

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL**No. 642** Session of
2005

INTRODUCED BY ARMSTRONG AND LEMMOND, APRIL 28, 2005

SENATOR RHOADES, EDUCATION, AS AMENDED, OCTOBER 3, 2006

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," authorizing a school district to
6 purchase or acquire by other means real property owned by a
7 school director under certain conditions.

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

10 Section 1. Section 324 of the act of March 10, 1949 (P.L.30,
11 No.14), known as the Public School Code of 1949, amended June
12 22, 2001 (P.L.530, No.35), is amended to read:

13 Section 324. Not to be Employed by or do Business with
14 District; Exceptions.--(a) No school director shall, during the
15 term for which he was elected or appointed, as a private person
16 engaged in any business transaction with the school district in
17 which he is elected or appointed, be employed in any capacity by
18 the school district in which he is elected or appointed, or
19 receive from such school district any pay for services rendered
20 to the district except as provided in this act: Provided, That

1 one who has served as a school director for two consecutive
2 terms, of six years each, may be elected to the position of
3 attorney or solicitor for the board of which he was a member by
4 the unanimous vote of all the other members of the board, and,
5 after resigning his office as school director, shall be entitled
6 to receive such pay for his services as solicitor as the board
7 of school directors may determine: Provided, however, That a
8 school director may be appointed to the position of secretary to
9 the board of a school district of the second class, of which he
10 was a member during the term for which he was elected or
11 appointed upon the unanimous consent of all the other members of
12 the board after resigning his office as school director, and he
13 shall be entitled to receive such pay for his services as
14 secretary as the board of school directors shall determine: And
15 provided further, That one who has served as a school director
16 may, after resigning from office as a school director, be
17 elected to the position of teacher by the board of which he was
18 a member by a vote of at least two-thirds of all other members
19 of the board and shall be entitled to receive such pay for his
20 services as a teacher as the board of school directors may
21 lawfully determine.

22 (b) No school board shall draw, cause to be drawn or accept
23 a specification for any item to be purchased by the school
24 district that would limit the purchase of the item to the firm,
25 corporation, partnership or other business entity of which a
26 school director is an officer, agent or employe and exclude all
27 other persons who could submit quotations or bid on an
28 equivalent item.

29 (c) It shall not be a violation of this section for a school
30 district to contract for the purchase of goods or services from

1 a business with which a school director is associated to the
2 extent permitted by and in compliance with 65 Pa.C.S. Ch. 11
3 (relating to ethics standards and financial disclosure).

4 ~~(d) It shall not be a violation of this section for a school~~
5 ~~district to acquire by purchase, by condemnation or by deed in~~ <—
6 ~~lieu of condemnation land and/or buildings in which a school~~
7 ~~director has an ownership interest so long as there is~~
8 ~~compliance with 65 Pa.C.S. Ch. 11 (relating to ethics standards~~
9 ~~and financial disclosure) and the proposed acquisition is~~
10 ~~approved by the court of common pleas of the county in which the~~
11 ~~school district is located. Approval by the court shall be on~~
12 ~~petition by the board of school directors, which petition shall~~
13 ~~contain a full and complete description of the land proposed to~~
14 ~~be acquired, a brief description and character of the building~~
15 ~~or buildings erected thereon, if any, and the terms and~~
16 ~~conditions for the acquisition of the property, including the~~
17 ~~amount to be paid for the property. The petition shall have~~
18 ~~attached thereto an affidavit of two State certified or State-~~
19 ~~licensed real estate appraisers, both of whom hold a current,~~
20 ~~valid general certification from the State Board of Certified~~
21 ~~Real Estate Appraisers, to the effect that they have examined~~
22 ~~the property, that the amount to be paid therefor is fair and~~
23 ~~reasonable and in their opinion not in excess of the fair market~~
24 ~~value of the property, and that they are not interested, either~~
25 ~~directly or indirectly, in the purchase or sale thereof. Before~~
26 ~~the court may act upon any such petition it shall fix a time for~~
27 ~~a hearing by the court thereon and shall direct that public~~
28 ~~notice thereof be given by publication in one or more newspapers~~
29 ~~of general circulation published within the county in which the~~
30 ~~school district is located and in the legal newspaper in said~~

~~county, if any, once a week for three successive weeks before
the date fixed for the hearing, and by handbills, one or more of
which must be posted on the property proposed to be acquired,
and at least five of which must be posted at conspicuous places
within the vicinity of said property.~~ LAND, BUILDINGS, OR BOTH, <—

IN WHICH A MEMBER OF THE SCHOOL DISTRICT'S BOARD OF SCHOOL
DIRECTORS HAS AN OWNERSHIP INTEREST PROVIDED THAT:

(1) PUBLIC NOTICE OF THE PROPOSED ACQUISITION, INCLUDING AN
IDENTIFICATION OF THE LAND, BUILDINGS, OR BOTH, THE APPRAISED
VALUE OF THE PROPOSED ACQUISITION, AS IDENTIFIED BY AN
INDEPENDENT STATE-CERTIFIED OR STATE-LICENSED REAL ESTATE
APPRAISER AND THE PROPOSED PURCHASE PRICE, IS GIVEN BY
PUBLICATION IN ONE OR MORE NEWSPAPERS OF GENERAL CIRCULATION
PUBLISHED WITHIN THE COUNTY IN WHICH THE SCHOOL DISTRICT IS
LOCATED;

(2) THE OPPORTUNITY FOR PUBLIC COMMENT ON THE PROPOSED
ACQUISITION IS PROVIDED PRIOR TO FINAL ACTION, DURING TWO (2)
REGULAR MEETINGS OF THE BOARD OF SCHOOL DIRECTORS;

(3) FINAL ACTION ON THE PROPOSED ACQUISITION BY THE BOARD OF
SCHOOL DIRECTORS IS TAKEN AT A PUBLIC MEETING; AND

(4) THERE IS COMPLIANCE WITH 65 PA.C.S. CH. 11 (RELATING TO
ETHICS STANDARDS AND FINANCIAL DISCLOSURE).

Section 2. This act shall take effect immediately.