

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

**HOUSE BILL****No. 210**      Session of  
2015

---

INTRODUCED BY GROVE, GREINER, DUNBAR, REGAN, BARRAR, HICKERNELL,  
SAYLOR, PASHINSKI, MILLARD, CUTLER, DIAMOND, MENTZER,  
PICKETT, SONNEY, MARSICO, TALLMAN, A. HARRIS, BENNINGHOFF,  
PEIFER, PHILLIPS-HILL, WATSON, MARSHALL AND FEE,  
JANUARY 23, 2015

---

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES,  
FEBRUARY 24, 2015

---

## 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 approval by department of plans of buildings  
7 and exceptions, providing for accountability and reducing  
8 costs in construction process, further providing for  
9 limitation on new applications for Department of Education  
10 approval of public school building projects; and, in  
11 reimbursements by Commonwealth and between school districts,  
12 further providing for definitions, for approved reimbursable  
13 rental for leases hereafter approved and approved  
14 reimbursable sinking fund charges on indebtedness, for  
15 payments on account of leases hereafter approved and on  
16 account of sinking fund charges on indebtedness for school  
17 buildings hereafter constructed and for payments on account  
18 of building costs and providing for lump sum reimbursement  
19 for construction or reconstruction.

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

22 Section 1. Section 731 of the act of March 10, 1949 (P.L.30,  
23 No.14), known as the Public School Code of 1949, amended June  
24 27, 1973 (P.L.75, No.34) and June 30, 2011 (P.L.112, No.24), is

1 amended to read:

2 Section 731. Approval by Department of Plans, etc., of  
3 Buildings; Exceptions.--(a) The Department of Education, with  
4 respect to construction or reconstruction of public school  
5 buildings, shall have the power and its duties shall be:

6 (1) To review all projects, plans and specifications for  
7 school building construction or reconstruction, and to make  
8 recommendations thereon to the General Assembly and the  
9 Governor: Provided, however, That approval of the Department of  
10 Education shall not be required for projects, plans and  
11 specifications for school construction projects for which  
12 reimbursement from the Commonwealth is not requested;

13 (2) To assist school districts in preplanning construction  
14 and reconstruction projects, and offer such architectural,  
15 engineering and financial advice as will enable the project to  
16 comply with the standards prescribed by the State Board of  
17 Education;

18 (3) To hold hearings on any or all projects and subpoena  
19 witnesses, administer oaths, take testimony and compel the  
20 production of documents relevant to any investigation;

21 (4) To act as liaison between the public, local school  
22 officials, the General Assembly, and the Governor on school  
23 building construction and reconstruction projects;

24 (5) To receive and investigate complaints from the public or  
25 other source concerning any school building construction or  
26 reconstruction project;

27 (6) To conduct investigations on any phase of school  
28 building construction or reconstruction projects.

29 (7) To provide for an electronic database on its publicly  
30 accessible Internet website for the purpose of providing public

1 access to information on public school construction and  
2 reconstruction projects, building purchases and charter school  
3 lease reimbursements submitted for the approval of, or approved  
4 by, the Department of Education. The electronic database shall  
5 indicate the date each application for reimbursement was  
6 submitted to the Department of Education and the date of  
7 approval for each step of the reimbursement process as outlined  
8 in section 731.2 of this act. The Department of Education shall  
9 establish the database no later than July 1, 2016.

10 (b) The Department of Education shall employ engineers,  
11 architects, financial advisors, and such other staff personnel  
12 as may be necessary for the proper performance of the duties of  
13 the Department with respect to construction or reconstruction of  
14 public school buildings.

15 (c) No public school building shall be contracted for,  
16 constructed, or reconstructed, in any school district of the  
17 second, third, or fourth class until the plans and  
18 specifications therefor have been approved by the Department of  
19 Education[.

20 When ordinary repairs are proposed, such as plastering,  
21 painting, replacement of floors, improvement of school grounds,  
22 repairing or providing walks, roadways or retaining walls, the  
23 cost of which in districts of the second class or in districts  
24 of the third and fourth class will not exceed fifteen thousand  
25 dollars (\$15,000) per building, no approval shall be required.  
26 Where any structural change is involved, such as moving or  
27 adding doors, windows, partitions, making additions or any  
28 excavations, or any work which may affect the safety or health  
29 of the pupils, or any work which comes under the jurisdiction of  
30 another department of the Commonwealth, approval of the

1 Department of Education shall be required regardless of the cost  
2 of such structural change.]: Provided, however, That approval of  
3 the Department of Education shall not be required for projects,  
4 plans and specifications for school construction projects for  
5 which reimbursement from the Commonwealth is not requested.

6 (d) No school building shall be purchased by any school  
7 district until such purchase shall have been approved by the  
8 Department of Education. Such approval shall not be given unless  
9 the school building to be purchased and any approved structural  
10 changes or renovations meet the standards required to operate  
11 public school buildings of a similar age currently in use in the  
12 Commonwealth.

