

No. 322

AN ACT

SB 708

Amending the act of August 24, 1963 (P. L. 1132), entitled "An act providing for the creation, establishment and operation of community colleges, granting certain powers to the State Board of Education, the Council of Higher Education and the Department of Public Instruction; authorizing school districts, county boards of school directors and municipalities to sponsor community colleges; authorizing school districts and municipalities to levy certain taxes; providing for reimbursements by the Commonwealth of certain costs and expenses, and making an appropriation," defining certain terms; deleting the provision that contracts made and other acts done by trustees of a community college shall bind the sponsor, requiring the trustees to submit budgets for approval of the sponsor and directing supervision of the expenditure of appropriations; further regulating contracts and the effect thereof; limiting the sponsors' obligations for operating and capital expenses; requiring that the Commonwealth pay a stated portion of capital expenses of community colleges; redefining capital expenses and operating costs; removing limitations on the amount to be spent by the Commonwealth for certain programs; providing that personnel of community colleges shall be eligible for inclusion in retirement systems and programs, and providing for reimbursement in the year in which costs and expenses are incurred.

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

Section 1. Section 2, act of August 24, 1963 (P. L. 1132), known as the "Community College Act of 1963," is amended by adding at the end thereof three new definitions to read:

Section 2. Definitions.—When used in this act, the following words and phrases shall have the meanings, respectively, ascribed to them:

\* \* \*

(8) "Annual" shall mean a twelve-month period coterminous with the Commonwealth fiscal year beginning July 1 and ending June 30; hence, annual capital expenses and reimbursement therefore shall be regarded as those incurred during a full twelve-month fiscal year of operation.

(9) "Academic year" shall mean the period of instruction which includes two semesters, two trimesters, or three terms or quarters; hence, operating expenses for the academic year and reimbursement therefore shall be those incurred during two semesters, two trimesters, or three terms or quarters of college operation.

(10) "Summer term" shall mean an additional session, semester, trimester, or quarter offered at the end of the regular academic year.

Section 2. Clause (3) of subsection (a) of section 3, section 6 and section 14 of the act are amended to read:

Section 3. Powers and Duties of State Board of Education.—(a) The State Board of Education shall have the power, and its duty shall be:

\* \* \*

(3) To approve or disapprove petitions of school districts or municipalities applying for participation in an established community college: Provided, however, That no petition may be approved unless it is accompanied by the consent of the governing [body of each member] bodies of the majority of the members of the local sponsor of the established community college to the participation of the petitioning school district or municipality.

\* \* \*

Section 6. Powers and Duties of Board of Trustees.—(a) The affairs of any community college established under this act shall be administered and supervised by a board of trustees. Subject to any law and to any policies, standards, rules and regulations adopted by the State Board of Education provided for community colleges, the board shall for the purpose of establishing, operating and maintaining a community college, have the power, and its duty shall be:

(1) To appoint and fix the salary of a president;

(2) To hold, rent, lease, sell, purchase and improve land, buildings, furnishings, equipment, materials, books and supplies;

(3) To enter into contracts for services with schools, colleges or universities, or with school districts or municipalities, to effectuate the purposes of this act;

(4) To accept and receive gifts of real and personal property and Federal, State and local moneys and grants, and to expend the same;

(5) To make policies providing for the admission and expulsion of students, the courses of instruction, the tuition and fees to be charged, and for all matters related to the government and administration of the college;

(6) To submit to the State Board of Education for its approval proposed amendments to the community college plan; and

(7) To enter into contracts for services to high schools of member districts to provide area vocational technical education services;

(8) To exercise such other powers and perform such other duties as are necessary to carry into effect the purposes of this act.

(b) Contracts shall be entered into and other acts shall be done by the board of trustees of a community college in the name of the community college. [and shall be binding upon the local sponsor.] The board of trustees shall submit an annual budget for consideration and

approval by the local sponsor. The board of trustees shall supervise the expenditure of appropriations made by the local sponsor and shall conduct the business affairs of the community college in accordance with rules, regulations and procedures approved by the local sponsor. All property purchased by or <sup>1</sup>granted to the board of trustees of a community college shall be held in the name of [the] a community college on behalf of the local sponsor of the college.

