

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2593 Session of
2006

INTRODUCED BY ROEBUCK, BELARDI, BELFANTI, BLACKWELL,
CALTAGIRONE, DALEY, DeWEESE, FREEMAN, GEORGE, GRUCELA, JAMES,
JOSEPHS, KOTIK, LEACH, LEVDANSKY, MANDERINO, MARKOSEK,
MICOZZIE, PARKER, PISTELLA, READSHAW, SIPTROTH, SOLOBAY,
STURLA, SURRA, TANGRETTI, THOMAS, WALKO, YOUNGBLOOD AND
YUDICHAK, APRIL 24, 2006

REFERRED TO COMMITTEE ON EDUCATION, APRIL 24, 2006

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 the definition of
6 "adjusted current expenditure per average daily membership";
7 further providing for small district assistance; providing
8 for basic education funding for 2005-2006 school year; and
9 further providing for payments on account of limited English
10 proficiency programs.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. Section 2501 of the act of March 10, 1949
14 (P.L.30, No.14), known as the Public School Code of 1949, is
15 amended by adding a clause to read:

16 Section 2501. Definitions.--For the purposes of this article
17 the following terms shall have the following meanings:

18 * * *

19 (25) "Adjusted Current Expenditure per Average Daily
20 Membership." An amount equal to a school district's current

1 expenditures for a school year, as defined in clause (24), minus
2 the revenue account tuition for patrons, as designated in the
3 Manual of Accounting and Related Financial Procedures for
4 Pennsylvania School Systems, divided by the average daily
5 membership of the school district for the same school year.

6 Section 2. Section 2502.13 of the act is amended by adding a
7 subsection to read:

8 Section 2502.13. Small District Assistance.--* * *

9 (1) For the school year 2005-2006, the Commonwealth shall
10 pay small district assistance to each qualifying school district
11 calculated as follows:

12 (1) To qualify for small district assistance, a school
13 district's 2005-2006 average daily membership must be equal to
14 or less than one thousand five hundred (1,500) and its market
15 value/income aid ratio must be equal to or greater than five
16 thousand three hundred ten-thousandths (.5300).

17 (2) Small district assistance shall be calculated for
18 qualifying school districts as follows:

19 (i) Multiply the school district's 2006-2007 market value/
20 income aid ratio by its 2005-2006 average daily membership.

21 (ii) Multiply the product from subclause (i) by fifty
22 dollars (\$50).

23 Section 3. The act is amended by adding a section to read:

24 Section 2502.45. Basic Education Funding for 2005-2006
25 School Year.--For the 2005-2006 school year, the Commonwealth
26 shall pay to each school district a basic education funding
27 allocation which shall consist of the following:

28 (1) An amount equal to the basic education funding
29 allocation for the 2004-2005 school year pursuant to sections
30 2502.13, 2502.44 and 2504.4.

(2) A base supplement calculated as follows:

(i) If the school district's market value/income aid ratio is equal to or greater than seven thousand three hundred seventy-one ten-thousandths (.7371):

(A) Multiply the school district's 2006-2007 market value/income aid ratio by its 2005-2006 average daily membership.

(B) Multiply the product from clause (A) by ten million seven hundred thousand dollars (\$10,700,000).

(C) Divide the product from clause (B) by the sum of the products of the 2006-2007 market value/income aid ratio multiplied by the 2005-2006 average daily membership for all qualifying school districts.

(ii) If the school district's market value/income aid ratio is equal to or greater than six thousand five hundred ninety-five ten-thousandths (.6595) and less than seven thousand three hundred seventy-one ten-thousandths (.7371):

(A) Multiply the school district's 2006-2007 market value/income aid ratio by its 2005-2006 average daily membership.

(B) Multiply the product from clause (A) by thirty-five million nine hundred fifty thousand dollars (\$35,950,000).

(C) Divide the product from clause (B) by the sum of the products of the 2006-2007 market value/income aid ratio multiplied by the 2005-2006 average daily membership for all qualifying school districts.

(iii) If the school district's market value/income aid ratio is equal to or greater than five thousand eight hundred sixty-three ten-thousandths (.5863) and less than six thousand five hundred ninety-five ten-thousandths (.6595):

1 (A) Multiply the school district's 2006-2007 market
2 value/income aid ratio by its 2005-2006 average daily
3 membership.

4 (B) Multiply the product from clause (A) by thirteen million
5 three hundred thousand dollars (\$13,300,000).

6 (C) Divide the product from clause (B) by the sum of the
7 products of the 2006-2007 market value/income aid ratio
8 multiplied by the 2005-2006 average daily membership for all
9 qualifying school districts.

10 (iv) If the school district's market value/income aid ratio
11 is equal to or greater than four thousand forty-four ten-
12 thousandths (.4044) and less than five thousand eight hundred
13 sixty-three ten-thousandths (.5863):

14 (A) Multiply the school district's 2006-2007 market
15 value/income aid ratio by its 2005-2006 average daily
16 membership.

17 (B) Multiply the product from clause (A) by fifteen million
18 six hundred thousand dollars (\$15,600,000).

19 (C) Divide the product from clause (B) by the sum of the
20 products of the 2006-2007 market value/income aid ratio
21 multiplied by the 2005-2006 average daily membership for all
22 qualifying school districts.

23 (v) If the school district's market value/income aid ratio
24 is less than four thousand forty-four ten-thousandths (.4044):

25 (A) Multiply the school district's 2006-2007 market
26 value/income aid ratio by its 2005-2006 average daily
27 membership.

