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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 405

Session of  
1977

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INTRODUCED BY PANCOAST, A. K. HUTCHINSON AND BURNS,  
MARCH 1, 1977

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REFERRED TO COMMITTEE ON EDUCATION, MARCH 1, 1977

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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," further providing for Commonwealth  
6 reimbursements to school districts.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. Clauses (9), (12) and (14) of section 2501, act  
10 of March 10, 1949 (P.L.30, No.14), known as the "Public School  
11 Code of 1949," clause (9) amended June 12, 1968 (P.L.192,  
12 No.96), clause (12) amended June 26, 1974 (P.L.370, No.125), and  
13 clause (14) added February 1, 1966 (1965, P.L.1642, No.580), are  
14 amended to read:

15 Section 2501. Definitions.--\* \* \*

16 (9) "Valuation." A school district's [or vocational school  
17 district's] valuation, to be used for purposes of computing the  
18 basic account standard reimbursement fraction, the subsidiary  
19 account reimbursement fraction and the aid ratio shall be the  
20 proportional valuation placed upon its taxable real property and

1 its aggregate income by the State Tax Equalization Board. The  
2 valuation shall be in the proportion of seventy-five percent  
3 (75%) taxable real property to twenty-five percent (25%)  
4 aggregate income. The Personal Income Tax Bureau of the  
5 Department of Revenue shall annually certify each school  
6 district's aggregate income to the State Tax Equalization Board.

7 \* \* \*

8 (12) "State's Share of Total Cost." For the school year  
9 1966-1967 and each school year thereafter, the State's share of  
10 total reimbursable cost shall be fifty percent (50%). Total  
11 reimbursable cost shall be the lesser of actual expense per WADM  
12 as defined in clause (11.1) or a maximum amount to be fixed by  
13 the General Assembly from time to time to represent the  
14 estimated average actual expense per WADM in the year for which  
15 the reimbursement is to be payable. For the school year  
16 commencing the first day of July [1973] 1976 and each school  
17 year thereafter the maximum amount shall be [seven hundred fifty  
18 dollars (\$750)] nine hundred dollars (\$900). The Secretary of  
19 Education annually shall calculate the State average "actual  
20 instruction expense per weighted average daily membership" and  
21 shall supply the same to the General Assembly to assist the  
22 General Assembly in evaluating the adequacy of such maximum  
23 amount.

24 \* \* \*

25 (14) "Aid Ratio" shall represent the Commonwealth's share of  
26 reimbursable cost as defined in clause (12). The aid ratio shall  
27 be determined in the following manner: (a) divide the [market  
28 value] valuation, as defined in clause (9), per weighted average  
29 daily membership of the district by the [market value] valuation  
30 per weighted average daily membership of the State; (b)

1 determine the product of (a) multiplied by district's share of  
2 total cost; (c) subtract the resultant product in (b) from one  
3 (1.0000) to determine the aid ratio.

4 District [M]V/WADM  
5 Aid Ratio = 1.0000 - \_\_\_\_\_ X 0.50  
6 State [M]V/WADM

7 \* \* \*

8 Section 2. Subsection (d) of section 2502 and sections  
9 2502.3 and 2502.4 of the act, amended June 26, 1974 (P.L.370,  
10 No.125), are amended to read:

11 Section 2502. Payments on Account of Instruction.--\* \* \*

12 (d) For the school year commencing the first day of July  
13 within the year of the effective date of this amendment and each  
14 school year thereafter, each school district shall be paid by  
15 the Commonwealth on account of instruction of the district's  
16 pupils an amount to be determined by multiplying the aid ratio  
17 times the actual instruction expense per weighted average daily  
18 membership or by five hundred fifty dollars (\$550), whichever is  
19 less, and by the weighted average daily membership for the  
20 district. For the school year 1973-1974 and each school year  
21 thereafter each school district shall be paid by the  
22 Commonwealth on account of instruction of the district's pupils  
23 an amount to be determined by multiplying the aid ratio times  
24 the actual instruction expense per weighted average daily  
25 membership or by seven hundred fifty dollars (\$750), whichever  
26 is less. For the school year 1976-1977 and each school year  
27 thereafter each school district shall be paid by the  
28 Commonwealth on account of instruction of the district's pupils  
29 an amount to be determined by multiplying the aid ratio times  
30 the actual instruction expense per weighted average daily

1 membership or by nine hundred dollars (\$900), whichever is less.

2 \* \* \*

3 Section 2502.3. Payments on Account of Poverty.--For the  
4 school year 1966-1967, and each school year thereafter, each  
5 school district shall be paid, in addition to any other subsidy  
6 to which it is entitled, an amount on account of children of low  
7 income families equal to the sum of (1) the number of children  
8 aged five (5) to seventeen (17) years, inclusive, in the  
9 district of families having an annual income of less than two  
10 thousand dollars (\$2,000), and (2) the number of children aged  
11 five (5) to seventeen (17) years, inclusive, in such district of  
12 families having an annual income in excess of two thousand  
13 dollars (\$2,000) which receive Commonwealth payments on account  
14 of dependent children under title iv of the Federal Social  
15 Security Act, multiplied by one hundred and twenty dollars  
16 (\$120) through the 1969-1970 school year and one hundred forty  
17 dollars (\$140) for the school year 1970-1971, 1971-1972 and  
18 1972-1973 and one hundred sixty-five dollars (\$165) for the  
19 school year 1973-1974 [and each school year thereafter] through  
20 the school year 1975-1976 and one hundred eighty dollars (\$180)  
21 for the school year 1976-1977 and each school year thereafter.

22 The Secretary of Education shall determine the number of  
23 children under clauses (1) and (2) of this section from the most  
24 recent satisfactory data available in the same manner as  
25 provided under the Federal Elementary and Secondary Education  
26 Act of 1965.

27 For the school year 1973-1974, and each school year  
28 thereafter, for the purpose of this section, in each school  
29 district, not less than the number of children shall be counted  
30 in each category as were counted therefor under this section for

1 the school year 1972-1973.

2 Section 2502.4. Additional Special Assistance Grants on  
3 Account of Low Income Families.--In addition to any other  
4 payments made to school districts, the Commonwealth for the  
5 school year [1973-1974] 1976-1977 and for each school year  
6 thereafter shall pay as a special assistance grant to each  
7 school district on account of children of low income families an  
8 amount equal to the sum of the number of children of low income  
9 families in the district multiplied by the grant per poverty  
10 pupil fixed for the percentage category of poverty pupils in  
11 average daily membership in the district according to the  
12 following table:

13	Percentage Category of		
14	Poverty Pupils in		
15	Average Daily		Grant per
16	Membership		Poverty Pupil
17	15	- 19.9 percent	\$ 30
18	20	- 24.9 percent	60
19	25	- 29.9 percent	85
20	30	- 34.9 percent	135
21	[over	- 35 percent	150]
22	<u>35</u>	<u>- 49.9 percent</u>	<u>150</u>
23	<u>50 percent and higher</u>		<u>225</u>

24 The Secretary of Education shall determine the number of  
25 children of low income families from the most recent  
26 satisfactory data available in the same manner and according to  
27 the same standards and definitions as provided in the Elementary  
28 and Secondary Education Act of 1965 (Public Law 89-10), for  
29 assistance to local educational agencies for the education of  
30 children of low income families.

1       For the school year 1973-1974, and each school year  
2       thereafter, for the purpose of this section, in each school  
3       district, not less than the number of children shall be counted  
4       in each category as were counted therefor under this section for  
5       the school year 1972-1973.

6       Section 3. This act shall take effect July 1, 1977.