(c) Each member of a local sponsor is authorized to enter into a written agreement with the board of trustees of the community college for the purpose of providing operating expenses for at least a five-year period, and for capital expenses for such term or period as is necessary for the reduction of capital indebtedness not to exceed thirty years.

(d) In no event shall the obligation of any member of the sponsor for the operating and capital expenses of a community college exceed the limit of such member's authority to levy taxes pursuant to this act or any other act of the General Assembly or its right to incur or increase its indebtedness under Article IX of the Constitution of the Commonwealth of Pennsylvania.

Section 14. Financial Program; Reimbursement or Payments.—(a)

The plan submitted by the local sponsor shall set forth a financial program for the operation of the community college. The plan shall provide that at least two-thirds of the annual operating costs and [all of the] up to one-half of the annual capital expenses shall be appropriated or provided by the local sponsor to the community college and such allocation may in part be represented by real or personal property or services made available to the community college. The plan shall indicate whether the appropriation shall come from general revenues, loan funds, special tax levies or from other sources, including student tuitions.

(b) The Commonwealth shall pay to a community college on behalf of the sponsor on account of its operating costs during an academic year from funds appropriated for that purpose an amount equal to one-third of such college's approved [annual] operating costs not to exceed one thousand dollars (\$1,000) per student multiplied by the number of

<sup>1</sup>"ganted" in original.

equivalent full-time students determined by an audit to be made in a manner prescribed by the State Board of Education. In addition the Commonwealth shall pay to a community college on account of its operating costs during a summer term from funds appropriated for that purpose an amount equal to one-third of such college's approved operating costs not to exceed five hundred dollars (\$500) per student multiplied by the number of equivalent full-time students. Each community college shall maintain such accounting and student attendance records on generally accepted principles and standards as will lend themselves to satisfactory audit. The Commonwealth [may] shall pay to a community college on behalf of the sponsor on account of its capital expenses an amount equal to one-half of such college's annual capital expenses from funds appropriated for that purpose to the extent that said capital expenses have been approved as herein provided.

(c) [A maximum of thirty percent of the State funds appropriated for community colleges may be spent for capital investment and operating cost for liberal arts programs in community colleges.

(d) For reimbursement purposes, a liberal arts or technical student shall be construed as one whose course of study is predominantly in the respective liberal arts or technical program.

(e) Capital expenses shall mean only such expenses as are incurred with the [prior] approval of the Department of Public Instruction [during a fiscal year of a community college for the lease of buildings or land or the purchase of capital equipment used for instructional or administrative purposes by a community college or payments made on account of indebtedness contracted for such purposes. Operating cost shall mean all other expenses not defined as capital expenses which are incurred during a fiscal year in the establishment, operation and maintenance of a community college.] for amortization of the purchase of lands; purchase, construction or improvement of buildings for administrative and instructional purposes, including libraries; the lease of lands or buildings, or for rentals to an authority for the same purpose; and for the purchase of capital equipment and furniture used for instructional or administrative purposes. Capital expenses shall include library books and complementary audio-visual equipment purchased dur-

ing the first five years after establishment. No costs and expenses incurred in the establishment, construction, operation or maintenance of dormitories, [cafeterias or recreational facilities] or the equipment or furnishings for such purposes shall be included in capital expenses or operating costs for purposes of Commonwealth reimbursement.

The provisions of this paragraph shall not prevent the Commonwealth from reimbursing a community college for capital expenses incurred prior to the effective date of this act. Such reimbursement must have approval of the Superintendent of Public Instruction.

[(f)] (d) The State Board of Education shall adopt policies, standards, rules and regulations for determining reimbursable capital expenses and operating costs and the Department of Public Instruction shall approve such expenses and costs for the purpose of reimbursement by the Commonwealth. [And for charges to be made to other school districts in accordance with such policies, standards, rules and regulations.]

