
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. **613** Session of
1961

MESSRS. HAYS, WAGNER, SEYLER, SHAFER, SILVERT AND
YATRON, IN PLACE, MAY 3, 1961.

AS AMENDED ON SECOND READING, JUNE 5, 1961.

AN ACT

Amending the act of March 10 1949 (P L 30) entitled "An act relating to the public school system including certain provisions applicable as well to private and parochial schools amending revising consolidating and changing the laws relating thereto" changing the per pupil unit cost reimbursement for elementary and secondary school construction authorizing reimbursement in the year of acquisition for school building sites purchased in advance of their need and harmonizing provisions related thereto and extending

EXPLANATION—CAPITAL LETTERS indicate new matter added to bill. Matter stricken-through is to be omitted from bill. Underscoring indicates new matter added to existing law. [Brackets] indicate matter stricken from existing law.

the provisions for reimbursement on preliminary payments on account of approved building construction to include the State Public School Building Authority and Municipal Authorities and abolishing the cost limitations on school building projects for reimbursement purposes

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows

1 Section 1 Subsections (b) and (c) of section 2574 act of March 10
2 1949 (P L 30) known as the "Public School Code of 1949" added March
3 22 1956 (P L 1315) are amended to read

4 Section 2574 Approved Reimbursable Rental for Leases Hereafter
5 Approved and Approved Reimbursable Sinking Fund Charges on In-
6 debtedness

7 * * *

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

10 (1) The cost of constructing the school buildings including the
11 cost of essential fixtures and equipment but excluding architect's fees
12 in excess of six per cent (6%) of the contract price or

1 (2) The product of the rated pupil capacity as determined by the
2 Department of Public Instruction at the time the project is approved
3 and (i) [one thousand one hundred dollars (\$1100)] one thousand two
4 hundred dollars (\$1200) in the case of elementary schools (ii) [one
5 thousand seven hundred dollars (\$1700)] one thousand eight hundred
6 dollars (\$1800) in the case of secondary schools (iii) an amount in the
7 case of combined elementary-secondary schools obtained by multiplying
8 the rated elementary pupil capacity by [one thousand one hundred
9 dollars (\$1100)] one thousand two hundred dollars (\$1200) and the
10 rated secondary pupil capacity by [one thousand seven hundred dollars
11 (\$1700)] one thousand eight hundred dollars (\$1800) and dividing the
12 sum by the total rated pupil capacity

13 (c) For additions or alterations to existing buildings approved build-
14 ing construction cost shall be the lesser of

15 (1) The cost of constructing the additions or alterations including
16 the cost of essential fixtures and equipment by excluding architect's
17 fees in excess of six per cent (6%) of the contract price or

18 (2) The difference obtained by subtracting the appraisal value of
19 the existing buildings from the product of rated pupil capacity of the
20 altered or expanded building as determined by the Department of

1 Public Instruction at the time the project is approved and (i) [one
2 thousand one hundred dollars (\$1100)] one thousand two hundred
3 dollars (\$1200) in the case of elementary schools (ii) [one thousand
4 seven hundred dollars (\$1700)] one thousand eight hundred dollars
5 (\$1800) in the case of secondary schools (iii) an amount in the case
6 of combined elementary-secondary schools obtained by multiplying the
7 rated elementary pupil capacity of the altered or expanded building by
8 **[one thousand one hundred dollars (\$1100)] ONE THOUSAND TWO**
9 **HUNDRED DOLLARS (\$1200)** and the rated secondary pupil ca-
10 pacity of the altered or expanded building by [one thousand seven hun-
11 dred dollars (\$1700)] one thousand eight hundred dollars (\$1800) and
12 dividing the sum by the total rated pupil capacity of the altered or
13 expanded building

14 Appraisal value shall be the valuation made immediately before the
15 additions or alterations are begun by three competent appraisers one
16 appointed by the school authorities one by the Superintendent of Public
17 Instruction and the third by the other two

18 * * *

19 Section 2 Subsection (c.1) of section 2574 of the act added July
20 11 1957 (P L 775) is amended to read

1 Section 2574 Approved reimbursable rental for leases hereafter
2 approved and approved reimbursable sinking fund charges on indebt-
3 edness

4 * * *

5 (c.1) If the Commonwealth makes any payment under section
6 2575.1 of this act on account of a preliminary payment by a school
7 district on the approved building construction cost the amount of the
8 preliminary payments by the school district shall be subtracted from
9 the amount of the approved building construction cost for the purpose
10 of calculating the approved reimbursable rental on projects undertaken
11 pursuant to [Section] Sections 783 790 or 791 of this act

12 * * *

13 Section 3 Section 2574 of the act is amended by adding after sub-
14 section (c.1) a new subsection to read

15 Section 2574 approved reimbursable rental for leases hereafter
16 approved and approved reimbursable sinking fund charges on indebt-
17 edness

18 * * *

1 (c.2) If the Commonwealth makes a payment of fifty per cent
2 (50%) under section 2574.1 of this act on account of the approved
3 cost of the acquisition of a site for a school building the amount payable
4 under this section on account of the approved cost of site acquisition
5 shall be reduced by fifty per cent (50%)

6 * * *

7 Section 4 The act is amended by adding after section 2574 a new
8 section to read

9 Section 2574.1 Payments on Account of Building Site Costs When-
10 ever any school district acquires a site for a school building in advance
11 of its need and in accordance with a long range master plan for school
12 building construction approved by the State Council of Education to
13 the extent that the cost of the acquisition shall be deemed reasonable
14 by the Department of Public Instruction the Commonwealth shall pay
15 in the year of such acquisition fifty per cent (50%) of the reimburse-
16 ment due the district under applicable laws in force at that time for
17 the cost of acquisition the balance due the district on account of the
18 original approved site acquisition cost shall become part of the approved
19 reimbursable rental or sinking fund charge at the time the school
20 building project is approved and shall be subject to such applicable laws

1 as may be in effect at that time If such site is not thereafter used by
2 the district for school building purposes the amounts paid to the district
3 under this section shall be returned to the Commonwealth

4 Section 5 Section 2575.1 of the act added July 11 1957 (P L 775).
5 is amended to read

6 Section 2575.1 Payments on Account of Building Costs The Com-
7 monwealth shall pay to any school district making a preliminary payment
8 on account of the approved building construction cost as authorized by
9 section 783 or by clause (4) of section 790 or by clause (5) of section
10 791 of this act an amount determined by multiplying the district's
11 capital account reimbursement fraction by the amount of the payment
12 made by the school district

13 The payment required by this section shall be made for the year
14 in which the school district made its payment on account of the ap-
15 proved building construction cost

16 Section 6 Subsection (a) of section 2577 and the amendments.
17 thereto are hereby repealed

18 Section 7 This act shall take effect July 1 1961

We certify that this bill has passed the Senate and the House of Representatives.

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Chief Clerk, Senate

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President pro tempore, Senate

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Speaker, House of Representatives

Approved The day of A. D. 1961.

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Governor