

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 983 Session of 2011

INTRODUCED BY HALUSKA, CALTAGIRONE, COHEN, CRUZ, DALEY,  
HORNAMAN, MAHONEY, QUINN, SCAVELLO, VULAKOVICH, GEIST, KOTIK,  
MURPHY, READSHAW, STURLA, MILLER AND HESS, MARCH 9, 2011

REFERRED TO COMMITTEE ON EDUCATION, MARCH 9, 2011

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," further providing for the sale of  
6 unused and unnecessary lands and buildings; providing for  
7 State reimbursement for mobile classroom facilities; and  
8 making editorial changes.

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

11 Section 1. Section 707 of the act of March 10, 1949 (P.L.30,  
12 No.14), known as the Public School Code of 1949, is amended by  
13 adding a clause to read:

14 Section 707. Sale of Unused and Unnecessary Lands and  
15 Buildings.--The board of school directors of any district is  
16 hereby vested with the necessary power and authority to sell  
17 unused and unnecessary lands and buildings, by any of the  
18 following methods and subject to the following provisions:

19 \* \* \*

20 (4.1) Notwithstanding the foregoing provision of this

section, no unused and unnecessary school building, nor any  
unused and unnecessary land upon which such a building is  
located, may be sold for less than fifty (50) per centum of the  
fair market value of the building, or of the land and building,  
as the case may be, provided the prospective purchaser submits a  
plan for the building and demonstrates that the purchaser has  
the financial resources to implement the plan, except that the  
building, or land and building, may be donated to a political  
subdivision of this Commonwealth or to a nonprofit corporation  
that qualifies as an institution of purely public charity under  
section 5 of the act of November 26, 1997 (P.L.508, No.55),  
known as the "Institutions of Purely Public Charity Act." The  
fair market value, as used in this clause, shall be determined  
by a State-certified real estate appraiser who is certified  
under the act of July 10, 1990 (P.L.404, No.98), known as the  
"Real Estate Appraisers Certification Act," or by taking the  
mean average of the fair market values as determined by two or  
three such State-certified real estate appraisers. For the  
purpose of this clause, no appraisal may be utilized that was  
made more than one year prior to the date of sale. Any unused  
and unnecessary school building that cannot be sold for at least  
fifty (50) per centum of the fair market value subject to the  
conditions set forth in this clause and is not donated to a  
political subdivision or a nonprofit corporation pursuant to  
this section shall be demolished by the school district within  
ten years of its becoming unused. A school district shall not be  
required to demolish any school building if:

(i) the board of school directors has determined by  
resolution the building is necessary for future use by the  
school district;

1     (ii) the school building is maintained in accordance with  
2     State and local building or health and safety ordinances;  
3     (iii) the school building is located on school property with  
4     at least one other school building that is used for the  
5     instruction of students; or  
6     (iv) the school building was built before 1940 and the  
7     Pennsylvania Historical and Museum Commission determines the  
8     school building has historic value.

9     \* \* \*

10    Section 2. Section 2574(a) of the act, amended September 29,  
11    1959 (P.L.992, No.407), is amended to read:

12    Section 2574. Approved Reimbursable Rental for Leases  
13    Hereafter Approved and Approved Reimbursable Sinking Fund  
14    Charges on Indebtedness.--(a) For school building projects for  
15    which the general construction contract is awarded subsequent to  
16    March 22, 1956, and for approved school building projects for  
17    which the general construction contract was awarded but for  
18    which a lease was not approved by the Department of [Public  
19    Instruction] Education prior to March 22, 1956, the Department  
20    of [Public Instruction] Education shall calculate an approved  
21    reimbursable rental or approved reimbursable sinking fund  
22    charges. Reimbursable sinking fund charges may include charges  
23    for temporary indebtedness within constitutional limitations, if  
24    the indebtedness is incurred for approved [permanent]  
25    improvements to the school plant including the cost of acquiring  
26    a suitable site for a school building, the cost of constructing  
27    a new school building, or the cost of providing needed additions  
28    or alterations to existing buildings for which no bond issue is  
29    provided and for which an approved obligation or obligations  
30    other than bonds have been issued and the obligation or

1 obligations are payable within five (5) years from the date of  
2 issue of the obligation in equal annual installments. As used in  
3 this section, "building" shall include a permanent structure  
4 that contains or is attached to relocatable or modular  
5 classrooms. The term "relocatable or modular classroom" shall  
6 mean a classroom not of a permanent nature which meets the  
7 criteria and specifications of the Department of Education.

8 Approved reimbursable rental or sinking fund charge shall  
9 consist of that part of the annual rental or sinking fund charge  
10 attributable to--

11 (1) The cost of acquiring the land upon which the school  
12 buildings are situate, the cost of necessary rough grading to  
13 permit proper placement of the building upon said land and the  
14 cost of sewage treatment plants, as required by the Department  
15 of Health, to the extent that such costs are deemed reasonable  
16 by the Department of [Public Instruction] Education and the  
17 interest on such costs of acquisition, grading and sewage  
18 treatment plants earned subsequent to date the construction  
19 contract is awarded, and

20 (2) The approved building construction cost and the interest  
21 on such construction cost.

22 \* \* \*

23 Section 3. This act shall take effect in 60 days.