
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1390 Session of
2015

INTRODUCED BY SAYLOR, VEREB, O'NEILL AND OBERLANDER,
JUNE 23, 2015

REFERRED TO COMMITTEE ON EDUCATION, JUNE 23, 2015

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 reimbursements by Commonwealth and
6 between school districts, providing for student-weighted
7 basic education funding.

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

10 Section 1. The act of March 10, 1949 (P.L.30, No.14), known
11 as the Public School Code of 1949, is amended by adding a
12 section to read:

13 Section 2502.53. Student-Weighted Basic Education Funding.--

14 (a) For the 2014-2015 school year, the Commonwealth shall pay
15 to each school district a basic education funding allocation
16 which shall consist of the following:

17 (1) An amount equal to the school district's basic education
18 funding allocation for the 2013-2014 school year.

19 (2) A student-based allocation to be calculated as follows:

20 (i) Multiply the sum of the school district's weighted basic

1 education student headcount and its sparsity/size adjustment by
2 its median household income index and local effort capacity
3 index.

4 (ii) Multiply the product in subparagraph (i) by the
5 difference between the amount appropriated for the allocation of
6 basic education funding and the sum of the amounts allocated in
7 paragraph (1).

8 (iii) Divide the product in subparagraph (ii) by the sum of
9 the products in subparagraph (i) for all school districts.

10 (b) For the purposes of this section:

11 (1) The weighted basic education student headcount shall be
12 calculated for each school district as follows:

13 (i) Multiply the school district's average daily membership
14 by one (1).

15 (ii) Multiply the school district's number of students
16 living in acute poverty by six-tenths (0.6).

17 (iii) Multiply the school district's number of students
18 living in poverty by three-tenths (0.3).

19 (iv) Multiply the school district's number of students
20 living in concentrated poverty by three-tenths (0.3).

21 (v) Multiply the school district's number of limited English
22 proficient students by six-tenths (0.6).

23 (vi) Multiply the charter and cyber charter school average
24 daily membership applicable to the school district by two-tenths
25 (0.2).

26 (vii) Add the products in subparagraphs (i), (ii), (iii),
27 (iv), (v) and (vi).

28 (2) The sparsity ratio shall be calculated for each school
29 district as follows:

30 (i) Divide the school district's average daily membership

1 per square mile by the State's average daily membership per
2 square mile.

3 (ii) Multiply the quotient in subparagraph (i) by five-
4 tenths (0.5).

5 (iii) Subtract the product in subparagraph (ii) from one
6 (1).

7 (3) The size ratio for each school district shall be
8 calculated as follows:

9 (i) Divide the school district's average daily membership by
10 the average of the average daily membership of all school
11 districts.

12 (ii) Multiply the quotient in subparagraph (i) by five-
13 tenths (0.5).

14 (iii) Subtract the product in subparagraph (ii) from one
15 (1).

16 (4) The sparsity/size ratio for each school district shall
17 be calculated by adding forty percent (40%) of the school
18 district's sparsity ratio and sixty percent (60%) of the school
19 district's size ratio.

20 (5) The sparsity/size adjustment for each school district
21 shall be calculated as follows:

22 (i) For a school district with a sparsity/size ratio less
23 than or equal to the sparsity/size ratio that represents the
24 seventieth percentile of the sparsity/size ratio for all school
25 districts, the school district's sparsity/size adjustment shall
26 be calculated as follows:

27 (A) Divide the school district's sparsity/size ratio by the
28 sparsity/size ratio that represents the seventieth percentile of
29 the sparsity/size ratio for all school districts.

30 (B) Subtract one (1) from the quotient in clause (A).

1 (C) Multiply the remainder in clause (B) by seven-tenths
2 (0.7).

3 (D) Multiply the product in clause (C) by the school
4 district's weighted basic education student headcount.

5 (6) The number of students living in acute poverty for each
6 school district shall be calculated by multiplying the school
7 district's percentage of six (6) to seventeen (17) year olds
8 according to the United States Census Bureau's Ratio of Income
9 to Poverty less than or equal to ninety-nine percent (99%) of
10 the Federal poverty guidelines by the school district's average
11 daily membership.

12 (7) The number of students living in poverty for each school
13 district shall be calculated by multiplying the school
14 district's percentage of six (6) to seventeen (17) year olds
15 according to the United States Census Bureau's Ratio of Income
16 to Poverty greater than ninety-nine percent (99%) and less than
17 one hundred and eighty-five percent (185%) of the Federal
18 poverty guidelines by the school district's average daily
19 membership.

