

## No. 1977-59

## AN ACT

## HB 67

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," changing and adding definitions; further providing for subsidies, instructional materials, textbooks and modified sparsity payments; providing for classes and programs for certain exceptional children; and further providing for penalties for defacing, injuring or destroying school property.

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

Section 1. Section 777, act of March 10, 1949 (P.L.30, No.14), known as the "Public School Code of 1949," is amended to read:

Section 777. Defacing, Injuring or Destroying Property Used for School Purposes; Penalty.—(a) If any person shall willfully or maliciously break into, enter, deface, or write, mark, or place any obscene or improper matter upon, any public school building, or other building used for school purposes, or other purposes provided for in this act, or any out-house used in connection therewith; or shall deface, injure, damage, or destroy any school furniture, books, paper, maps, charts, apparatus, or other property contained in any public school building, or other building used and occupied for school purposes, or other purposes provided for in this act; or shall injure, damage, or destroy any shade-trees, shrubbery, fences, or any other property of any kind, upon any public school grounds, or upon any public school playground, such person shall be guilty of a misdemeanor, and upon conviction thereof shall be sentenced to pay a fine of not less than **[five dollars (\$5)] fifty dollars (\$50)** and not more than **[two hundred dollars (\$200)] one thousand dollars (\$1,000)**, or undergo an imprisonment in the county jail for a period not exceeding six months, either or both, at the discretion of the court. *In addition to any other penalty prescribed by this subsection, the court, upon conviction of a defendant for a violation of this subsection, may order the defendant to compensate the school district for any damages it sustained as a result of the defendant's unlawful conduct.*

(b) *The board of school directors of a school district is authorized to adopt regulations and procedures providing for rewards of up to one thousand dollars (\$1,000) to any person who provides information which aids in the conviction of any person for violating the provisions of subsection (a).*

Section 2. Section 917-A of the act is repealed.

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

**Section 917.1-A. Commonwealth Payments.—(a) For the school year 1977-1978 and each year thereafter the Commonwealth shall pay to**

*intermediate units an amount equal to the product of the Statewide median actual instruction expense per weighted average daily membership (WADM) by the product of forty-five one hundredths of one percent (0.45%) and the average daily membership of all school districts in the Commonwealth, as determined by the Secretary of Education according to the latest available actual data.*

*(b) For the school year 1977-1978 and each school year thereafter, each intermediate unit shall be paid the amount it received from the Commonwealth for the 1976-1977 school year.*

*(c) In addition to the amount paid to each intermediate unit under subsection (b), each intermediate unit shall be paid for the 1977-1978 school year and each year thereafter an amount determined by subtracting the total payments under subsection (b) from the total allocation under subsection (a) divided by the average daily membership (ADM) of all school districts in the Commonwealth multiplied by the average daily membership (ADM) of all component school districts in the intermediate unit, as determined by the Secretary of Education according to the latest actual data available.*

*(d) In January of each year, the Secretary of Education shall determine for each intermediate unit the amount to be received for the succeeding fiscal year.*

Section 4. Section 919-A of the act is repealed.

Section 5. The act is amended by adding a section to read:

*Section 919.1-A. Capital Subsidy.—All leases for office space, classrooms, warehouse space and similar facilities shall be pre-approved by the Secretary of Education. For the 1977-1978 school year and each school year thereafter, in addition to any payments required under section 917.1-A, the Commonwealth shall allocate to the intermediate units on account of approved leases an amount to be determined as follows: by obtaining the product of the number of students in average daily membership (ADM) multiplied by the median actual instruction expense per weighted average daily membership of all the school districts, to be further multiplied by three one-hundredths of one percent (0.03%), based on the latest actual data available to the Secretary of Education.*

*The distribution to each intermediate unit shall be computed by applying the intermediate unit aid ratio to each approved lease payment. The aid ratio computed initially shall apply as a minimum for the duration of the lease: Provided, however, That no intermediate unit shall receive less on account of approved leases than it received for the 1976-1977 school year.*

*Where the allocations under this section do not satisfy lease reimbursement requirements, each intermediate unit shall receive a pro rata share of the amount determined by the above formula.*

Section 6. Subsection (d) of section 922.1-A of the act, added August 1, 1975 (P.L.180, No.89), is amended to read:

