

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1949



ENROLLED

*Com. Sub. For*

HOUSE BILL No. 353

(By Mr. Com. on Finance)



PASSED March 12 1949

In Effect July 1, 1949 Passage



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COMMITTEE SUBSTITUTE FOR  
**House Bill No. 353**

(Originating in the Committee on Finance)

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[Passed March 12, 1949; in effect July 1, 1949.]

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AN ACT to amend and reenact sections two, three, six, seven, eight, thirteen and fourteen, article nine-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, and to amend such article by adding thereto a new section to be designated section fifteen, relating to state aid for schools.

*Be it enacted by the Legislature of West Virginia:*

That sections two, three, six, seven, eight, thirteen and fourteen, article nine-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted, and that such article be amended by adding thereto a new section to be designated section fifteen, to read as follows:

Section 2. *Definitions.*—For the purpose of this article:

2 "State board of school finance", "state board", or  
3 "board" means the state board of school finance except  
4 where the context refers to county boards of education.

5 "County board" means a county board of education.

6 "Teacher" shall include principal.

7 "Teachers employed" means the number of teachers em-  
8 ployed at the end of the fourth month of the school term.

9 "Average teacher salary" for any county means the  
10 sum of the basic salaries and the increments for experi-  
11 ence for all teachers employed therein, divided by the  
12 total number of said teachers. Basic salaries and incre-  
13 ments for experience shall be those designated by the  
14 laws of West Virginia.

15 "Enrolled pupil" means any person of school age who  
16 has entered into the work of a public school as a pupil  
17 and who has been listed as such on the record thereof.

18 "Net enrollment" means the number of pupils enrolled  
19 in grades one to twelve, inclusive, of the public schools  
20 of the county for the first four months of the school term:  
21 *Provided*, That no pupil shall be counted more than once  
22 by reason of transfer within the county or from another

23 county within the state: *And provided further*, That no  
24 pupil shall be counted whose tuition is paid by or from  
25 another state.

26 "Weighted net enrollment" means the total net enroll-  
27 ment, plus one-third of the high school net enrollment.

28 "High school net enrollment" means those pupils en-  
29 rolled in a school consisting only of grades above the sixth,  
30 organized for instruction by departments, and those  
31 pupils in a school in which the seventh and eighth grades  
32 are organized for instruction by departments, having four  
33 or more teachers in these grades.

34 "High school factor" means the weighted net enroll-  
35 ment divided by the net enrollment, carried to five deci-  
36 mal places.

37 "Sparsity factor" shall be a number derived as follows:

38 The number five divided by the sum of (1) the weighter  
39 net enrollment divided by the total miles of designated  
40 roads in the county, and (2) the weighted net enrollment  
41 divided by the number of square miles of area in the  
42 county.

43 "Miles of designated roads" shall mean miles of pri-

44 mary and secondary roads and highways in any county  
45 designated as such by the state road commission.

46 "Square miles of area" means the area of a county to  
47 be taken from the latest figures furnished by the West  
48 Virginia geological survey.

49 "Levies for general current expense purposes", for the  
50 purpose of this article, shall mean nineteen and six-tenths  
51 cents on class one property; thirty-nine and two-tenths  
52 cents on class two property; seventy-eight and four-tenths  
53 cents on classes three and four property.

54 "Index" means and is a percentage figure representing  
55 average ability of a county to contribute to the founda-  
56 tion program. It is to be compounded as follows:

57 First: Determine the ratio of the economic factors,  
58 mentioned in section five of this article, in each county  
59 to the total for each such respective factor for the entire  
60 state of West Virginia. For purposes of computing "Index"  
61 the ratio of said economic factors shall be averaged and  
62 the average under this paragraph "First" shall be counted  
63 as one-third.

64 Second: A ratio consisting of the total taxes computed

65 by using the levies for general current expense purposes  
66 in such county for the preceding assessment year from  
67 non-public utilities property divided by the total taxes  
68 computed by using the levies for general current expense  
69 purposes as aforesaid for all counties of the state for such  
70 year, said ratio under this paragraph "second" shall be  
71 counted as one-third.

72 Third: A ratio consisting of the total taxes computed  
73 by using the levies for general current expense purposes  
74 in such county for the preceding assessment year from  
75 public utilities property divided by the total taxes com-  
76 puted by using the levies for general current expense pur-  
77 poses as aforesaid for all counties of the state for such  
78 year, said ratio under this paragraph "Third" shall be  
79 counted as one-third.

80 The ratio under paragraph first, second and third, shall  
81 be reduced to percentage and the average of the respective  
82 percentages shall constitute the "Index".

Sec. 3. *The Foundation School Program.*—The founda-  
2 tion school program is hereby established as the basic  
3 essential of free public education in this state for the

4 purpose of computing the amount of money necessary to  
5 operate the public school system in each county. So far  
6 as funds available from state sources will permit, each  
7 county shall receive a sum which, together with the  
8 amount of "local share of revenue" will pay the cost of  
9 the foundation school program as computed in accordance  
10 with this article.