20 (8) The number of students living in concentrated poverty
21 for each school district shall be calculated as follows:

22 (i) For a school district in which the percentage of
23 students living in acute poverty is less than thirty percent
24 (30%), the school district's number of students living in
25 concentrated poverty shall be zero.

26 (ii) For a school district in which the percentage of
27 students living in acute poverty is equal to or greater than
28 thirty percent (30%), multiply the school district's percentage
29 of students living in acute poverty by the school district's
30 average daily membership.

1 (9) The median household income index for each school
2 district shall be calculated as follows:

3 (i) Divide the school district's median household income by
4 the median household income for Pennsylvania as determined by
5 the United States Census Bureau.

6 (ii) Divide one (1) by the quotient in subparagraph (i).

7 (10) The local effort for each school district shall be
8 calculated by adding the school district's State property tax
9 reduction allocation, taxes levied and assessed by the local
10 education agency, delinquencies on taxes levied and assessed by
11 the local education agency, revenue from local government units,
12 and other local revenues not specified elsewhere, as designated
13 in the Department of Education's Manual of Accounting and
14 Financial Reporting for Pennsylvania Public Schools.

15 (11) The local effort per household for each school district
16 shall be calculated as follows:

17 (i) Divide the school district's local effort by the school
18 district's number of households as determined by the United
19 States Census Bureau.

20 (ii) Divide the quotient in subparagraph (i) by the school
21 district's median household income as determined by the United
22 States Census Bureau.

23 (iii) Multiply the quotient in subparagraph (ii) by one-
24 thousand (1,000).

25 (12) The local effort factor for each school district shall
26 be calculated by dividing the school district's local effort per
27 household by the State median local effort per household for all
28 school districts.

29 (13) The current expenditure per weighted student for each
30 school district shall be calculated by dividing the school

1 district's current expenditures by the sum of the school
2 district's average daily membership, sparsity size adjustment
3 and the amounts determined for the school district under
4 subsection (b) (1) (ii), (iii), (iv), (v) and (vi).

5 (14) The excess expenditure factor for each school district
6 shall be calculated as follows:

7 (i) Divide the school district's current expenditure per
8 weighted student by the State median current expenditure per
9 weighted student for all school districts.

10 (ii) Divide one (1) by the quotient in subparagraph (i).

11 (15) The local effort index for each school district shall
12 be calculated as follows:

13 (i) For a school district with an excess expenditure factor
14 equal to or greater than one (1), multiply the school district's
15 local effort factor by one (1).

16 (ii) For a school district with an excess expenditure factor
17 less than one (1), multiply the school district's local effort
18 factor by the school district's excess expenditure factor.

19 (16) The local effort rate for each school district shall be
20 calculated by dividing the school district's local effort by the
21 sum of the school district's market value and adjusted personal
22 income.

23 (17) The local capacity per weighted student for each school
24 district shall be calculated as follows:

25 (i) Multiply the sum of school district's market value and
26 adjusted personal income by the State median local effort rate
27 for all school districts.

28 (ii) Divide the product in subparagraph (i) by the sum of
29 the school district's average daily membership, sparsity size
30 adjustment and the amounts determined for the school district

1 under subsection (b) (1) (ii), (iii), (iv), (v) and (vi).

2 (18) The local capacity index for each school district shall
3 be calculated as follows:

4 (i) For a school district with a local capacity per weighted
5 student equal to or greater than the State median local capacity
6 per weighted student, the local capacity index for the school
7 district shall be zero.

8 (ii) For a school district with a local capacity per
9 weighted student less than the State median local capacity per
10 weighted student, the local capacity index shall be calculated
11 as follows:

12 (A) Divide the school district's local capacity per weighted
13 student by the State median local capacity per weighted student
14 for all school districts.

15 (B) Subtract the quotient in clause (A) from one (1).

16 (19) The local effort capacity index for each school
17 district shall be calculated by adding the school district's
18 local effort index to the school district's local capacity
19 index.

20 (c) The data used to calculate the factors in this section
21 shall be based on the most recent year for which data is
22 available as determined by the Department of Education. The
23 average daily membership shall be the average of the three (3)
24 most recent year's average daily membership. The average daily
25 membership used in paragraphs (6), (7), (8), (13) and (17) shall
26 be based on the most recent year's average daily membership.
27 Information utilized from the United States Census Bureau shall
28 be from the most recent American Community Survey 5-Year
29 Estimate of the United States Census Bureau.

30 Section 2. This act shall take effect July 1, 2015 or

1 immediately, whichever is later.