

*tricts to which the project was leased and may then terminate its existence. A certificate requesting the termination of the existence of the Authority shall be [filed in the office of the Secretary of the Commonwealth] submitted to the municipality or municipalities creating the Authority. If the certificate is approved by the municipality or municipalities [creating the Authority by its ordinance or ordinances], then the certificate endorsed with such approval shall be filed with the Secretary of the Commonwealth, and thereupon the said secretary shall note the termination of existence on the record of incorporation and return the certificate with his approval shown thereon to the board, which shall cause the same to be recorded in the office of the recorder of deeds of the county, if the certificate of incorporation of such Authority shall have been recorded therein pursuant to the requirements of law in effect at the time of the incorporation of such Authority. Thereupon the property of said Authority shall pass to the municipality or municipalities or the school district or districts, as the case may be, and the Authority shall cease to exist.*

Section 18. Conveyance by Authorities to Municipalities or School Districts of Established Projects.—

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(B) If a public school [building] *project* shall have been [established as a project] *undertaken* under this act and the school district [in which it is located desires] *or school districts to which such project has been leased desire* to acquire the same, such school district *or school districts* may by appropriate resolution signify [its] a desire to do so, and thereupon the Authority shall convey such public school [building] *project* to such school district *or school districts* by appropriate instrument upon the assumption by the latter of all the obligations incurred by the Authority with respect to that project.

Section 8. The provisions of this act shall become effective immediately upon final enactment.

Act effective immediately.

APPROVED—The 21st day of January, A. D. 1952.

JOHN S. FINE

No. 627

AN ACT

To further amend the act, approved the tenth day of March, one thousand nine hundred forty-nine (Pamphlet Laws 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," by authorizing school districts of the second,

third and fourth classes to levy additional taxes to pay rentals to municipality authorities; authorizing boards of school directors to make additional appropriations or to increase appropriations; authorizing school districts singly or jointly with other school districts to convey or lease property and appropriate money, including proceeds of general obligation bonds, to municipality authorities; to acquire additional property for authority projects; to lease school projects from and pay rentals to municipality authorities; to make all other contracts or agreements with municipality authorities deemed necessary or convenient in connection with projects; providing for annual payments by the Commonwealth to school districts paying rentals to municipality authorities or non-profit corporations; and further providing for annual payments by the Commonwealth to school districts making payments to the State Public School Building Authority.

"Public School Code of 1949."

Section 672, act of March 10, 1949, P. L. 30, as amended by act of May 9, 1949, P. L. 1017, and as amended in part by act of May 23, 1949, P. L. 1722, further amended.

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

Section 1. Section 672 of the act, approved the tenth day of March, one thousand nine hundred forty-nine (Pamphlet Laws 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," as amended by the act, approved the ninth day of May, one thousand nine hundred forty-nine (Pamphlet Laws 1017), and as amended in part by the act, approved the twenty-third day of May, one thousand nine hundred forty-nine (Pamphlet Laws 1722), is hereby further amended to read as follows:

Section 672. Tax Levy; Limitations.—(a) In all school districts of the second, third, and fourth class, all school taxes shall be levied and assessed by the board of school directors therein, during the month of April or May each year, for the ensuing fiscal year, except in districts of the second class where the fiscal year begins on the first day of January, in which the school taxes shall be levied and assessed during the month of October or November of each year. In school districts of the second class the tax rate shall not exceed twenty mills on the dollar, and in school districts of the third and fourth class shall not exceed twenty-five mills on the dollar, on the total amount of the assessed valuation of all property taxable for school purposes therein. Each school district of the second, third or fourth class may also collect a per capita tax on each resident or inhabitant of such district, over twenty-one years of age, as herein provided.

