

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2296 Session of
1978

INTRODUCED BY PRATT AND MILLIRON, APRIL 5, 1978

REFERRED TO COMMITTEE ON EDUCATION, APRIL 5, 1978

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 and
6 public hearings prior to certain construction or leasing.

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

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

13 Section 701.1. [Referendum or Public Hearing Required Prior
14 to Construction or Lease.--Except where the approval of the
15 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 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. In all cases, a public hearing shall be held not later
17 than thirty (30) days before the school district submits the
18 initial building construction cost estimates to the Department
19 of Education for approval. Notice of the hearing shall be given
20 not later than twenty (20) days before the date of the scheduled
21 hearing. In the event that the maximum building construction
22 cost authorization exceeds the aggregate building expenditure
23 standard hereinafter specified, the aforesaid authorization of
24 the school board shall be submitted to the electors of the
25 school district for their approval within six (6) months prior
26 to submission of the final building construction cost bids to
27 the Department of Education for approval. Such referendum shall
28 be held in the same manner as provided by law for the approval
29 of the incurring of indebtedness by referendum. The question as
30 submitted shall specify the maximum project cost, the maximum

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

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

1 capacity for any school building shall be the rated pupil
2 capacity determined on the basis of the method used by the
3 Department for school building reimbursement purposes during the
4 school year 1971-1972.

5 For purposes of this section:

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

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

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

23 (4) "Substantial addition" means more than twenty (20) per
24 centum of the area and replacement value of the structure to
25 which the improvement is to be added.] Definitions.--The
26 following words and phrases when used in sections 701.2, 701.3
27 and 701.4 shall have, unless the context clearly indicates
28 otherwise, the meanings given in this section:

29 "Building construction cost" means the cost of all building
30 construction including general construction costs, plumbing,

1 heating, ventilating, electrical and other structural costs,
2 equipment and fixtures and architectural and engineering fees
3 relating thereto. The term does not include rough grading to
4 receive the building, sewage treatment facilities or equivalent
5 capital contributions, or architectural and engineering fees
6 relating thereto.

7 "Equipment and fixtures" means property fixed or movable
8 which is incidental and necessary to conduct the educational
9 program and includes, but is not limited to, movable equipment
10 such as desks, chairs, tables, portable physical educational
11 equipment, audio-visual equipment and science, homemaking,
12 industrial art and business equipment; instructional materials
13 and fixtures such as casework, laboratory equipment, kitchen
14 equipment, auditorium seating; and any other special fixtures or
15 equipment required to conduct a particular educational program.

16 "Site acquisition" includes the cost of land and mineral
17 rights, demolition and clearing, rights-of-way and related
18 utility relocations, surveys and soil analyses, and the costs of
19 all fees relating thereto.

20 "Site development" includes excavation, grouting and shoring,
21 access roads to site, utilities on site, and extension of
22 utilities to site.

23 Section 701.2. Authorization of Maximum Project and Building
24 Costs.--In the event that a site is to be acquired, new school
25 building or a building is to be constructed or leased in a
26 school district the board of directors shall authorize a maximum
27 project cost and a maximum site acquisition cost or building
28 construction cost to be financed by the district or amortized by
29 lease rentals to be paid by the district and shall determine any
30 tax increase that will result.

1 Section 701.3. Public Hearing Prior to Acquisition

2 Construction Remodeling, Addition or Lease.--(a) The board of
3 school directors of any school district shall not acquire a
4 building site or construct, alter, remodel or enter into a
5 contract to construct or enter into a contract to lease a
6 building for school purposes or add to an existing school
7 building when as a direct result of the acquisition,
8 construction, remodeling, addition or lease there would be a
9 direct tax increase within twelve (12) months after the first
10 regular payments therefor are due without the consent of the
11 electors obtained by referendum or without holding a public
12 hearing as provided herein.

13 (b) The public hearing shall be held after the board of
14 school directors has complied with the provisions of section
15 701.2. The public hearing shall be held not less than thirty
16 (30) days before the school district submits initial building
17 construction cost estimates to the department for approval or
18 thirty (30) days before the election whichever is appropriate.

19 (c) Notice of the public hearing shall be given not less
20 than twenty (20) days before the date of the hearing.

21 Section 701.4. Referendum Prior to Acquisition Construction
22 Remodeling, Addition or Lease.--(a) When, in a school district
23 of the second class, the acquisition, construction, remodeling,
24 addition or lease would result in a tax increase within twelve
25 (12) months after the first regular payments therefor are due,
26 the board of school directors shall submit its authorization to
27 the electors of the school district for their approval within
28 six (6) months prior to submission of the final building cost
29 bids to the department for approval. Referenda shall be held as
30 provided by law for the approval of incurring indebtedness by

1 referendum.

2 (b) The question submitted shall specify the estimated
3 annual tax increase resulting from the acquisition,
4 construction, remodeling, addition or lease in the school
5 district.

6 (c) If a majority of the electors voting in the school
7 district vote "yes," the board of school directors may proceed
8 with the acquisition, construction, remodeling, addition or
9 lease. If a majority of the electors voting on the question vote
10 "no," the school board shall take no further action on the
11 acquisition, construction, remodeling, addition or lease that
12 would result in a tax increase. The question shall not be
13 resubmitted to the electorate more often than once in four (4)
14 years.

15 Section 2. This act shall take effect immediately.