

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1250 Session of
2003

INTRODUCED BY WRIGHT, GODSHALL, CIVERA, CREIGHTON, HARRIS, LEH,
LEVANSKY, S. MILLER AND YOUNGBLOOD, APRIL 29, 2003

REFERRED TO COMMITTEE ON EDUCATION, APRIL 29, 2003

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 referenda and
6 public hearing required prior to construction or lease of
7 school buildings.

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

10 Section 1. Section 701.1 of the act of March 10, 1949
11 (P.L.30, No.14), known as the Public School Code of 1949, added
12 June 27, 1973 (P.L.75, No.34), is amended to read:

13 Section 701.1. Referendum [or] and Public Hearing Required
14 Prior to Construction or Lease.--Except where the approval of
15 the electors is obtained to incur indebtedness to finance the
16 construction of a school project, the board of school directors
17 of any school district of the second, third or fourth classes,
18 shall not construct, enter into a contract to construct or enter
19 into a contract to lease a new school building or substantial
20 addition to an existing school building without the consent of

1 the electors obtained by referendum [or] and without holding a
2 public hearing as hereinafter provided. In the event that a new
3 school building or a substantial addition to an existing
4 building is to be constructed or leased, the school board shall,
5 by a majority vote of all its members, authorize a maximum
6 project cost and a maximum building construction cost to be
7 financed by the district or amortized by lease rentals to be
8 paid by the district. Building construction cost shall consist
9 of the cost of all building construction including general
10 construction costs, plumbing, heating, electrical, ventilating
11 and other structural costs, equipment and fixtures and
12 architectural and engineering fees relating thereto, but not
13 including costs for site acquisition and development, rough
14 grading to receive the building, sewage treatment facilities or
15 equivalent capital contributions, and architectural and
16 engineering fees relating thereto. In all cases, a public
17 hearing shall be held not later than thirty (30) days before the
18 school district submits the initial building construction cost
19 estimates to the Department of Education for approval. Notice of
20 the hearing shall be given not later than twenty (20) days
21 before the date of the scheduled hearing. In the event that the
22 maximum building construction cost authorization exceeds [the
23 aggregate building expenditure standard hereinafter specified]
24 the greater of five million dollars (\$5,000,000) or fifty (50)
25 per cent of the school district's average annual revenue, the
26 aforesaid authorization of the school board shall be submitted
27 to the electors of the school district for their approval within
28 six (6) months prior to submission of the final building
29 construction cost bids to the Department of Education for
30 approval. Such referendum shall be held in the same manner as

1 provided by law for the approval of the incurring of
2 indebtedness by referendum. The question as submitted shall
3 specify the maximum project cost, the maximum building
4 construction cost and the annual sinking fund charge or lease
5 rental to be incurred by the school district and the portion of
6 such charge or rental expected to be reimbursed by the
7 Commonwealth. [If the final building construction cost bids to
8 be submitted to the Department of Education for approval are
9 less than the aggregate building expenditure standard hereafter
10 specified but exceed by eight (8) per cent or more the initial
11 building construction cost estimates submitted to the Department
12 for approval, a second public hearing shall be held before the
13 Department shall give its final approval.

14 The applicable aggregate building expenditure standard shall
15 be a total amount calculated for each building or substantial
16 addition by multiplying the rated pupil capacity under the
17 approved room schedule by the following: two thousand eight
18 hundred dollars (\$2,800) for each pupil of rated elementary
19 capacity; four thousand two hundred dollars (\$4,200) for each
20 pupil of rated secondary capacity in grades seven, eight and
21 nine and five thousand two hundred dollars (\$5,200) for each
22 pupil of rated secondary capacity in grades ten, eleven and
23 twelve and five thousand two hundred dollars (\$5,200) for each
24 pupil of rated vocational-technical capacity in grades ten,
25 eleven and twelve to not include the cost of equipment and
26 fixtures in such vocational-technical schools: Provided,
27 however, That each of the preceding per pupil amounts shall be
28 adjusted by the Department of Education on July 1, 1974; and
29 annually thereafter by multiplying said amounts by the ratio of
30 the composite construction cost index compiled and published by

1 the United States Department of Commerce for the preceding
2 calendar year to such index for the next preceding calendar
3 year. Rated elementary pupil capacity or rated secondary pupil
4 capacity for any school building shall be the rated pupil
5 capacity determined on the basis of the method used by the
6 Department for school building reimbursement purposes during the
7 school year 1971-1972.]

8 For purposes of this section:

9 (1) "Site acquisition" includes the cost of land and mineral
10 rights, demolition and clearing, rights-of-way and related
11 utility relocations, surveys and soils analysis, and the cost of
12 all fees relating thereto.

13 (2) "Site development" includes excavation, grouting or
14 shoring, special foundations for buildings, access roads to
15 site, utilities on site, extension of utilities to site.

16 (3) "Equipment and fixtures" means property fixed or movable
17 which is incidental and necessary to conduct the educational
18 program, and includes, but is not limited to movable equipment
19 such as desks, chairs, tables, portable physical education
20 equipment, audio-visual equipment and science, homemaking,
21 industrial art and business equipment and instructional
22 materials and fixtures such as casework, laboratory equipment,
23 kitchen equipment, auditorium seating and any other special
24 fixtures or equipment required to conduct a particular
25 educational program.

26 (4) "Substantial addition" means more than twenty (20) per
27 centum of the area and replacement value of the structure to
28 which the improvement is to be added.

29 (5) "Average annual revenue" means the annual arithmetic
30 average of the total revenues for the three (3) most recently

1 completed fiscal years as set forth in a certificate stating the
2 total revenues in each of these years and stating the average,
3 executed by the authorized officials of the school district or
4 by an independent accountant.

5 (6) "Total revenues" means total revenues as defined in 53
6 Pa.C.S. § 8002(c) (relating to definitions).

7 Section 2. This act shall take effect in 60 days.