Sec. 6. *Computation of Local Share of Revenue.*—For  
2 the fiscal years one thousand nine hundred forty-nine—  
3 one thousand nine hundred fifty and one thousand nine  
4 hundred fifty—one thousand nine hundred fifty-one, the  
5 state board shall compute the taxes, by using the levies  
6 for general current expense purposes, in all counties for  
7 the preceding year, and total the same. Ninety-five per  
8 cent of the total amount of aforesaid levies for the entire  
9 state, shall be multiplied by the "Index" for each respec-  
10 tive county. The result of such multiplication shall as to  
11 the respective counties, constitute their "Local share of  
12 revenue" for said fiscal year.

13 Commencing with the first day of July, one thousand  
14 nine hundred forty-nine, the tax commissioner shall con-

15 tinue making such surveys, examinations, audits and in-  
16 vestigations of the value of the several classes of property  
17 in each county which should be listed and taxed under  
18 the several tax classifications provided by law and de-  
19 termine the true and actual value thereof. In making  
20 such surveys he may use such methods of checking prop-  
21 erty values and determining the amount of property in  
22 each classification, as accepted survey and investigation  
23 procedures of like nature employed for the purpose of  
24 ascertaining the true and actual value of all such property  
25 in each such county. The commissioner may employ such  
26 assistance as appropriations mentioned will permit, and  
27 shall be allowed not to exceed one hundred thousand dol-  
28 lars in each fiscal year of the biennium beginning on the  
29 first day of July, one thousand nine hundred forty-nine,  
30 for the purpose, and his expenses shall be charged as an  
31 item of operational expense to money appropriated and  
32 available for state aid.

33 On or before the first day of October, one thousand  
34 nine hundred fifty, the commissioner shall conclude the  
35 survey and render to the state board of school finance

36 a report of his conclusions with respect to the true and  
37 actual value of the several classes of taxable property in  
38 each county of the state based upon said surveys and  
39 investigations. For the purpose of state aid the values  
40 set forth in said report shall be the true and actual value  
41 of the various classes of property in each such county for  
42 the fiscal year one thousand nine hundred fifty-one—one  
43 thousand nine hundred fifty-two. Thereafter the tax com-  
44 missioner shall annually continue such work of survey,  
45 examination, audit and investigation and annually revise  
46 his reports to the state board of the true and actual value  
47 of the several classes of taxable property in any county  
48 from time to time as such subsequent investigation may  
49 warrant, the same to be made not later than the first day  
50 of October of each year, as to all or any counties of the  
51 state which have been resurveyed prior to said date.

52 The tax commissioner shall, at least once every four  
53 years, redetermine the true and actual value of property  
54 in each county of the state. For the fiscal year one thou-  
55 sand nine hundred fifty-one—one thousand nine hundred  
56 fifty-two, and thereafter, the commissioner shall be al-

57 lowed annually not to exceed fifty thousand dollars in  
58 any fiscal year for the purposes hereof, and his expenses  
59 shall be charged to money appropriated and available for  
60 state aid in the same manner as funds appropriated herein  
61 for the original survey.

62 From the latest revised report of true and actual value  
63 which is in its hands the state board shall for each county  
64 compute by the application of the "levies for general cur-  
65 rent expense purposes", the amount of revenue which  
66 said levies would produce, if levied upon one hundred  
67 per cent of the true and actual value of each of the several  
68 classes of property contained in the latest report or re-  
69 vised report of such value, made to it by the tax com-  
70 missioner. It shall deduct from such estimated revenue  
71 five per cent as an allowance for the usual losses in col-  
72 lection, due to discounts, exonerations, delinquencies, and  
73 the like. One-half of the remainder shall constitute the  
74 "local share of revenue". The local share of revenue  
75 computed from the true and actual value shall apply to  
76 all fiscal years after the thirtieth of June, one thousand  
77 nine hundred fifty-one: *Provided, however, If it is de-*

78 terminated by the state board that the application of this  
79 formula for determining the local share of revenue for  
80 each county will constitute a serious curtailment to the  
81 current school program then the state board shall have  
82 authority, within its discretion, to change the equaliza-  
83 tion factor of one-half or forego altogether the change  
84 from the present formula for distribution until such time  
85 as the matter has been acted upon by the Legislature:  
86 *And provided further*, That any findings resulting from  
87 the survey provided for in this section shall not be used  
88 for any other official purpose than as a base of allocation  
89 for state aid for schools: *And provided further*, That no  
90 assessor shall be required to raise any assessment as a  
91 result of the findings made by the commissioner pursuant  
92 to this section.

Sec. 7. *Total of Foundation Program.*—The state board  
2 shall commence and cause to be determined, as soon after  
3 the first day of July in each fiscal year as is possible, the  
4 foundation program for each county for such year as  
5 follows:

6 Step A—The average teacher's salary for the preceding

7 fiscal year for each county shall be divided by thirty-three  
8 and one-third and the quotient obtained.