Section 922.1-A. Auxiliary Services.—\* \* \*

(d) Allocations. In July of [1975] 1977 and annually thereafter in July,

the Secretary of Education shall allocate to each intermediate unit an amount equal to the number of nonpublic school students as of October 1 of the preceding school year who are enrolled in nonpublic schools within the intermediate unit times **[forty-five dollars (\$45)] seventy-two dollars (\$72)**. The Secretary of Education shall increase this figure on a proportionate basis whenever **[the maximum reimbursable limit for the basic instructional subsidy under section 2502 of this act (presently seven hundred fifty dollars (\$750)) is increased] there is an increase in the median actual instruction expense per WADM as defined in clause (12.1) of section 2501 of this act**. The Commonwealth shall pay to each intermediate unit fifteen per centum (15%) of its allocation on August 1, seventy-five per centum (75%) on October 1, and the remaining ten per centum (10%) on the first day of February.

\* \* \*

Section 7. Subsection (d) of section 923-A of the act, amended August 1, 1975 (P.L.179, No.88) and August 1, 1975 (P.L.183, No.90), is amended to read:

Section 923-A. Loan of Textbooks, Instructional Materials and Equipment, Nonpublic School Children.—\* \* \*

(d) Purchase of Textbooks and Instructional Materials. The secretary shall not be required to purchase or otherwise acquire textbooks, pursuant to this section, the total cost of which, in any school year, shall exceed an amount equal to twelve dollars (\$12) for the school year 1973-1974, fifteen dollars (\$15) for the school year beginning July 1, 1974 and twenty dollars (\$20) for each school year thereafter or instructional materials, the total cost of which, in any school year, shall exceed an amount equal to **[five dollars (\$5.00)] ten dollars (\$10)**, multiplied by the number of children residing in the Commonwealth who on the first day of October of the school year immediately preceding are enrolled in grades kindergarten through twelve of a nonpublic school.

Section 8. Subsection (3) of section 1372 of the act, amended January 14, 1970 (1969 P.L.468, No.192), is amended to read:

Section 1372. Exceptional Children; Education and Training.—\* \* \*

(3) Special Classes or Schools Established and Maintained by School Districts. Except as herein otherwise provided, it shall be the duty of the board of school directors of every school district to provide and maintain, or to jointly provide and maintain with neighboring districts, special classes or schools in accordance with the approved plan. The **[Superintendent of Public Instruction] Secretary of Education** shall superintend the organization of such special classes and such other arrangements for special education and shall enforce the provisions of this act relating thereto. If the approved plan indicates that it is not feasible to form a special class in any district or to provide such education for any such child in the public schools of the district, the board of school directors of the district shall secure such proper education and training outside the public schools of the district or in special institutions, or by providing for

teaching the child in his home, in accordance with rules and regulations prescribed by the Department of **[Public Instruction] Education**, on terms and conditions not inconsistent with the terms of this act or of any other act then in force applicable to such children. *However, the institution of special classes and programs at the secondary level for exceptional children who are gifted and talented students may be deferred until September 1978 at the discretion of the board of the school directors of any school district.*

In addition to the above and in accordance with rules and regulations prescribed by the Department of **[Public Instruction] Education**, homebound instruction shall be provided for children confined in detention homes as provided in section 7, act of June 2, 1933 (P.L.1433, No.311), as amended, for the period of their confinement, if their confinement exceeds or is expected to exceed ten days, even though such children are not exceptional.

\* \* \*

Section 9. Clauses (9), (12) and (15), and the last paragraph of clause (17) of section 2501 of the act, clause (9) amended June 12, 1968 (P.L.192, No.96), clauses (12) and (15) amended June 26, 1974 (P.L.370, No.125), and the last paragraph of clause (17) amended November 15, 1972 (P.L.1229, No.273), are amended and the section is amended by adding clauses to read:

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

\* \* \*

(9) **["Valuation.]" "Real Property Valuation."** A school district's or vocational school district's *real property* valuation, to be used for purposes of computing the basic account standard reimbursement fraction, the subsidiary account reimbursement fraction, and the aid ratio shall be the valuation placed upon its taxable real property by the State Tax Equalization Board.

