

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 823

Session of
1985

INTRODUCED BY GALLAGHER, WASS, HALUSKA, DOMBROWSKI,
F. E. TAYLOR, SWEET, STUBAN, KUKOVICH, STABACK, NAHILL, ARTY,
POTT, KOSINSKI, SEMMEL, CIVERA, JOHNSON, AFFLERBACH, SHOWERS,
COY, TIGUE, PRATT, COWELL, WOGAN, COLAFELLA, FREIND, FOX,
PETRONE, PRESSMANN, HERMAN, DALEY, NOYE, FISCHER AND HERSHEY,
APRIL 10, 1985

REFERRED TO COMMITTEE ON EDUCATION, APRIL 10, 1985

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

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

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

18 * * *

1 (3.1) For school buildings for which the general
2 construction contract is awarded subsequent to July 1, 1984, and
3 for approved school building projects for which the general
4 construction contract was awarded but for which a lease was not
5 approved by the Department of Education prior to July 1, 1984,
6 the product of the rated pupil capacity as determined by the
7 Department of Education at the time the project is approved and
8 (i) five thousand five hundred dollars (\$5,500) in the case of
9 elementary schools, (ii) seven thousand two hundred dollars
10 (\$7,200) in the case of secondary schools, (iii) an amount in
11 the case of combined elementary-secondary schools obtained by
12 multiplying the rated elementary pupil capacity by five thousand
13 five hundred dollars (\$5,500) and the rated secondary pupil
14 capacity by seven thousand two hundred dollars (\$7,200) and
15 dividing the sum by the total rated pupil capacity.

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

18 * * *

19 (3.1) For school buildings for which the general
20 construction contract is awarded subsequent to July 1, 1984, and
21 for approved school building projects for which the general
22 construction contract was awarded but for which a lease was not
23 approved by the Department of Education prior to July 1, 1984,
24 the difference obtained by subtracting the appraisal value of
25 the existing building from the product of the rated pupil
26 capacity of the altered or expanded building as determined by
27 the Department of Education at the time the project is approved
28 and (i) five thousand five hundred dollars (\$5,500) in the case
29 of elementary schools, (ii) seven thousand two hundred dollars
30 (\$7,200) in the case of secondary schools, (iii) an amount in

1 the case of combined elementary-secondary schools obtained by
2 multiplying the rated elementary pupil capacity by five thousand
3 five hundred dollars (\$5,500) and the rated secondary pupil
4 capacity by seven thousand two hundred dollars (\$7,200) and
5 dividing the sum by the total rated pupil capacity of the
6 altered or expanded building.

7 * * *

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

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

18 Approved reimbursable rental or sinking fund charge shall
19 consist of that part of the annual rental or sinking fund
20 attributable to:

21 (1) Cost of acquiring land and preparing it for use to the
22 extent that such costs are deemed reasonable by the Department
23 of [Public Instruction] Education and the interest on such cost
24 of acquisition, cost of preparation and the cost of sewage
25 treatment and the interest on such costs.

26 (2) Machinery, apparatus, furniture and equipment and all
27 other necessary expenses and interest charges, but excluding
28 architects' fees in excess of six percent of the construction
29 cost.

30 The approved building construction cost and the interest on

1 such construction cost shall not exceed the product of the rated
2 full-time pupil capacity, as determined by the Department of
3 [Public Instruction] Education at the time the project is
4 approved and two thousand two hundred dollars (\$2,200).

5 The provisions of the foregoing paragraph shall apply to all
6 school building projects for which the general construction
7 contract is awarded prior to July 1, 1966, and for approved
8 school building projects for which a lease was approved by the
9 Department of [Public Instruction] Education prior to July 1,
10 1966. For school buildings for which the general construction
11 contract is awarded subsequent to July 1, 1966, and for approved
12 school building projects for which the general construction
13 contract was awarded but for which a lease was not approved by
14 the Department of [Public Instruction] Education prior to July
15 1, 1966, the approved building construction cost and the
16 interest on such construction cost shall not exceed the product
17 of the rated full-time pupil capacity, as determined by the
18 Department of [Public Instruction] Education at the time the
19 project is approved, and three thousand seven hundred dollars
20 (\$3700).

21 For school buildings for which the general construction
22 contract is awarded subsequent to July 1, 1984, and for approved
23 school building projects for which the general construction
24 contract was awarded but for which a lease was not approved by
25 the Department of Education prior to July 1, 1984, the approved
26 building construction cost and the interest on such construction
27 cost shall not exceed the product of the rated full-time pupil
28 capacity, as determined by the Department of Education at the
29 time the project is approved, and eight thousand nine hundred
30 dollars (\$8,900).

1 The Department of [Public Instruction] Education shall not
2 approve the expenditure of any funds borrowed or obtained by the
3 sale of bonds by any authority, nonprofit corporation, profit
4 corporation, company or individual for construction of area
5 vocational-technical schools or technical institutes for
6 bleachers, athletic field, lighting equipment or apparatus used
7 to promote and conduct interscholastic athletics.

8 Section 2. This act shall take effect immediately.