

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 893 Session of 2013

INTRODUCED BY GROVE, CUTLER, C. HARRIS, AUMENT, GINGRICH, MOUL, ROCK, MICOZZIE AND EVERETT, MARCH 11, 2013

REFERRED TO COMMITTEE ON EDUCATION, MARCH 11, 2013

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," in reimbursement, providing for  
 6 student achievement education block grant for the 2013-2014  
 7 school year and for foundation funding formula; further  
 8 providing for payments to intermediate units, for payments on  
 9 account of transportation of nonpublic school pupils, for  
 10 special education payments to school districts, for payments  
 11 on account of pupil transportation and for reimbursement of  
 12 transportation; and establishing the Student Achievement  
 13 Education Block Grant Fund.

14 The General Assembly of the Commonwealth of Pennsylvania  
 15 hereby enacts as follows:

16 Section 1. The act of March 10, 1949 (P.L.30, No.14), known  
 17 as the Public School Code of 1949, is amended by adding sections  
 18 to read:

19 Section 2502.52. Student Achievement Education Block Grant  
 20 for the 2013-2014 School Year.--(a) For the 2013-2014 school  
 21 year, the Commonwealth shall pay to each school district from  
 22 the Student Achievement Education Block Grant Fund, which fund  
 23 is hereby established in the State Treasury, a student

1 achievement education block grant which shall consist of the  
2 following:

3 (1) An amount equal to the basic education funding  
4 allocation for the 2012-2013 school year under section 2502.50.

5 (2) A proportionate share of five hundred four million  
6 seven hundred seventy-five thousand dollars (\$504,775,000) based  
7 on the payment on account of Social Security for the 2011-2012  
8 school year under 24 Pa.C.S. § 8329 (relating to payments on  
9 account of social security deductions from appropriations).

10 (3) A proportionate share of five hundred forty-two million  
11 two hundred fifty-five thousand dollars (\$542,255,000) based on  
12 the sum of the following:

13 (i) The payment on account of pupil transportation  
14 allocation for the 2012-2013 school year under section 2541.

15 (ii) The Commonwealth share of payments made on behalf of  
16 the school district to intermediate units for the cost of  
17 transportation for the 2012-2013 school year under section  
18 2509.1.

19 (4) A proportionate share of seventy-seven million six  
20 hundred sixty-four thousand dollars (\$77,664,000) based on the  
21 payment on account of transportation of nonpublic school pupils  
22 under section 2509.3 and transportation of charter school pupils  
23 under section 1726-A(a) for the 2012-2013 school year.

24 (b) After payment of the amounts under subsection (a)(1) and  
25 section 2509.1(h), if the appropriation is not sufficient to pay  
26 the sum of the amounts under subsection (a)(2), (3) and (4), the  
27 sum of the amounts under subsection (a)(2), (3) and (4) shall be  
28 made on a pro rata basis.

29 Section 2502.53. Foundation Funding Formula.--Any revenue  
30 deposited in the Student Achievement Education Block Grant Fund

1 in excess of the amount designated in section 2502.52 shall be  
2 distributed to school districts by:

3 (1) Taking the total Statewide average daily membership  
4 divided by the total revenue over the base amount.

5 (2) Allocating to each school district the total product in  
6 paragraph (1) times the school district's average daily  
7 membership.

8 Section 2. Section 2509.1(a), (c.1) and (g) of the act,  
9 amended or added June 30, 1995 (P.L.220, No.26) and June 30,  
10 2012 (P.L.684, No.82), are amended and the section is amended by  
11 adding a subsection to read:

12 Section 2509.1. Payments to Intermediate Units.--(a)  
13 Annually through July 2012, before the first day of July, every  
14 intermediate unit shall submit, for prior review and approval by  
15 the Department of Education, an estimate of the cost for  
16 transportation of pupils to and from classes and schools for  
17 exceptional children, and of eligible young children to and from  
18 early intervention programs, whether or not such classes,  
19 schools or programs are conducted by the intermediate unit. [On]  
20 Through the 2012-2013 school year, on or before the first day of  
21 September, the Commonwealth shall pay to the intermediate unit a  
22 sum equal to one-half of the approved annual cost of such  
23 transportation in the prior year and, on or before the first day  
24 of February, shall pay a sum equal to one-quarter of the  
25 approved estimated annual cost of such transportation for the  
26 current school year, and on or before June 30, the Commonwealth  
27 shall pay the remaining quarter adjusted to reflect actual  
28 approved cost.