(b) Boards of school directors of school districts of the second, third, and fourth classes are hereby authorized and directed to levy annually, a tax on each dollar of the total assessment of all property assessed and certified for taxation therein, (1) To pay the minimum salaries and increments of the teaching and supervisory

staff provided for herein, and (2) to pay rentals *due any municipality authority* or due the State Public School Building Authority. Neither of said taxes shall be invalidated or affected by reason of the fact that it may increase the total annual school tax levy of any school district beyond the millage fixed or limited by this section: Provided, That in districts of the fourth class, the tax herein authorized to pay minimum salaries and increments, together with all other school taxes, except taxes to pay rentals *due any municipality authority* or due the State Public School Building Authority, levied in the district, shall not exceed thirty-five (35) mills on each dollar of the assessed valuation thereof, and the tax to pay rentals *due any municipality authority* or due the State Public School Building Authority, together with the maximum rate permitted by this section for purposes other than to pay minimum salaries and increments, shall not exceed thirty-five (35) mills on each dollar of the assessed valuation thereof, and in cases of emergency, with the approval of the Superintendent of Public Instruction, an additional five (5) mills to provide for obligations *due any municipality authority* or due the State Public School Building Authority under a *lease or contract* previously entered into.

Section 2. Subsection (c) of section 687 of said act, as amended by the act, approved the ninth day of May, one thousand nine hundred forty-nine (Pamphlet Laws 1017), is hereby further amended to read as follows:

Subsection (c) of section 687, said act, as amended by act of May 9, 1949, P. L. 1017, further amended.

Section 687. Annual Budget; Additional or Increased Appropriations; Transfer of Funds.—

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(c) The board of school directors may, during any fiscal year, make additional appropriations or increase existing appropriations to meet emergencies, such as epidemics, floods, fires, or other catastrophies, or to provide for the payment for rental under leases or contracts to lease from the State Public School Building Authority or *any municipality authority* entered into subsequent to the date of the adoption of the budget. The funds therefor shall be provided from unexpended balances in existing appropriations, from unappropriated revenue, if any, or from temporary loans. Such temporary loans, when made, shall be approved by a two-thirds vote of the board of school directors.

Section 3. Article VII of said act is hereby further amended by adding, at the end thereof, a new subdivision to read as follows:

Article VII, said act, further amended by adding, at end thereof, a new subdivision (g).

(g) *Municipality Authorities.*

Section 790. *Grants, Conveyances, Appropriations to, Contracts with, and Leases from, Municipality Authorities.*—Whenever the board of any municipality authority

shall have undertaken a school project or projects for use by a school district individually or for use by two or more school districts jointly, such school district or school districts shall have the power, upon written approval of the Department of Public Instruction:

(1) To sell, lease, lend, grant or convey to such municipality authority, individually or jointly, with or without consideration, any lands, easements or rights in lands which may be deemed necessary for the project, together with any buildings, structures or improvements thereon erected, as well as furnishings and equipment used or useful in connection therewith.

(2) To purchase or otherwise acquire additional lands or interests in lands which may be deemed necessary for the project, and to finance such acquisition by the issuance and sale of general obligation bonds according to law.

(3) To transfer, assign and set over to such municipality authority any contract which may have been awarded for such project or projects.

(4) To make appropriations to such municipality authority out of its or their general funds or out of any other available funds, including proceeds of insurance on school property, the proceeds of bonds of the school district or districts issued for building purposes and not so used, and moneys set aside or otherwise available for building purposes. Any such funds which represent the proceeds of any general obligation bonds heretofore or hereafter issued by the school district shall be used by such municipality authority for or towards the purpose or purposes for which such bonds were issued and, in the event that any such bonds were issued pursuant to a vote of the electors, any appropriation of such proceeds, as above set forth, shall not be deemed such a change of purpose from that for which such bonds were authorized as shall require the question to be again submitted to a vote of the electors under any existing law.

(5) To lease, individually or jointly, from such municipality authority such school project or projects for a term not exceeding forty (40) years, at such rental or rentals, payable out of current revenues, and upon such terms and conditions as may be authorized by the board of such municipality authority and the board or boards of school directors of such school district or school districts, and, in case of joint leases, to agree upon the manner of sharing, as between the school districts, the rental or rentals and any other sums payable to the municipality authority and the costs and expenses of insuring, operating, maintaining and repairing the school property leased.

