

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 448

Session of
1981

INTRODUCED BY GALLAGHER, BURNS, CORDISCO, LESCOVITZ, SIEMINSKI,
D. R. WRIGHT, COHEN, WIGGINS, LIVENGOD, COLAFELLA, WASS,
DAVIES, MACKOWSKI AND COSLETT, FEBRUARY 9, 1981

REFERRED TO COMMITTEE ON EDUCATION, FEBRUARY 9, 1981

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 corrections.

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

9 Section 1. Clause (3) of subsection (b), clause (3) of
10 subsection (c) and subsection (e) of section 2574, act of March
11 10, 1949 (P.L.30, No.14), known as the "Public School Code of
12 1949," amended June 12, 1968 (P.L.192, No.96), are amended to
13 read:

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

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

19 * * *

1 (3) The provisions of clause (2) of subsection (b) hereof
2 shall apply to all school building projects for which the
3 general construction contract is awarded prior to July 1, 1966,
4 and for approved school building projects for which a lease was
5 approved by the Department of [Public Instruction] Education
6 prior to July 1, 1966. For school buildings for which the
7 general construction contract is awarded subsequent to July 1,
8 1966 and for approved school building projects for which the
9 general construction contract was awarded but for which a lease
10 was not approved by the Department of [Public Instruction]
11 Education prior to July 1, 1966, the product of the rated pupil
12 capacity as determined by the Department of [Public Instruction]
13 Education at the time the project is approved and (i) two
14 thousand three hundred dollars (\$2300) in the case of elementary
15 schools, (ii) three thousand dollars (\$3000) in the case of
16 secondary schools, (iii) an amount in the case of combined
17 elementary-secondary schools obtained by multiplying the rated
18 elementary pupil capacity by two thousand three hundred dollars
19 (\$2300) and the rated secondary pupil capacity by three thousand
20 dollars (\$3000) and dividing the sum by the total rated pupil
21 capacity.

22 For school buildings for which the general construction
23 contract is awarded subsequent to July 1, 1979 and for approved
24 school building projects for which the general construction
25 contract was awarded but for which a lease was not approved by
26 the Department of Education prior to July 1, 1979, the product
27 of the rated pupil capacity as determined by the Department of
28 Education at the time the project is approved and (i) four
29 thousand dollars (\$4,000) in the case of elementary schools,
30 (ii) seven thousand dollars (\$7,000) in the case of secondary

1 schools, (iii) an amount in the case of combined elementary-
2 secondary schools obtained by multiplying the rated elementary
3 pupil capacity by four thousand dollars (\$4,000) and the rated
4 secondary pupil capacity by seven thousand dollars (\$7,000) and
5 dividing the sum by the total rated pupil capacity.

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

8 * * *

9 (3) The provisions of clause (2) of subsection (c) hereof
10 shall apply to all school building projects for which the
11 general construction contract is awarded prior to July 1, 1966
12 and for approved school building projects for which a lease was
13 approved by the Department of [Public Instruction] Education
14 prior to July 1, 1966. For school buildings for which the
15 general construction contract is awarded subsequent to July 1,
16 1966 and for approved school building projects for which the
17 general construction contract was awarded but for which a lease
18 was not approved by the Department of [Public Instruction]
19 Education prior to July 1, 1966, the difference obtained by
20 subtracting the appraisal value of the existing building from
21 the product of rated pupil capacity of the altered or expanded
22 building as determined by the Department of [Public Instruction]
23 Education at the time the project is approved and (i) two
24 thousand three hundred dollars (\$2300) in the case of elementary
25 schools, (ii) three thousand dollars (\$3000) in the case of
26 secondary schools, (iii) an amount in the case of combined
27 elementary-secondary schools obtained by multiplying the rated
28 elementary pupil capacity of the altered or expanded building by
29 two thousand three hundred dollars (\$2300) and the rated
30 secondary pupil capacity of the altered or expanded building by

1 three thousand dollars (\$3000) and dividing the sum by the total
2 rated pupil capacity of the altered or expanded building.

3 Appraisal value shall be the valuation made immediately
4 before the additions or alterations are begun by three competent
5 appraisers, one appointed by the school authorities, one by the
6 [Superintendent of Public Instruction] Secretary of Education,
7 and the third by the other two.

8 For school buildings for which the general construction
9 contract is awarded subsequent to July 1, 1979 and for approved
10 school building projects for which the general construction
11 contract was awarded but for which a lease was not approved by
12 the Department of Education prior to July 1, 1979, the
13 difference obtained by subtracting the appraisal value of the
14 existing building from the product of the rated pupil capacity
15 of the altered or expanded building as determined by the
16 Department of Education at the time the project is approved and
17 (i) four thousand dollars (\$4,000) in the case of elementary
18 schools, (ii) seven thousand dollars (\$7,000) in the case of
19 secondary schools, (iii) an amount in the case of combined
20 elementary-secondary schools obtained by multiplying the rated
21 elementary pupil capacity by four thousand dollars (\$4,000) and
22 the rated secondary pupil capacity by seven thousand dollars
23 (\$7,000) and dividing the sum by the total rated pupil capacity
24 of the altered or expanded building.

25 * * *

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

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

6 Approved reimbursable rental or sinking fund charge shall
7 consist of that part of the annual rental or sinking fund
8 attributable to:

9 (1) Cost of acquiring land and preparing it for use to the
10 extent that such costs are deemed reasonable by the Department
11 of [Public Instruction] Education and the interest on such cost
12 of acquisition, cost of preparation and the cost of sewage
13 treatment and the interest on such costs.

14 (2) Machinery, apparatus, furniture and equipment and all
15 other necessary expenses and interest charges, but excluding
16 architects' fees in excess of six percent of the construction
17 cost.

18 The approved building construction cost and the interest on
19 such construction cost shall not exceed the product of the rated
20 full-time pupil capacity, as determined by the Department of
21 [Public Instruction] Education at the time the project is
22 approved and two thousand two hundred dollars (\$2,200).

23 The provisions of the foregoing paragraph shall apply to all
24 school building projects for which the general construction
25 contract is awarded prior to July 1, 1966, and for approved
26 school building projects for which a lease was approved by the
27 Department of [Public Instruction] Education prior to July 1,
28 1966. For school buildings for which the general construction
29 contract is awarded subsequent to July 1, 1966, and for approved
30 school building projects for which the general construction

1 contract was awarded but for which a lease was not approved by
2 the Department of [Public Instruction] Education prior to July
3 1, 1966, the approved building construction cost and the
4 interest on such construction cost shall not exceed the product
5 of the rated full-time pupil capacity, as determined by the
6 Department of [Public Instruction] Education at the time the
7 project is approved, and three thousand seven hundred dollars
8 (\$3700).

9 For school buildings for which the general construction
10 contract is awarded subsequent to July 1, 1979, and for approved
11 school building projects for which the general construction
12 contract was awarded but for which a lease was not approved by
13 the Department of Education prior to July 1, 1979, the approved
14 building construction cost and the interest on such construction
15 cost shall not exceed the product of the rated full-time pupil
16 capacity, as determined by the Department of Education at the
17 time the project is approved, and seven thousand seven hundred
18 dollars (\$7,700).

19 The Department of [Public Instruction] Education shall not
20 approve the expenditure of any funds borrowed or obtained by the
21 sale of bonds by any authority, nonprofit corporation, profit
22 corporation, company or individual for construction of area
23 vocational-technical schools or technical institutes for
24 bleachers, athletic field, lighting equipment or apparatus used
25 to promote and conduct interscholastic athletics.

26 * * *

27 Section 2. This act shall take effect immediately.