9 Step B—The quotient resolved from Step A shall be  
10 multiplied by the “high school factor” mentioned in sec-  
11 tion two of this article and the product obtained.

12 Step C—The product resulting from Step B shall be  
13 multiplied by a number composed of the whole number  
14 one plus the “sparsity factor” mentioned in section two  
15 of this article and the product obtained.

16 Step D—The product resulting from Step C shall be  
17 divided by seventy-one hundredths and the quotient ob-  
18 tained. This quotient, for the purposes of this article, shall  
19 be the total per pupil cost of the foundation program for  
20 such county.

21 Step E—The quotient resulting from Step D shall be  
22 multiplied by the “net enrollment” as the same as defined  
23 in section two of this article and the product obtained.  
24 This product shall be the foundation program for such  
25 county.

Sec. 8. *Allocation of State Aid.*—Following computa-  
2 tion of the foundation program for each county the state

3 board shall compute and allocate state aid for each county  
4 as follows:

5 The amount of state aid for each county shall be the  
6 foundation program of such county minus the local share  
7 of revenue: *Provided, however,* That for the fiscal years  
8 one thousand nine hundred forty-nine—one thousand nine  
9 hundred fifty and one thousand nine hundred fifty—one  
10 thousand nine hundred fifty-one, if the amount of state  
11 aid computed above is less than the product of twenty-  
12 two hundred multiplied by the number of teachers ap-  
13 proved for such county by the state board on July tenth,  
14 one thousand nine hundred forty-six, the amount of state  
15 aid shall be computed and shall be as hereinafter com-  
16 puted, to-wit:

- 17 (1) Sixty-five per cent of its foundation program, or  
18 (2) The product of twenty-two hundred multiplied by  
19 the number of teachers approved for such county by the  
20 state board, July tenth, one thousand nine hundred forty-  
21 six, whichever is greater: *Provided further,* That at this  
22 point in the computation, the state aid, if less than one  
23 hundred dollars per pupil in its foundation program,

24 shall be computed to give an amount sufficient to raise  
25 the foundation program for any county to one hundred  
26 dollars per pupil: *And provided further*, That any county  
27 at this point in the calculation, which has less than one  
28 hundred ten dollars per pupil in the foundation program  
29 as computed as aforesaid shall receive an additional  
30 amount of two dollars and forty cents per pupil in net  
31 enrollment in its adjusted foundation program.

Sec. 13. *Revenue Deficiencies*.—If at any time defi-  
2 cencies in the revenue reduce amounts available for state  
3 aid below the amount of appropriations made by the  
4 Legislature for any fiscal year, or if the amount appro-  
5 priated by the Legislature for any fiscal years is insuffi-  
6 cient to meet in full the requirements for that year of  
7 the distribution formula prescribed in this article, and  
8 it becomes necessary for the state board to reduce the  
9 amount of state aid it shall make reductions for each  
10 county as follows:

11 (1) Fifty per cent of the total reductions shall apply  
12 proportionately to the adjustment made for each county  
13 adjusted, and

14 (2) The remaining fifty per cent of the deficiencies shall  
15 be applied as a uniform percentage reduction of the foun-  
16 dation program for each county.

Sec. 14. *Excess Appropriations.*—In any case where ap-  
2 propriations for state aid, exclusive of federal aid, are in  
2 excess of the foundation program required for all counties  
3 of the state, such excess, if available for expenditure un-  
4 der appropriations shall be allocated and paid to the re-  
5 spective county boards of education in the same propor-  
6 tion which the foundation program of each county bears  
7 to the sum of the foundation programs of all counties of  
8 the state. Allocation shall be made by the state board.

Sec. 15. *Marginal Aid.*—There shall be established a  
2 marginal aid fund in the amount of one hundred thousand  
3 dollars for each year of the biennium and, upon request  
4 of the governor, shall be transferred to the general school  
5 fund to provide equalization aid for distribution to mar-  
6 ginal counties by the state board of school finance in  
7 addition to the state aid allocated in accordance with the  
8 provisions of this article: *Provided, however,* That the  
9 state board of school finance shall determine the amount

10 of additional aid required to complete a nine months term  
11 of school in such counties and distribute such part thereof  
12 as the said fund will permit.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Joseph L. McKee  
Chairman Senate Committee

R. L. Potts  
Chairman House Committee

Originated in the House of Delegates

Takes effect July 1, 1949 passage.

Herman Meyer  
Clerk of the Senate

J. Smith  
Clerk of the House of Delegates

W. B. Rayburn  
President of the Senate

W. C. Pennington  
Speaker House of Delegates

The within APPROVED this the 18TH

day of MARCH, 1949.

Chas. S. Patton  
Governor.



Filed in the Office of the Secretary of State  
of West Virginia MAR 18 1949

**D. PITT O'BRIEN,**  
**SECRETARY OF STATE**