28 (B) Multiply the product from clause (A) by four million
29 five hundred thousand dollars (\$4,500,000).

30 (C) Divide the product from clause (B) by the sum of the

1 products of the 2006-2007 market value/income aid ratio
2 multiplied by the 2005-2006 average daily membership for all
3 qualifying school districts.

4 (3) A poverty supplement calculated for qualifying school
5 districts as follows:

6 (i) To qualify for the poverty supplement, a school
7 district's 2004 personal income valuation when divided by its
8 2005-2006 average daily membership must be equal to or less than
9 ninety-one thousand dollars (\$91,000).

10 (ii) The poverty supplement shall be calculated for
11 qualifying school districts as follows:

12 (A) Multiply the school district's 2005-2006 average daily
13 membership by fifty-five million dollars (\$55,000,000).

14 (B) Divide the product from clause (A) by the sum of the
15 2005-2006 average daily membership for all qualifying school
16 districts.

17 (4) A foundation supplement calculated for qualifying school
18 districts as follows:

19 (i) To qualify for the foundation supplement, a school
20 district's 2004-2005 adjusted current expenditures per average
21 daily membership must be less than the 2003-2004 median current
22 expenditures per average daily membership increased by three and
23 nine-tenths percent (3.9%) and its 2004-2005 equalized millage
24 must be greater than or equal to 17.2.

25 (ii) The foundation supplement shall be calculated for
26 qualifying school districts as follows:

27 (A) Multiply the school district's 2006-2007 market
28 value/income aid ratio by its 2005-2006 average daily
29 membership.

30 (B) Multiply the product in clause (A) by the lesser of:

1 (I) five hundred dollars (\$500), or if its 2004-2005
2 equalized millage is equal to or greater than 28.3 and its 2006-
3 2007 market value/income aid ratio is equal to or greater than
4 seven thousand five hundred sixty three ten-thousandths (.7563),
5 eight hundred fifty dollars (\$850); or

6 (II) the difference between the value of the 2003-2004
7 median current expenditures per average daily membership
8 increased by three and nine-tenths percent (3.9%) and the school
9 district's 2004-2005 adjusted current expenditures per average
10 daily membership; or

11 (III) if the school district's 2004-2005 equalized mills is
12 less than twenty (20.0), the product of the lesser of the amount
13 in clause (B)(I) or (II) and the quotient of its 2004-2005
14 equalized mills divided by twenty (20.0).

15 (C) Multiply the product from clause (B) by forty-four
16 million dollars (\$44,000,000).

17 (D) Divide the product from clause (C) by the sum of the
18 products from clause (B).

19 (iii) If a qualifying school district's equalized millage is
20 equal to or greater than twenty-three and eight-tenths (23.8),
21 it shall receive an additional payment calculated as follows:

22 (A) Multiply the product from subparagraph (ii)(B) by twenty
23 million dollars (\$20,000,000).

24 (B) Divide the product from clause (A) by the sum of the
25 products from subparagraph (ii)(B) for qualifying school
26 districts.

27 (5) A growth supplement shall be calculated for qualifying
28 school districts as follows:

29 (i) To qualify for the growth supplement, a school
30 district's average daily membership must have increased by at

least two percent (2.0%) between the 2002-2003 and 2004-2005 school years, its 2004-2005 local school tax revenue divided by its 2004-2005 average daily membership must be less than its 2002-2003 local school tax revenue divided by its 2002-2003 average daily membership, and its 2006-2007 market value/income aid ratio must be equal to or greater than five thousand eight hundred sixty-three ten-thousandths (.5863).

(ii) The growth supplement shall be calculated for qualifying school districts as follows:

(A) Multiply the school district's 2006-2007 market value/income aid ratio by its 2005-2006 average daily membership.

(B) Multiply the product from clause (A) by five hundred thousand dollars (\$500,000).

(C) Divide the product from clause (B) by the sum of the products from clause (A).

(6) Each school district shall receive an inflation index supplement as necessary so that the sum of the amounts under section 2502.13, paragraphs (2), (3), (4) and (5) and this paragraph equal three and nine-tenths percent (3.9%) multiplied by its 2006-2007 market value/income aid ratio of the amount in paragraph (1).

(7) Each school district shall receive additional funding as necessary so that the sum of the amounts under section 2502.13, paragraphs (2), (3), (4), (5) and (6) and this paragraph shall equal at least two percent (2.0%) of the amount in paragraph (1).

Section 4. Section 2504.4 of the act is amended by adding a subsection to read:

Section 2504.4. Payments on Account of Limited English

1 Proficiency Programs.--* * *

2 (a.2) To qualify for limited English proficiency payments
3 under this section, a school district's 2006-2007 market
4 value/income aid ratio must be equal to or greater than three
5 thousand five hundred ten-thousandths (.3500) and the number of
6 enrolled students identified as limited English proficient in
7 the 2004-2005 school year must be equal to or greater than two
8 and one-half percent (2.5%) of the school district's 2004-2005
9 average daily membership. The allocation under this section
10 shall be paid in fiscal year 2006-2007 out of the appropriation
11 for basic education funding and calculated for qualifying school
12 districts as follows:

13 (1) Multiply the number of enrolled students identified as
14 limited English proficient in the 2004-2005 school year by ten
15 million dollars (\$10,000,000).

16 (2) Divide the product from paragraph (1) by the sum of
17 enrolled students identified as limited English proficient for
18 all qualifying school districts.

19 Section 5. This act shall take effect in 60 days.