29 \* \* \*

30 (c.1) For the 2011-2012 [and], 2012-2013 and 2013-2014

1 school years, five and one-half percent (5.5%) of the State  
2 special education appropriation shall be paid to intermediate  
3 units on account of special education services. Of this five and  
4 one-half percent (5.5%), thirty-five percent (35%) shall be  
5 distributed equally among all intermediate units. The remaining  
6 sixty-five percent (65%) shall be distributed to each  
7 intermediate unit in proportion to the number of average daily  
8 membership of the component school districts of each  
9 intermediate unit as compared to the Statewide total average  
10 daily membership.

11 \* \* \*

12 (g) (1) For the 1991-1992 school year and each school year  
13 thereafter, for each child enrolled in an intermediate unit  
14 class for institutionalized children, the school district in  
15 which the child is resident shall pay to the Commonwealth a sum  
16 equal to the "tuition charge per elementary pupil" or the  
17 "tuition charge per high school pupil," as determined for the  
18 schools operated by the district or by a joint board of which  
19 the district is a member, for the same year in which the class  
20 or school is operated, as provided for in section 2561. In the  
21 event that any school district has not established such "tuition  
22 charge per elementary pupil" or "tuition charge per high school  
23 pupil," the Secretary of Education shall fix a reasonable charge  
24 for such district for the year in question.

25 (2) In addition, for each school year through the 2012-2013  
26 school year, the district shall pay to the Commonwealth on  
27 account of transportation by the intermediate unit of pupils to  
28 and from classes and schools for exceptional children and of  
29 eligible young children to and from early intervention programs,  
30 whether or not conducted by the intermediate unit, an amount to

1 be determined by subtracting from the cost of transportation per  
2 pupil the reimbursement due the district on account of such  
3 transportation.

4 (3) In order to facilitate such payments by the several  
5 school districts, the Secretary of Education shall withhold from  
6 any moneys due to such districts out of a State appropriation,  
7 except from reimbursements due on account of rentals, the  
8 amounts due by such school districts to the Commonwealth. All  
9 amounts so withheld are hereby specifically appropriated to the  
10 Department of Education for the support of public schools.

11 (h) For the 2013-2014 school year, each intermediate unit  
12 shall receive a proportionate share of thirty-six million seven  
13 hundred sixty-four thousand dollars (\$36,764,000) from the  
14 student achievement education block grant appropriation based on  
15 the payment under 24 Pa.C.S. § 8329 (relating to payments on  
16 account of social security deductions from appropriations).  
17 Payments shall be made in three (3) installments as follows:

18 (1) In July 2013, an estimate of fifty percent (50%) of the  
19 amount due.

20 (2) In January 2014, forty percent (40%) of the amount due.

21 (3) By June 1, 2014, the remaining amount due.

22 Section 3. Section 2509.3 of the act, amended June 29, 2002  
23 (P.L.524, No.88), is amended to read:

24 Section 2509.3. Payments on Account of Transportation of  
25 Nonpublic School Pupils.--Each school district, regardless of  
26 classification, shall be paid by the Commonwealth the sum of  
27 thirty-five dollars (\$35) for each nonpublic school pupil  
28 transported in the school year 1978-1979 through the school year  
29 1983-1984. For the school year 1984-1985 through the school year  
30 1989-1990, each school district shall be paid the sum of seventy

1 dollars (\$70) for each nonpublic school pupil transported. For  
2 the school years 1990-1991 and 1991-1992, each school district  
3 shall be paid the sum of one hundred twenty-four dollars (\$124)  
4 for each nonpublic school pupil transported. For the school year  
5 1992-1993 and the 1993-1994 school year, each school district  
6 shall be paid the sum of one hundred fifty-nine dollars (\$159)  
7 for each nonpublic school pupil transported. For the school year  
8 1994-1995 through the school year 1996-1997, each school  
9 district shall be paid the sum of two hundred dollars (\$200) for  
10 each nonpublic school pupil transported. For the school year  
11 1997-1998 through the school year 2000-2001, each school  
12 district shall be paid the sum of two hundred eighty-five  
13 dollars (\$285) for each nonpublic school pupil transported. For  
14 the school year 2001-2002 [and each] through the school year  
15 [thereafter] 2012-2013, each school district shall be paid the  
16 sum of three hundred eighty-five dollars (\$385) for each  
17 nonpublic school pupil transported.

