made pursuant to this
11 section shall be made from funds appropriated for distressed
12 school districts and from other funds appropriated to the
13 Department of Education which would otherwise lapse. The first
14 payment of such temporary special aid shall be made in the
15 second year following qualification based upon the total
16 reduction in assessed valuation and shall be equal to the amount
17 of lost real estate tax revenues determined by multiplying the
18 total reduction in assessed valuation, but not less than ten
19 percent (10%), by the real estate tax millage rate for the year
20 in which the district qualifies. The second payment shall be
21 made in the third year following qualification and shall be
22 equal to seventy-five percent (75%) of the amount payable to the
23 school district during the first school year of such payments.
24 The third payment shall be made in the fourth year following
25 qualification and shall be equal to fifty percent (50%) of the
26 amount payable to the school district during the first school
27 year of such payments. The fourth payment shall be made in the
28 fifth year following qualification and shall be equal to twenty-
29 five percent (25%) of the amount payable to the school district
30 during the first school year of such payments. Such temporary

1 special aid shall be paid only upon the condition that the
2 school district tax rates which were in effect at the beginning
3 of the seven (7) year decline in assessed valuation are not
4 reduced prior to the time the district qualifies or during the
5 four (4) years in which payments are made pursuant to this
6 section.

7 (b) Nothing contained in this section shall disqualify a
8 school district from receiving temporary special aid due to real
9 property reassessments pursuant to the provisions of section
10 2502.10 or temporary special aid due to bankruptcy of businesses
11 in the school district pursuant to the provisions of section
12 2502.16: Provided, however, That no school district shall
13 qualify simultaneously for payments pursuant to sections
14 2502.10, 2502.16 and this section.

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

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

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

27 Section 2509.1. Payments to Intermediate Units.--* * *

28 (b.1) For programs operated during the 1992-1993 school year
29 and each school year thereafter, the Commonwealth shall pay
30 intermediate units, based on their costs of operating and

1 administering classes or schools for institutionalized children,
2 an amount to be determined by the Department of Education
3 following review of annual reports of the costs of such classes
4 or schools for the immediately preceding year. To qualify for
5 such payments, each intermediate unit that operates and
6 administers classes or schools for institutionalized children
7 annually shall submit to the Department of Education on or
8 before the first day of July a report of the cost of operating
9 and administering such classes or schools. Notwithstanding the
10 foregoing, intermediate units may submit their annual reports
11 for the 1991-1992 school year until June 30, 1993, although this
12 date may be extended as deemed necessary by the Secretary of
13 Education provided that for programs operated during the 1992-
14 1993 school year and the 1993-1994 school year the aggregate
15 amounts paid on this account shall not exceed twenty million six
16 hundred thousand dollars (\$20,600,000) per year. For programs
17 operated during the 1994-1995 school year, the aggregate amounts
18 paid on this account shall not exceed twenty-one million two
19 hundred eighteen thousand dollars (\$21,218,000).

20 * * *

21 (d) For the 1991-1992 school year, each intermediate unit
22 which is coterminous to a school district of the first class or
23 first class A shall be paid fifty percent (50%) of the amount
24 received by the intermediate unit for the cost of operating and
25 administering classes or schools for exceptional children, as
26 approved by the Department of Education for the 1990-1991 school
27 year. For the 1991-1992 school year, each intermediate unit not
28 coterminous with a school district which operates all the
29 special education programs for handicapped children for its
30 constituent school districts shall be paid ten percent (10%) of

1 the amount received by the intermediate unit for the cost of
2 operating and administering classes or schools for handicapped
3 children, as approved by the Department of Education for the
4 1990-1991 school year. For the 1992-1993 [and the], 1993-1994
5 and 1994-1995 school years, each intermediate unit which is
6 coterminous to a school district of the first class or first
7 class A shall be paid twenty-five percent (25%) of the amount
8 received by the intermediate unit for the cost of operating and
9 administering classes or schools for exceptional children, as
10 approved by the Department of Education for the 1990-1991 school
11 year.

12 * * *

13 Section 6. Sections 2509.5 and 2509.8 of the act are amended
14 by adding subsections to read:

15 Section 2509.5. Special Education Payments to School
16 Districts.--* * *

17 (h) During the 1994-1995 school year, each school district
18 shall be paid:

19 (1) an amount to be determined by multiplying one thousand
20 thirty-five dollars (\$1,035) by fifteen percent (15%) of its
21 average daily membership; and

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

25 (i) Amounts paid under this section may be used by school
26 districts only to pay for the costs of special education
27 programs or services without regard to the particular
28 exceptionality or degree of intervention required for an
29 individual exceptional student.

30 Section 2509.8. Extraordinary Special Education Program

1 Expenses.--* * *

2 (d) The Department of Education shall, for the 1994-1995
3 school year, set aside one percent (1%) of the State special
4 education appropriation for extraordinary expenses incurred in
5 providing special education programs or services to one or more
6 exceptional students as approved by the Secretary of Education.
7 The Secretary of Education shall provide reports to the chairman
8 and minority chairman of the Education Committee of the Senate
9 and the chairman and minority chairman of the Education
10 Committee of the House of Representatives on January 1, 1995,
11 and June 30, 1995, listing the school districts which have
12 applied for assistance under this section, school districts
13 approved for funds and the dollar amount of each request.

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

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

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

27 (2) "Total education expenditures" all General Fund
28 expenditures and other financing uses as reported in the school
29 district's 1992-1993 school year annual financial report, as
30 designated in the Manual of Accounting and Related Financial

1 Procedures for Pennsylvania school systems.

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

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

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

12 (b) (1) During the 1994-1995 school year, the Commonwealth
13 shall pay to each eligible school district an amount calculated
14 by multiplying the following three factors:

15 (i) the difference between one hundred fifty percent (150%)
16 of the Statewide special education expenditure rate and the
17 special education expenditure rate of the eligible school
18 district;

19 (ii) the total education expenditures of the eligible school
20 district; and

21 (iii) the market value/income aid ratio of the eligible
22 school district.

23 (2) During the 1995-1996 school year, the Commonwealth shall
24 pay to each eligible school district an amount calculated by
25 multiplying the amount derived from subsection (b)(1) times one-
26 half (1/2).

27 (3) During the 1996-1997 school year, the Commonwealth shall
28 pay to each eligible school district an amount calculated by
29 multiplying the amount derived from subsection (b)(1) times one-
30 quarter (1/4).

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

3 Section 2517. Payments.--* * *

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

5 (1) All payments to which a school district is entitled
6 under any provision of sections 2502, 2502.3, 2502.4, 2502.8,
7 2502.9 and 2592 for the school year 1981-1982.

8 (2) Payments to which a school district is entitled under
9 any provision of sections 2502, 2502.8 and 2502.11 for the
10 school year 1982-1983 and the school year 1983-1984.

11 (3) Payments to which a school district is entitled under
12 any provision of sections 2502, 2502.8, 2502.11, 2502.13 and
13 2502.20 for the school year 1984-1985 and each school year
14 thereafter.

15 (4) Payments to which a school district is entitled under
16 the provisions of sections 2502.20, 2502.30 and 2502.34 for the
17 school year 1993-1994.

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