[(g)] (e) The State Board of Education shall apply for, receive and administer, subject to any applicable regulations or laws of the Federal Government or any agency thereof, any Federal grants, appropriations, allocations and programs to fulfill the purpose of this act.

[(h)] (f) Any Federal grants, appropriations, allocations and programs made [to the Commonwealth of Pennsylvania] for programs operated under this act shall be credited fifty percent to State expenditures and fifty percent to local community college expenditures reducing the total cost to each accordingly.

(g) All administrative personnel, faculty, and other employes of the community colleges in the Commonwealth shall be eligible for inclusion in the Public School Employees' Retirement System of Pennsylvania, or any independent retirement program approved by the Board of Trustees of a community college, and the Superintendent of Public Instruction.

(h) The community college in the Commonwealth shall be eligible for participation in the act of July 5, 1947 (P. L. 1217), known as the "State Public School Building Authority Act," and the act of May 2, 1945 (P. L. 382), known as the "Municipality Authorities Act of 1945."

In all cases where the board of trustees of any community college fails to pay or provide for the payment of any rental or rentals due the State Public School Building Authority or any municipality authority for any period in accordance with the terms of any lease entered into between the board of trustees of any community college and the State Public School Building Authority or any municipality authority, or fails to pay or to provide for the payment of any other indebtedness when due, upon written notice thereof from the State Public School Building Authority or any municipality authority, or in such cases where an audit reveals any unpaid indebtedness due, the State Superintendent of Public Instruction shall notify such board of trustees of its obligation and shall withhold out of any State appropriation that may be due to such community college an amount equal to the amount of rental or rentals owing by such board of trustees to the State Public School Building Authority or any municipality authority, or an amount equal to the amount of any other indebtedness owing by such board of trustees, and shall pay over the amount or amounts so withheld to the State Public School Building Authority or any municipality authority or to whomsoever any other indebtedness is due and owing.

(i) The amount payable to each community college Board of Trustees on behalf of the sponsor shall be paid in [semi-annual] the year in which the costs and expenses are incurred in quarterly installments and the Superintendent of Public Instruction shall draw his requisition [semi-annually] quarterly upon the State Treasurer in favor of each community college for the amount of reimbursement to which it is entitled. [The first semi-annual payment in each fiscal year may be based upon an estimate and shall be paid during the month of November, the second semi-annual payment in each fiscal year shall be paid during the month of April.] Reimbursement or payment by the Commonwealth for the operational expenses and capital equipment and the furnishings shall be made on or before the end of the fiscal quarters ended on September 30, December 31, March 31 and June 30 of each Commonwealth fiscal year. Reimbursements or payments shall be made semi-annually for the Com-

monwealth's share of the annual rentals to an authority or the sponsor or sinking fund or debt-service payments and other leases upon submission of a community college requisition in the form required by the Commonwealth, the reimbursement or payment to be made from funds appropriated for that purpose.

Section 3. The act is amended by adding at the end thereof a new section to read:

Section 17. Severability.—The provisions of this act are severable and, if any provision, phrase, clause or part hereof shall be held invalid or unconstitutional or inapplicable to any person or circumstances, such invalidity, unconstitutionality or inapplicability shall not affect or impair the remaining provisions of the act. It is hereby declared to be the legislative intent that this act would have been adopted if such invalid, unconstitutional or inapplicable provisions had not been included therein.

Section 4. This act shall take effect July 1, 1965.

APPROVED—The 26th day of October, A. D. 1965.

WILLIAM W. SCRANTON

---

No. 323

AN ACT

HB 977

Regulating the transportation of hazardous substances on highways and toll roads, including the Pennsylvania Turnpike; creating the Hazardous Substances Transportation Board, prescribing its powers, duties and procedures; providing for the imposition of duties upon the Department of Revenue, the State Police and other departments and commissions of the Commonwealth; prescribing penalties; repealing inconsistent acts and making an appropriation.

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

Section 1. Short Title.—This act shall be known and may be cited as the "Hazardous Substances Transportation Act."

Section 2. Definitions.—The following words and phrases shall have the meanings ascribed to them in this section:

(1) "Hazardous substance." A flammable liquid, flammable solid,