

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1914 Session of  
2003

INTRODUCED BY LEACH, FRANKEL, FAIRCHILD, CRUZ, CURRY, FREEMAN,  
GERGELY, GOODMAN, HORSEY, JOSEPHS, RUBLEY AND YOUNGBLOOD,  
AUGUST 5, 2003

REFERRED TO COMMITTEE ON EDUCATION, AUGUST 5, 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 referendum or  
6 public hearing required prior to construction or lease.

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

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

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

1 the electors obtained by referendum or without holding a public  
2 hearing as hereinafter provided. In the event that a new school  
3 building or a substantial addition to an existing building is to  
4 be constructed or leased, the school board shall, by a majority  
5 vote of all its members, authorize a maximum project cost and a  
6 maximum building construction cost to be financed by the  
7 district or amortized by lease rentals to be paid by the  
8 district. Building construction cost shall consist of the cost  
9 of all building construction including general construction  
10 costs, plumbing, heating, electrical, ventilating and other  
11 structural costs, equipment and fixtures and architectural and  
12 engineering fees relating thereto, but not including costs for  
13 site acquisition and development, rough grading to receive the  
14 building, sewage treatment facilities or equivalent capital  
15 contributions, and architectural and engineering fees relating  
16 thereto. Building construction cost shall not include the  
17 additional cost involved in the building construction of a  
18 school that meets the Leadership in Energy and Environmental  
19 Design standards as established and published by the United  
20 States Green Building Council. In all cases, a public hearing  
21 shall be held not later than thirty (30) days before the school  
22 district submits the initial building construction cost and  
23 operating cost estimates to the Department of Education for  
24 approval. Notice of the hearing shall be given not later than  
25 twenty (20) days before the date of the scheduled hearing. In  
26 the event that the maximum building construction cost  
27 authorization exceeds the aggregate building expenditure  
28 standard hereinafter specified, the aforesaid authorization of  
29 the school board shall be submitted to the electors of the  
30 school district for their approval within six (6) months prior

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

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

1 annually thereafter by multiplying said amounts by the ratio of  
2 the composite construction cost index compiled and published by  
3 the United States Department of Commerce for the preceding  
4 calendar year to such index for the next preceding calendar  
5 year. Rated elementary pupil capacity or rated secondary pupil  
6 capacity for any school building shall be the rated pupil  
7 capacity determined on the basis of the method used by the  
8 Department for school building reimbursement purposes during the  
9 school year 1971-1972.

10 For purposes of this section:

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

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

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

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

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