

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**SENATE BILL**

**No. 1152** Session of  
2006

INTRODUCED BY MUSTO, MELLOW, BOSCOLA, FONTANA, STOUT,  
TARTAGLIONE, COSTA, FERLO, C. WILLIAMS, FUMO, KITCHEN,  
WASHINGTON, STACK, LOGAN, KASUNIC, HUGHES, O'PAKE,  
A. WILLIAMS, LAVALLE AND WOZNIAK, MARCH 22, 2006

REFERRED TO EDUCATION, MARCH 22, 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  
21 expenditures for a school year, as defined in clause (24), minus

1 the revenue account tuition for patrons, as designated in the  
2 Manual of Accounting and Related Financial Procedures for  
3 Pennsylvania School Systems, divided by the average daily  
4 membership of the school district for the same school year.

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

7 Section 2502.13. Small District Assistance.--\* \* \*

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

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

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

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

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

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

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

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

30 (2) A base supplement calculated as follows:

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

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

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

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

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

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

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

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

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

30 (A) Multiply the school district's 2006-2007 market

1 value/income aid ratio by its 2005-2006 average daily  
2 membership.

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

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

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

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

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

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

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

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

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

29 (C) Divide the product from clause (B) by the sum of the  
30 products of the 2006-2007 market value/income aid ratio

1 multiplied by the 2005-2006 average daily membership for all  
2 qualifying school districts.

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

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

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

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

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

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

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

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

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

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

30 (I) five hundred dollars (\$500), or if its 2004-2005

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

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

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

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

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

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

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

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

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

28 (i) To qualify for the growth supplement, a school  
29 district's average daily membership must have increased by at  
30 least two percent (2.0%) between the 2002-2003 and 2004-2005

1 school years, its 2004-2005 local school tax revenue divided by  
2 its 2004-2005 average daily membership must be less than its  
3 2002-2003 local school tax revenue divided by its 2002-2003  
4 average daily membership, and its 2006-2007 market value/income  
5 aid ratio must be equal to or greater than five thousand eight  
6 hundred sixty-three ten-thousandths (.5863).

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

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

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

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

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

22 (7) Each school district shall receive additional funding as  
23 necessary so that the sum of the amounts under section 2502.13,  
24 paragraphs (2), (3), (4), (5) and (6) and this paragraph shall  
25 equal at least two percent (2.0%) of the amount in paragraph  
26 (1).

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

29 Section 2504.4. Payments on Account of Limited English  
30 Proficiency Programs.--\* \* \*

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

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

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

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