
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1330 Session of
2019

INTRODUCED BY ROEBUCK, HILL-EVANS, DONATUCCI, CARROLL, STURLA,
ULLMAN, LONGIETTI, ISAACSON, MADDEN, CALTAGIRONE,
SCHLOSSBERG, A. DAVIS, FREEMAN, FRANKEL, MILLARD, CIRESI,
D. MILLER, McNEILL, T. DAVIS AND GOODMAN, MAY 6, 2019

REFERRED TO COMMITTEE ON EDUCATION, MAY 6, 2019

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," in grounds and buildings, further
6 providing for lease of buildings or portions of buildings
7 constructed or altered for school use; and, in reimbursements
8 by Commonwealth and between school districts, further
9 providing for approved reimbursable annual rental for leases
10 of buildings or portions of buildings for charter school use.

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

13 Section 1. Section 703.1 of the act of March 10, 1949
14 (P.L.30, No.14), known as the Public School Code of 1949, is
15 amended to read:

16 Section 703.1. Lease of Buildings or Portions of Buildings
17 Constructed or Altered for School Use.--(a) The board of school
18 directors of any district is hereby vested with the power and
19 authority to lease for an extended period of five (5) years or
20 more, with or without provisions for acquisition of same,
21 buildings or portions of buildings constructed for school use

1 and/or other buildings or portions of buildings altered for
2 school use provided such buildings comply with standards and
3 regulations established by the State Board of Education and the
4 Department of Labor and Industry.

5 (b) A founder, a person who serves as an administrator or
6 executive of an educational management service provider or an
7 administrator or school director for a school entity may not
8 receive payment for an approved reimbursable annual rental for a
9 lease of a building or a portion of a building for school entity
10 use under section 2574.3.

11 (c) For purposes of this section:

12 (1) "Educational management service provider" shall mean any
13 of the following, but shall not include a charter school
14 foundation:

15 (i) A for-profit or nonprofit educational management
16 organization.

17 (ii) A school design provider.

18 (iii) An administrator or executive of a for-profit or
19 nonprofit educational management organization, including the
20 organization's chief executive officer, business manager or an
21 entity with which a board of trustees or school director of a
22 school entity contracts to provide educational design, business
23 services, comprehensive management or personnel functions or to
24 implement a school entity.

25 (2) "Founder" shall mean an individual or entity that has
26 established a charter school under section 1717-A, including one
27 or more teachers who will teach at a proposed charter school, a
28 parent or guardian of a student who will attend a charter school
29 or a nonsectarian not-for-profit corporation.

30 Section 2. Section 2574.3 of the act is amended by adding

1 subsections to read:

2 Section 2574.3. Approved Reimbursable Annual Rental for
3 Leases of Buildings or Portions of Buildings for Charter School
4 Use.--* * *

5 (c) A school entity shall provide all of the following
6 documentation in the school's application for funding under this
7 section:

8 (1) A copy of the signed lease agreement for the leased
9 building.

10 (2) A copy of the deed for the leased building.

11 (3) The names of the board of trustees, school directors and
12 administrators of the school entity.

13 (4) If applicable, the names of the administrators or
14 executives of the educational management service provider.

15 (5) If the owner of the leased building is a nonprofit
16 organization or a school entity foundation, the names of the
17 board members of the nonprofit organization or a school entity
18 foundation.

19 (d) Charter schools may not apply for and the department may
20 not authorize a lease reimbursement if the reimbursement is for
21 a lease payment to any of the following:

22 (1) An administrator of the school entity or a member of the
23 administrator's immediate family or a business with which the
24 administrator's immediate family is associated.

25 (2) A trustee of the board of trustees of the school entity
26 or a member of the trustee's immediate family or a business with
27 which the trustee's immediate family is associated.

28 (3) A founder or a member of the founder's immediate family
29 or a business with which the founder's immediate family is
30 associated.

1 (4) An administrator or executive of the educational
2 management service provider or a member of the administrator's
3 or executive's immediate family or a business with which the
4 administrator's or executive's immediate family is associated.

5 (5) Another entity that has a financial interest as defined
6 in 65 Pa.C.S. § 1102 (relating to definitions) with the school
7 entity, except for the lease agreement.

8 (e) The department shall seek reimbursement from a school
9 entity for each inappropriate lease reimbursement within sixty
10 (60) days of the inappropriate lease reimbursement.

11 (f) Definitions.--As used in this section, the following
12 words and phrases shall have the meanings given to them in this
13 subsection unless the context clearly indicates otherwise:

14 (1) "Founder" shall have the meaning set forth in section
15 703.1(c)(2).

16 (2) "School entity foundation" shall mean a nonprofit
17 organization under section 501(c)(3) of the Internal Revenue
18 Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)), that
19 provides funding, resources or services to support a school
20 entity, either directly or through an affiliated entity.

21 Section 3. This act shall take effect in 60 days.