

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 222

Session of
1987

INTRODUCED BY COWELL, FISCHER, IRVIS, EVANS, HAYES, COY, TELEK, ITKIN, D. R. WRIGHT, DAVIES, KUKOVICH, TRELLO, MARKOSEK, CESSAR, E. Z. TAYLOR, DALEY, BATTISTO, KOSINSKI, TIGUE, FOX, WASS, LIVENGOD, RAYMOND, HERMAN, STAIRS, WAMBACH, NOYE, LAUGHLIN, COLAFELLA, LESCOVITZ, FATTAH, LLOYD, SIRIANNI, CLYMER, SCHULER, PRESTON, PISTELLA, WOGAN, PETRONE, STUBAN, SHOWERS, McCALL, LaGROTTA, FARGO, MICHLOVIC, GEIST, DORR, STEIGHNER, HALUSKA, YANDRISEVITS, GRUPPO, D. W. SNYDER, JACKSON, BUNT, KENNEY, VAN HORNE, HERSHEY, BARLEY, MORRIS, HAGARTY, MERRY, ARTY, FREEMAN, CARLSON, OLASZ, LEVDANSKY, STABACK, BOOK, GODSHALL, CALTAGIRONE, JOHNSON, CLARK, MELIO, MICOZZIE, RUDY, DISTLER, GANNON, REBER, PETRARCA, CIVERA, PUNT, VEON, WOZNIAK, BORTNER, SEVENTY, BELFANTI, DAWIDA, J. L. WRIGHT, J. TAYLOR, DUFFY, RYBAK, BURD, MILLER, BUSH, SERAFINI, LANGTRY, MAYERNIK, FLICK, CAPPABIANCA, RITTER, CAWLEY, PHILLIPS, BLAUM, BALDWIN, DeLUCA, SWEET, NAHILL, WIGGINS, BURNS, FREIND, LINTON, CIMINI, McHALE, ARGALL AND DEAL, FEBRUARY 9, 1987

REFERRED TO COMMITTEE ON EDUCATION, FEBRUARY 9, 1987

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," increasing reimbursement for school
6 building construction; and making editorial changes.

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

9 Section 1. Section 2574(e) of the act of March 10, 1949
10 (P.L.30, No.14), known as the Public School Code of 1949,
11 amended June 12, 1968 (P.L.192, No.96), is amended and
12 subsections (b) and (c) are amended by adding clauses to read:

Section 2574. Approved Reimbursable Rental for Leases
Hereafter Approved and Approved Reimbursable Sinking Fund
Charges on Indebtedness.--* * *

(b) For new school buildings the approved building
construction cost shall be the lesser of

* * *

(4) For school buildings for which the general construction
contract is awarded subsequent to July 1, 1984, and for approved
school building projects for which the general construction
contract was awarded but for which a lease or general obligation
bond resolution was not approved by the Department of Education
prior to July 1, 1984, the product of the rated pupil capacity
as determined by the Department of Education at the time the
project is approved and (i) five thousand five hundred dollars
(\$5,500) in the case of elementary schools, (ii) seven thousand
two hundred dollars (\$7,200) in the case of secondary schools,
(iii) an amount in the case of combined elementary-secondary
schools obtained by multiplying the rated elementary pupil
capacity by five thousand five hundred dollars (\$5,500) and the
rated secondary pupil capacity by seven thousand two hundred
dollars (\$7,200) and dividing the sum by the total rated pupil
capacity.

(c) For additions or alterations to existing buildings
approved building construction cost shall be the lesser of

* * *

(4) For school buildings for which the general construction
contract is awarded subsequent to July 1, 1984, and for approved
school building projects for which the general construction
contract was awarded but for which a lease or general obligation
bond resolution was not approved by the Department of Education

1 prior to July 1, 1984, the difference obtained by subtracting
2 the appraisal value of the existing building from the product of
3 the rated pupil capacity of the altered or expanded building as
4 determined by the Department of Education at the time the
5 project is approved and (i) five thousand five hundred dollars
6 (\$5,500) in the case of elementary schools, (ii) seven thousand
7 two hundred dollars (\$7,200) in the case of secondary schools,
8 (iii) an amount in the case of combined elementary-secondary
9 schools obtained by multiplying the rated elementary pupil
10 capacity by five thousand five hundred dollars (\$5,500) and the
11 rated secondary pupil capacity by seven thousand two hundred
12 dollars (\$7,200) and dividing the sum by the total rated pupil
13 capacity of the altered or expanded building.

14 * * *

15 (e) For area vocational-technical school and technical
16 institute projects leased subsequent to July 1, 1964, by or for
17 lease to a board of school directors authorized to operate such
18 a school, the Department of [Public Instruction] Education shall
19 calculate an approved reimbursable rental charge.

20 For area vocational-technical school and technical institute
21 projects constructed or purchased subsequent to July 1, 1964, by
22 a board of school directors authorized to operate such a school,
23 the Department of [Public Instruction] Education may calculate
24 an approved reimbursable sinking fund charge.

25 Approved reimbursable rental or sinking fund charge shall
26 consist of that part of the annual rental or sinking fund
27 attributable to:

28 (1) Cost of acquiring land and preparing it for use to the
29 extent that such costs are deemed reasonable by the Department
30 of [Public Instruction] Education and the interest on such cost

1 of acquisition, cost of preparation and the cost of sewage
2 treatment and the interest on such costs.

3 (2) Machinery, apparatus, furniture and equipment and all
4 other necessary expenses and interest charges, but excluding
5 architects' fees in excess of six percent of the construction
6 cost.

7 The approved building construction cost and the interest on
8 such construction cost shall not exceed the product of the rated
9 full-time pupil capacity, as determined by the Department of
10 [Public Instruction] Education at the time the project is
11 approved and two thousand two hundred dollars (\$2,200).

12 The provisions of the foregoing paragraph shall apply to all
13 school building projects for which the general construction
14 contract is awarded prior to July 1, 1966, and for approved
15 school building projects for which a lease was approved by the
16 Department of [Public Instruction] Education prior to July 1,
17 1966. For school buildings for which the general construction
18 contract is awarded subsequent to July 1, 1966, and for approved
19 school building projects for which the general construction
20 contract was awarded but for which a lease was not approved by
21 the Department of [Public Instruction] Education prior to July
22 1, 1966, the approved building construction cost and the
23 interest on such construction cost shall not exceed the product
24 of the rated full-time pupil capacity, as determined by the
25 Department of [Public Instruction] Education at the time the
26 project is approved, and three thousand seven hundred dollars
27 (\$3700).

28 For school buildings for which the general construction
29 contract is awarded subsequent to July 1, 1984, and for approved
30 school building projects for which the general construction

1 contract was awarded but for which a lease or general obligation
2 bond resolution was not approved by the Department of Education
3 prior to July 1, 1984, the approved building construction cost
4 and the interest on such construction cost shall not exceed the
5 product of the rated full-time pupil capacity, as determined by
6 the Department of Education at the time the project is approved,
7 and eight thousand nine hundred dollars (\$8,900).

8 The Department of [Public Instruction] Education shall not
9 approve the expenditure of any funds borrowed or obtained by the
10 sale of bonds by any authority, nonprofit corporation, profit
11 corporation, company or individual for construction of area
12 vocational-technical schools or technical institutes for
13 bleachers, athletic field, lighting equipment or apparatus used
14 to promote and conduct interscholastic athletics.

15 * * *

16 Section 2. This act shall take effect July 1, 1987.