18 Section 4. Section 2509.5(aaa) of the act, amended June 30,  
19 2012 (P.L.684, No.82), is amended to read:

20 Section 2509.5. Special Education Payments to School  
21 Districts.--\* \* \*

22 (aaa) During the 2009-2010 through the [2012-2013] 2013-2014  
23 school years, each school district shall be paid the amount it  
24 received during the 2008-2009 school year under subsection (zz).  
25 If insufficient funds are appropriated, the payments shall be  
26 made on a pro rata basis.

27 Section 5. Section 2541(a), (c) introductory paragraph, (d)  
28 and (f) of the act, amended November 20, 1979 (P.L.465, No.97),  
29 December 21, 1998 (P.L.1194, No.154) and June 30, 2011 (P.L.112,  
30 No.24), are amended to read:

1 Section 2541. Payments on Account of Pupil Transportation.--

2 (a) School districts shall be paid by the Commonwealth for  
3 every school year through the school year 2012-2013 on account  
4 of pupil transportation which, and the means and contracts  
5 providing for which, have been approved by the Department of  
6 Education, in the cases hereinafter enumerated, an amount to be  
7 determined by multiplying the cost of approved reimbursable  
8 pupil transportation incurred by the district by the district's  
9 aid ratio. In determining the formula for the cost of approved  
10 reimbursable transportation, the Secretary of Education may  
11 prescribe the methods of determining approved mileages and the  
12 utilized passenger capacity of vehicles for reimbursement  
13 purposes. For the school year 1998-1999 [and each school year  
14 thereafter] through the school year 2012-2013, any school entity  
15 which contracts with one or more school entities to provide  
16 pupil transportation services shall be reimbursed in accordance  
17 with the formula specified by the Department of Education for  
18 district-owned vehicles. In addition thereto, the Commonwealth  
19 shall pay to each district qualifying a payment for excessive  
20 cost of transportation, said amount to be determined by  
21 subtracting from the cost of the approved reimbursable  
22 transportation the sum of the Commonwealth transportation  
23 payment immediately above, plus the product of one-half mill  
24 (0.0005) times the latest market value of the district as  
25 determined by the State Tax Equalization Board, provided such  
26 amount is not negative. In addition thereto, the Commonwealth  
27 shall pay to school districts which own their own vehicles, an  
28 annual depreciation charge of ten per centum (10%), to be  
29 calculated on the basis of the approved cost at which the  
30 district acquired the vehicle for which depreciation is claimed.

1 With respect to vehicles purchased prior to January 1, 1956, the  
2 number of depreciation payments shall be limited to ten such  
3 payments. With respect to vehicles purchased on or after January  
4 1, 1956, the annual depreciation charge shall not exceed seven  
5 hundred dollars (\$700) for such vehicles. The number of annual  
6 depreciation charges shall be limited, so that the total amount  
7 of such payments shall not exceed the cost of the vehicle as  
8 approved by the Department of Education at the time of the  
9 purchase. In no case shall the Commonwealth pay, in depreciation  
10 charges, more than ten thousand five hundred dollars (\$10,500)  
11 for any one vehicle.

12 \* \* \*

13 (c) Payments for pupil transportation on account of the  
14 school year 1979-1980 [and every school year thereafter] through  
15 the school year 2012-2013 shall be made only in the following  
16 cases:

17 \* \* \*

18 (d) The Commonwealth shall reimburse the school districts  
19 for the school year 1973-1974 [and for each year thereafter]  
20 through the school year 2012-2013 for the approved reimbursable  
21 costs incurred in providing transportation under section 1361  
22 for nonpublic school pupils and under section 1362 for hazardous  
23 conditions: Provided, however, That no district shall receive  
24 less than fifty percent (50%) of such approved reimbursable  
25 costs.

26 \* \* \*

27 (f) Effective for the 2007-2008 school year through the  
28 school year 2012-2013, any school district that is required to  
29 transport resident students of a distressed school district  
30 pursuant to section 1607(b) shall be reimbursed by the

1 Commonwealth the additional sum of three hundred eighty-five  
2 dollars (\$385) for each student reassigned to a school district  
3 designated pursuant to section 1607.

4 Section 6. This act shall take effect July 1, 2013, or  
5 immediately, whichever is later.