(9.1) **"Personal Income Valuation."** A school district's *personal income valuation* for purposes of reimbursement to a school district under subsections (d), (e), and (f) of section 2502, and section 2592 shall be the valuation of the total taxable income determined under Article III of the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971," for each school district each year by the Secretary of Revenue and certified to the Secretary of Education.

(9.2) **"Equalized Millage."** A school district's *tax effort* to be used for purposes of determining the base earned for reimbursement and used for reimbursement under subsections (d) and (e) of section 2502, shall be the amount of local school taxes collected during the year for which reimbursement is being computed, divided by the most recent real property valuation of the school district.

(9.3) **"Median Equalized Millage."** For the school year 1976-1977 and each year thereafter, the Secretary of Education shall annually calculate the equalized millage for which an equal number of districts are above and below for that year.

\* \* \*

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

*(12.1) "Median Actual Instruction Expense Per Weighted Average Daily Membership." For the school year 1976-1977 and each school year thereafter, the Secretary of Education shall annually calculate the actual instruction expense per weighted average daily membership for which an equal number of districts are above and below for that year.*

\* \* \*

*(14.1) "Market Value/Income Aid Ratio." For purposes of reimbursement to a school district under subsections (d), (e), and (f) of section 2502, and section 2592, shall be the Commonwealth's method of determining the combined market value and income wealth for each pupil, and shall be computed as follows:*

*(a) (i) Divide the market value per weighted average daily membership of the district by the market value per weighted average daily membership of the State;*

*(ii) Determine the product of (a)(i) multiplied by the district's share of total costs which is .5;*

*(iii) Subtract the resultant product in (a)(ii) from 1.000 to determine the market value portion of the aid ratio.*

*(b) (i) Divide the income per weighted average daily membership of the district by the average personal income per weighted average daily membership of the State;*

*(ii) Determine the product of (b)(i) multiplied by the district's share of total costs which is .5;*

*(iii) Subtract the resultant product in (b)(ii) from 1.0000 to determine the income aid ratio.*

*(c) Add sixty percent (60%) of the market value aid ratio to forty percent (40%) of the income aid ratio to determine the market value/income aid ratio.*

(15) "Minimum Subsidy." [In] *For the school year 1976-1977 and each school year thereafter, in* no case shall a district receive for each pupil in weighted average daily membership [through the school year 1969-1970],

an amount less than ten percent (10%) of the actual cost of instruction or [fifty-five dollars (\$55)] *ten percent (10%) of the base earned for reimbursement* whichever is the lesser amount. [For the school year 1973-1974 and each school year thereafter, in no case shall a district receive for each pupil in weighted average daily membership an amount less than ten percent (10%) of the actual cost of instruction or seventy-five dollars (\$75), whichever is the lesser amount.] *For 1976-1977 and each school year thereafter, a district whose actual instruction expense per weighted average daily membership is more than two hundred dollars (\$200) less than the median actual instruction expense per weighted average daily membership, and whose equalized millage is within fifteen percent (15%) of the median equalized millage, the reimbursement shall be two hundred dollars (\$200) below the median actual instruction expense per weighted average daily membership times the district's aid ratio for each weighted average daily membership.*

\* \* \*

(17) "Sparsity Factor" \* \* \*

Any school district [assigned sparsity factor for any school year prior to 1969-1970 or for any subsequent school year and any reorganized or merged school district comprised of one or more component school districts any of which had been assigned sparsity factor for any school year prior to 1969-1970 or any subsequent school year which for any school year thereafter is] determined by the Secretary of Education to have a population of *at least* fifty (50) per square mile [or more] *but less than one hundred (100) per square mile* shall, for the school year [1970-1971] 1976-1977 and each school year thereafter, qualify for a modified sparsity payment which shall be the ratio of its population per square mile to fifty (50) subtracted from 2.00 and multiplied by the amount to which it would have been entitled had its population per square mile been less than fifty (50).