13 Section 2. The act is amended by adding a section to read:

14 Section 731.2. Accountability and Reducing Costs in  
15 Construction Process.--(a) No later than July 1, 2016, the  
16 department shall develop and implement a process, including  
17 standardized forms and procedures, which shall be used by school  
18 districts to apply for Commonwealth reimbursement for school  
19 construction and reconstruction projects and which shall be  
20 known as the Accountability and Reducing Costs in Construction  
21 Process. In developing the Accountability and Reducing Costs in  
22 Construction Process, the department shall separate the process  
23 into five (5) benchmark steps of department approval which shall  
24 be labeled one (1) through five (5) and shall minimally include  
25 the following:

26 (1) Step 1 shall consist of the following:

27 (i) project description;

28 (ii) project justification; and

29 (iii) a technical schematic design review conference with  
30 the department.

1 (2) Step 2 shall consist of the following:  
2 (i) site acquisition, if applicable to the project;  
3 (ii) project accounting based on cost estimates; and  
4 (iii) a conference with the department to review completed  
5 construction documents, including bid specifications, drawings  
6 for the project and documentation regarding the fulfillment of  
7 State and local agency requirements.

8 (3) Step 3 shall consist of the following:

9 (i) project accounting based on costs for actual  
10 construction bids for which contracts shall be awarded; and  
11 (ii) project financing, including financing method and the  
12 calculation of the temporary reimbursable percent for the  
13 project. In calculating the temporary reimbursable percent, the  
14 department shall factor in a five (5) percentage point reduction  
15 which shall be utilized until the calculation of the permanent  
16 reimbursable percent is completed in Step 4.  
17 Approval through Step 3 shall initiate project reimbursement  
18 from the Commonwealth.

19 (4) Step 4 shall consist of the following:

20 (i) interim reporting of project modifications, including  
21 the reporting of change orders and supplemental contracts; and  
22 (ii) project accounting based on the final costs of a  
23 project after completion of the following:  
24 (A) construction of the project; and  
25 (B) payment for all construction or reconstruction work,  
26 unless the department has granted an exception.

27 The calculation of the permanent reimbursable percent for a  
28 project shall take place during Step 4.

29 (5) Step 5 shall consist of project refinancing, where  
30 applicable, to allow for the restructuring, refinancing or

1 refunding of existing indebtedness.

2 (b) (1) Except as provided for in paragraph (2), school  
3 districts shall be reimbursed by the department in the order in  
4 which their projects received approval for Commonwealth  
5 reimbursement by the department.

6 (2) The Secretary of Education may prioritize the  
7 reimbursement of a school construction or reconstruction project  
8 of a school district declared to be in financial recovery status  
9 under Article VI-A of this act. Projects that are given priority  
10 under this paragraph shall be reimbursed before all other  
11 projects.

12 (c) (1) School districts shall develop a complete district-  
13 wide facility study of all district educational facilities,  
14 including the district administrative offices. The study shall  
15 be completed prior to, and within five (5) years of, the initial  
16 date of submission to the department of an application for  
17 Commonwealth reimbursement of a school construction or  
18 reconstruction project.

19 (2) The study shall provide an appraisal as to each  
20 facility's ability to meet current and planned education program  
21 requirements, the degree to which the present facilities meet  
22 reasonably current construction standards, and an estimated cost  
23 of necessary repairs and improvements.

24 (3) The study shall be submitted to the department along  
25 with an initial application for Commonwealth reimbursement of a  
26 school construction or reconstruction project.

27 (4) The department shall not grant to school districts any  
28 exceptions, waivers or variances to the provisions of this  
29 subsection.

30 (d) (1) In order to receive Commonwealth reimbursement for

1 the construction of a new building, a school district shall,  
2 within Step 1 of the Accountability and Reducing Costs in  
3 Construction Process provided for in subsection (a), complete  
4 and submit to the department a cost-benefit analysis of the  
5 project that compares the construction of the proposed new  
6 building to the expansion or renovation of an existing building  
7 for the same purpose.

8 (2) If the cost of a new building exceeds that of the  
9 expansion or renovation of an existing building for the same  
10 purpose, the school district shall only be eligible for  
11 Commonwealth reimbursement for the new building if substantial  
12 evidence is presented which demonstrates the necessity of a new  
13 building and how a new building would better meet the needs of  
14 the school district and its students than a building expansion  
15 or renovation.

16 (3) A determination by the department that insufficient  
17 evidence was provided to demonstrate the necessity of a new  
18 building rather than a building expansion or renovation shall be  
19 appealable by a school district under 2 Pa.C.S. (relating to  
20 administrative law and procedure).

21 (4) The department shall not grant to school districts any  
22 exceptions, waivers or variances to the provisions of this  
23 subsection.

