WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1949

ENROLLED

Com. Sub. For
HOUSE BILL No. 353

(By Mr. [Name on Finance])

PASSED March 12, 1949

In Effect July 1, 1949

Passage
ENROLLED

COMMITTEE SUBSTITUTE FOR

House Bill No. 353

(Originating in the Committee on Finance)

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

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:
“State board of school finance”, “state board”, or “board” means the state board of school finance except where the context refers to county boards of education. “County board” means a county board of education.

“Teacher” shall include principal.

“Teachers employed” means the number of teachers employed at the end of the fourth month of the school term.

“Average teacher salary” for any county means the sum of the basic salaries and the increments for experience for all teachers employed therein, divided by the total number of said teachers. Basic salaries and increments for experience shall be those designated by the laws of West Virginia.

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

“Net enrollment” means the number of pupils enrolled in grades one to twelve, inclusive, of the public schools of the county for the first four months of the school term:

Provided, That no pupil shall be counted more than once by reason of transfer within the county or from another
county within the state: *And provided further*, That no pupil shall be counted whose tuition is paid by or from another state.

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

"High school net enrollment" means those pupils enrolled in a school consisting only of grades above the sixth, organized for instruction by departments, and those pupils in a school in which the seventh and eighth grades are organized for instruction by departments, having four or more teachers in these grades.

"High school factor" means the weighted net enrollment divided by the net enrollment, carried to five decimal places.

"Sparcity factor" shall be a number derived as follows: The number five divided by the sum of (1) the weighted net enrollment divided by the total miles of designated roads in the county, and (2) the weighted net enrollment divided by the number of square miles of area in the county.

"Miles of designated roads" shall mean miles of pri-
mary and secondary roads and highways in any county designated as such by the state road commission.

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

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

"Index" means and is a percentage figure representing average ability of a county to contribute to the foundation program. It is to be compounded as follows:

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

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

Third: A ratio consisting of the total taxes computed by using the levies for general current expense purposes in such county for the preceding assessment year from public utilities property divided by the total taxes computed by using the levies for general current expense purposes as aforesaid for all counties of the state for such year, said ratio under this paragraph "Third" shall be counted as one-third.

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

Sec. 3. The Foundation School Program.—The foundation school program is hereby established as the basic 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-
continue making such surveys, examinations, audits and investigations of the value of the several classes of property in each county which should be listed and taxed under the several tax classifications provided by law and determine the true and actual value thereof. In making such surveys he may use such methods of checking property values and determining the amount of property in each classification, as accepted survey and investigation procedures of like nature employed for the purpose of ascertaining the true and actual value of all such property in each such county. The commissioner may employ such assistance as appropriations mentioned will permit, and shall be allowed not to exceed one hundred thousand dollars in each fiscal year of the biennium beginning on the first day of July, one thousand nine hundred forty-nine, for the purpose, and his expenses shall be charged as an item of operational expense to money appropriated and available for state aid.

On or before the first day of October, one thousand nine hundred fifty, the commissioner shall conclude the survey and render to the state board of school finance
a report of his conclusions with respect to the true and actual value of the several classes of taxable property in each county of the state based upon said surveys and investigations. For the purpose of state aid the values set forth in said report shall be the true and actual value of the various classes of property in each such county for the fiscal year one thousand nine hundred fifty-one—one thousand nine hundred fifty-two. Thereafter the tax commissioner shall annually continue such work of survey, examination, audit and investigation and annually revise his reports to the state board of the true and actual value of the several classes of taxable property in any county from time to time as such subsequent investigation may warrant, the same to be made not later than the first day of October of each year, as to all or any counties of the state which have been resurveyed prior to said date.

The tax commissioner shall, at least once every four years, redetermine the true and actual value of property in each county of the state. For the fiscal year one thousand nine hundred fifty-one—one thousand nine hundred fifty-two, and thereafter, the commissioner shall be al-
lowed annually not to exceed fifty thousand dollars in any fiscal year for the purposes hereof, and his expenses shall be charged to money appropriated and available for state aid in the same manner as funds appropriated herein for the original survey.

From the latest revised report of true and actual value which is in its hands the state board shall for each county compute by the application of the "levies for general current expense purposes", the amount of revenue which said levies would produce, if levied upon one hundred per cent of the true and actual value of each of the several classes of property contained in the latest report or revised report of such value, made to it by the tax commissioner. It shall deduct from such estimated revenue five per cent as an allowance for the usual losses in collection, due to discounts, exonerations, delinquencies, and the like. One-half of the remainder shall constitute the "local share of revenue". The local share of revenue computed from the true and actual value shall apply to all fiscal years after the thirtieth of June, one thousand nine hundred fifty-one: Provided, however, If it is de-

terminated by the state board that the application of this formula for determining the local share of revenue for each county will constitute a serious curtailment to the current school program then the state board shall have authority, within its discretion, to change the equalization factor of one-half or forego altogether the change from the present formula for distribution until such time as the matter has been acted upon by the Legislature:

And provided further, That any findings resulting from the survey provided for in this section shall not be used for any other official purpose than as a base of allocation for state aid for schools: And provided further, That no assessor shall be required to raise any assessment as a result of the findings made by the commissioner pursuant to this section.

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

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

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

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

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

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

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

Sec. 8. Allocation of State Aid.—Following computa-
tion of the foundation program for each county the state
The amount of state aid for each county shall be the
foundation program of such county minus the local share
of revenue: Provided, however, That for the fiscal years
one thousand nine hundred forty-nine—one thousand nine
hundred fifty and one thousand nine hundred fifty—one
thousand nine hundred fifty-one, if the amount of state
aid computed above is less than the product of twenty-
two hundred multiplied by the number of teachers ap-
proved for such county by the state board on July tenth,
one thousand nine hundred forty-six, the amount of state
aid shall be computed and shall be as hereinafter com-
puted, to-wit:

(1) Sixty-five per cent of its foundation program, or
(2) The product of twenty-two hundred multiplied by
the number of teachers approved for such county by the
state board, July tenth, one thousand nine hundred forty-
six, whichever is greater: Provided further, That at this
point in the computation, the state aid, if less than one
hundred dollars per pupil in its foundation program,
shall be computed to give an amount sufficient to raise
the foundation program for any county to one hundred
dollars per pupil: And provided further, That any county
at this point in the calculation, which has less than one
hundred ten dollars per pupil in the foundation program
as computed as aforesaid shall receive an additional
amount of two dollars and forty cents per pupil in net
enrollment in its adjusted foundation program.

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

(1) Fifty per cent of the total reductions shall apply
proportionately to the adjustment made for each county
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
of additional aid required to complete a nine months term of school in such counties and distribute such part thereof as the said fund will permit.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House of Delegates

Takes effect July 1, 1949

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within APPROVED this the 18th day of March, 1949.

Governor.

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

D. Pitt O'Brien,
SECRETARY OF STATE