(17.1) "Base Earned for Reimbursement." *Shall be the lesser of (a) the actual instruction expense per weighted average daily membership of the district, or (b) the amount earned as follows:*

(i) *Where the equalized millage is thirty percent (30%) or more above the median equalized millage, rounded to a whole mill, the amount shall be the median actual instruction expense per weighted average daily membership rounded to the nearest ten dollars (\$10) amount.*

(ii) *Where the equalized millage is fifteen percent (15%) or more and less than thirty percent (30%) above the median equalized millage, rounded to a whole mill, the amount shall be fifty dollars (\$50) less than the median actual instruction expense per weighted average daily membership.*

(iii) *Where the equalized millage is less than fifteen percent (15%) above or below the median equalized millage, rounded to a whole mill, the amount shall be one hundred dollars (\$100) less than the median actual instruction expense per weighted average daily membership.*

(iv) *Where the equalized millage is fifteen percent (15%) to thirty*

*percent (30%) below the median equalized millage, rounded to a whole mill, the amount shall be one hundred fifty dollars (\$150) less than the median actual instruction expense per weighted average daily membership.*

*(v) Where the equalized millage is more than thirty percent (30%) below the median equalized millage, the amount shall be two hundred dollars (\$200) less than the median actual instruction expense per weighted average daily membership.*

Section 10. Subsections (d), (f) and (g) of section 2502 of the act, subsection (d) amended June 26, 1974 (P.L.370, No.125), and subsections (f) and (g) amended August 18, 1971 (P.L.339, No.88), are amended to read:

Section 2502. Payments on Account of Instruction.—

\* \* \*

*(d) For the school year [commencing the first day of July within the year of the effective date of this amendment] 1976 and 1977 and each school year thereafter, each school district shall be paid by the Commonwealth on account of instruction of the district's pupils an amount to be determined by multiplying the market value/income aid ratio times the actual instruction expense per weighted average daily membership or by [five hundred fifty dollars (\$550),] the base earned for reimbursement, whichever is less, and by the weighted average daily membership for the district. [For the school year 1973-1974 and each school year thereafter each school district shall be paid by the Commonwealth on account of instruction of the district's pupils an amount to be determined by multiplying the aid ratio times the actual instruction expense per weighted average daily membership or by seven hundred fifty dollars (\$750), whichever is less.] For the school year 1976-1977 any school district which, as a result of the impact on payments under subsections (d), (e) and (f) and under section 2592 by reason of the market value/income aid ratio or the application of equalized millage to the base earned for reimbursement, shall suffer a reduction in subsidy entitlement, shall be held harmless from this impact and shall receive an amount which is no less than that received for 1976-1977 under such subsections and under section 2592.*

\* \* \*

*(f) For the school year commencing the first day of July within the year of the effective date of this amendment, and each school year thereafter, each school district so entitled shall be paid, in addition to any other subsidy to which it is entitled, an amount for density or sparsity of population. Except as provided in clause (17) of section 2501 and as provided below, this amount shall be paid on account of expenditures in excess of four hundred dollars (\$400) per weighted average daily membership, not to exceed for the school year 1966-1967 one hundred dollars (\$100), for the school year 1967-1968 one hundred fifty dollars (\$150), for the school year 1968-1969 two hundred dollars (\$200), for the school year 1969-1970 and each school year thereafter two hundred fifty dollars (\$250), an amount to be determined by multiplying the excess*

expenditures by the *market value/income* aid ratio or by three hundred seventy-five thousandths (.375) whichever is greater, and by the number of weighted average daily membership, such amount to be in addition to any other payment for such pupils: Provided, however, a school district entitled to additional payment for density or sparsity of population may, in lieu of the above payment, elect for any school year to be paid and the Commonwealth shall pay such additional entitlement on account of excess expenditures per weighted average daily membership in excess of four hundred dollars (\$400) a sum of thirty dollars (\$30) per weighted average daily membership, such amount to be in addition to any other payments for such pupils.

The payment for the density factor for those qualifying school districts with a WADM in excess of fifty thousand (50,000) shall be the actual cost of instruction per WADM multiplied by fifteen percent (15%) through the 1969-1970 school year or by nineteen percent (19%) for the 1970-1971 school year *through the 1975-1976 school year or by twenty-three percent (23%) for the 1976-1977 school year* and thereafter and by the WADM of the district.