(6) *To make all other contracts or agreements with such municipality authority or with other school districts as may be deemed necessary or convenient in connection with the project.*

Section 4. Section two thousand five hundred eleven point one of said act, as added by the act, approved the twenty-sixth day of May, one thousand nine hundred forty-nine (Pamphlet Laws 1879), is hereby amended to read as follows:

Section 2511.1, said act, as added by act of May 26, 1949, P. L. 1879, amended.

Section 2511.1. Payments on Account of Obligations to State Public School Building Authority *and on Account of Rentals Payable to Municipality Authorities and Non-profit Corporations.*—(a) The Commonwealth shall pay annually to each school [districts] *district* erecting or sharing in the erection of a building or buildings or providing educational [facilities] *equipment* under the provisions of the State Public School Building Authority Act an amount to be determined (1) by multiplying the *school* district's standard reimbursement fraction by fifty one-hundredths (50-100) and by the annual rental charge as fixed by the State Public School Building Authority, or (2) *if the district's standard reimbursement fraction is greater than five thousand nine hundred ninety-nine ten-thousandths (.5999), by multiplying the standard reimbursement fraction by itself and by the annual rental charge fixed by the State Public School Building Authority.*

(b) *The Commonwealth shall also pay, commencing with the school year one thousand nine hundred fifty-one — one thousand nine hundred fifty-two (1951-1952) and annually in each school year thereafter, to each school district which shall have entered into an approved lease with a municipality authority or with a non-profit corporation for the rental of a school building or buildings or providing education equipment, an amount to be determined (1) by multiplying the school district's standard reimbursement fraction by fifty one-hundredths (50-100) and by the rental or share thereof paid by the school district during the prior school year under its lease with such municipality authority or non-profit corporation, or (2) if the district's standard reimbursement fraction is greater than five thousand nine hundred ninety-nine ten-thousandths (.5999), by multiplying the standard reimbursement fraction by itself and by the annual rental or share thereof paid by the school district during the prior school year under its lease with such municipality authority or non-profit corporation. No payment shall be made to any school district on account of any lease entered into with any municipality authority or non-profit corporation unless such lease is approved by the Department of Public*

*Instruction. The Department of Public Instruction shall give its approval if it shall find that the leased project is in conformance with general county and State plans for an orderly development of improved attendance areas and administrative units and for the improved housing of public schools in the Commonwealth, that the school building will conform with standards and regulations prescribed by the department with respect to educational design, location, usefulness for community activities, safety, comfort and convenience, and that the school district or school districts to which the project is to be leased will have the ability to meet from current revenues the rental or their respective shares of rental to be paid to the municipality authority or non-profit corporation under the proposed lease and to defray the cost of their respective shares of the cost of operation and maintenance of the project.*

(c) The standard reimbursement fraction used for the above [purpose] purposes shall be the actual fraction as determined by the Department of Public Instruction, as provided in clause (6) of section two thousand five hundred one of the act to which this is an amendment, without reference to the minimum value of such reimbursement fraction.

Payments to a school district shall be determined and approved by the Department of Public Instruction. The amount so approved shall be included in and be payable from any future appropriations made to the Department of Public Instruction [during the term that a lease exists between the school district and the Authority or so long as such school district is indebted to the Authority under said lease].

Appropriation.

Section 5. The sum of four hundred thousand dollars (\$400,000), or as much thereof as shall be necessary, is hereby appropriated to the Department of Public Instruction for the two fiscal years beginning June first, one thousand nine hundred fifty-one, for the purpose of making payments to school districts on account of obligations to the State Public School Building Authority and on account of rentals payable to municipality authorities and non-profit corporations. The appropriation made hereby shall be in addition to any other sums appropriated or made available for said purposes during said period.

Act effective immediately.

Section 6. The provisions of this act shall become effective immediately upon final enactment.

APPROVED—The 21st day of January, A. D. 1952.

JOHN S. FINE