(g) It is hereby stated to be the objective of the Commonwealth to provide to each child educated in the schools of Pennsylvania, a minimum **[education of five hundred fifty dollars (\$550) per pupil in weighted average daily membership.**

**To this end, and except as hereinafter provided, for the 1970-1971 school year, each district whose actual cost of instruction per weighted average daily membership is less than five hundred fifty dollars (\$550), shall receive an additional payment (provided such amount is positive) by subtracting from the product of five hundred fifty dollars (\$550) times the WADM, the sum of the payment provided in section 2502(d) plus the payment for density or sparsity under subsection (f) of section 2502, plus the payment for poverty under section 2502.3 and the product of the most recent market value of the district as released by the State Tax Equalization Board multiplied by sixteen and twenty-four one-hundredths mills (.01624) educational input that is within two hundred dollars (\$200) of the median actual instruction expense per WADM, for the school year 1976-1977 and each school year thereafter.**

Section 11. Section 2502.3 of the act, amended June 26, 1974 (P.L.370, No.125), is amended to read:

Section 2502.3. Payments on Account of Poverty.—For the school year 1966-1967, and each school year thereafter, each school district shall be paid, in addition to any other subsidy to which it is entitled, an amount on account of children of low income families equal to the sum of (1) the number of children aged five (5) to seventeen (17) years, inclusive, in the district of families having an annual income of less than two thousand dollars (\$2,000), and (2) the number of children aged five (5) to seventeen (17) years, inclusive, in such district of families having an annual income in excess of two thousand dollars (\$2,000) which receive Commonwealth



payments on account of dependent children under title iv of the Federal Social Security Act, multiplied by one hundred and twenty dollars (\$120) through the 1969-1970 school year and one hundred forty dollars (\$140) for the school year 1970-1971, 1971-1972 and 1972-1973 and one hundred sixty-five dollars (\$165) for the school year 1973-1974 [**and each school year thereafter**] *through the school year 1975-1976 and two hundred dollars (\$200) for the school year 1976-1977 and each school year thereafter.*

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

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

Section 12. The increases in subsidies as provided for in section 11 of this amendatory act shall not apply to school districts of the first class and of the first class A.

Section 13. The Department of Education shall make a one-time payment, in addition to any other payments made under the provisions of the "Public School Code of 1949," to those school districts who do not receive a subsidy increase of at least 6% during the 1977-1978 school year over the payment the district received during the 1976-1977 school year under subsections (d), (e) and (f) of section 2502, and sections 2502.3, 2502.4 and 2592. The payment shall be in the amount necessary, as determined by the secretary, to provide that such school districts receive a 6% increase over payments received by the district during the 1976-1977 school year.

Section 14. Notwithstanding any other provisions of the act of March 10, 1949 (P.L.30, No.14), known as the "Public School Code of 1949," the board of school directors of each school district is authorized to and shall reopen its 1977 or 1977-1978 budget, whichever is applicable, during the month of August, 1977 only, to make any revisions in the budget and tax levies heretofore adopted to reflect anticipated increases in subsidies payable to the school district during its 1977 or 1977-1978 fiscal year under the provisions of this act.

Section 15. It is the intent and purpose of the General Assembly that the funds which accrue to the school districts of the Commonwealth on account of the provisions of this act be expended only for the reduction of school taxes and the restoration of school district programs and activities reduced or eliminated as a result of the previously adopted 1977 or 1977-1978 budget of the district.

Section 16. (a) It is the intent of the General Assembly that under no circumstances shall the increased costs resulting from the subsidy formula changes set forth in this act, excluding subsidy changes applying to

nonpublic schools, exceed the sum of \$100,000,000 for the 1976-1977 school year and \$150,000,000 for the 1977-1978 school year and each school year thereafter over the existing costs incurred by the Commonwealth under present law.

(b) It is the intent of the General Assembly that under no circumstances shall the increased costs resulting from the subsidy formula changes applicable for nonpublic schools set forth in this act exceed the sum of \$5,057,000 for the school year 1977-1978 and \$7,586,000 for the school year 1978-1979 and each school year thereafter over the existing costs incurred by the Commonwealth under present law.

(c) If the sums appropriated for any fiscal year for making payments provided in this act subject to the limitation set forth in subsection (a) are not sufficient to pay in full the total amounts to which all qualified school districts are entitled to receive under this act for such year, the allocations to such school districts, shall be proportionately reduced by the percentage of difference between the amount needed and the amount appropriated to the extent necessary to bring the aggregate of such allocations within the limits of the amount appropriated.

Section 17. This act shall take effect immediately.

APPROVED—The 24th day of August, A. D. 1977.

MILTON J. SHAPP