24 (e) (1) School districts shall not be eligible for  
25 Commonwealth reimbursement of school construction or  
26 reconstruction project costs for any existing building which is  
27 less than thirty (30) years old or for which a Commonwealth  
28 reimbursable project has been approved by the department within  
29 the preceding thirty (30) years. The thirty (30) year period  
30 between eligible Commonwealth reimbursable projects for a school

1 building shall be calculated from the bid opening date of the  
2 previous Commonwealth reimbursable project to the bid opening  
3 date of the proposed Commonwealth reimbursable project.

4 (2) The department shall not grant to school districts any  
5 exceptions, waivers or variances to the provisions of this  
6 subsection except in the case of an emergency. For the purposes  
7 of this paragraph, an emergency shall include a natural  
8 disaster, fire, flood, mold contamination, A CRIMINAL OR <--  
9 TERRORIST ATTACK or an extraordinary and unanticipated increase  
10 in student enrollment.

11 (f) (1) School districts shall not be eligible for  
12 Commonwealth reimbursement of school construction or  
13 reconstruction project costs for any existing building where the  
14 cost of expansion or renovation of the building, excluding costs  
15 for building purchase, movable fixtures and equipment, asbestos  
16 abatement, roof replacement, site development and architect  
17 fees, is less than forty (40) percent of the replacement value  
18 of the entire building.

19 (2) The provisions of this subsection shall not apply to  
20 area vocational-technical school construction or reconstruction  
21 projects.

22 (3) The department shall not grant to school districts any  
23 exceptions, waivers or variances to the provisions of this  
24 subsection.

25 (g) The department shall, where possible and appropriate,  
26 automate the Accountability and Reducing Costs in Construction  
27 Process to allow school districts to submit plans and documents  
28 relating to reimbursement for a school construction or  
29 reconstruction project electronically.

30 (h) A school district shall not be required to submit any

1 school construction or reconstruction project plans, drawings,  
2 bid specifications or other documents to the department on  
3 microfilm as a condition of receiving Commonwealth reimbursement  
4 for a construction or reconstruction project.

5 (i) A school district shall not be required to resubmit to  
6 the department any completed plans, drawings, bid specifications  
7 or other documents for a school construction or reconstruction  
8 project for which the department received a completed initial  
9 application before July 1, 2016, due to the implementation of  
10 this section.

11 (j) Subsections (c), (d), (e) and (f) shall not apply to any  
12 school construction or reconstruction project for which a  
13 completed initial school construction or reconstruction project  
14 application was submitted to the department before July 1, 2016.

15 (k) No later than twelve (12) months after the effective  
16 date of this section, the department shall develop such rules  
17 and guidelines as may be necessary to implement this section:  
18 Provided, however, That the department shall not create steps of  
19 approval in addition to those provided for under subsection (a)  
20 and shall not require more than one school board resolution at  
21 each step.

22 (l) For the purposes of this section, the term "department"  
23 shall mean the Department of Education of the Commonwealth.

24 Section 3. Section 732.1(b) of the act, amended July 9, 2013  
25 (P.L.408, No.59), is amended and the section is amended by  
26 adding a subsection to read:

27 Section 732.1. Limitation on New Applications for Department  
28 of Education Approval of Public School Building Projects.--\* \* \*

29 (b) (1) The Department of Education shall, in consultation  
30 with school district officials and the General Assembly, conduct

1 a review of the Department of Education's current process  
2 through which public school building projects are reviewed and  
3 approved for Commonwealth reimbursement. The review shall  
4 incorporate an analysis of impacting local factors, including,  
5 but not limited to, tax effort and building requirements, and  
6 shall make recommendations to the chair and minority chair of  
7 the Appropriations Committee of the Senate, the chair and  
8 minority chair of the Education Committee of the Senate, the  
9 chair and minority chair of the Appropriations Committee of the  
10 House of Representatives and the chair and minority chair of the  
11 Education Committee of the House of Representatives by May 1,  
12 2013. The Department of Education shall also conduct a Statewide  
13 analysis of school facilities and future capital needs and shall  
14 submit a preliminary report on that analysis by May 1, 2014.

15 (2) The Statewide analysis shall be completed and submitted  
16 to the chairman and minority chairman of the Appropriations  
17 Committee of the Senate, the chairman and minority chairman of  
18 the Education Committee of the Senate, the chairman and minority  
19 chairman of the Appropriations Committee of the House of  
20 Representatives and the chairman and minority chairman of the  
21 Education Committee of the House of Representatives no later  
22 than May 1, 2016.

23 (c) (1) Any school district that began a school  
24 construction or reconstruction project during the time in which  
25 the Department of Education was not accepting or approving new  
26 school construction and reconstruction project applications for  
27 reimbursement under subsection (a) shall be eligible and may  
28 apply for Commonwealth reimbursement for those school  
29 construction or reconstruction projects.

30 (2) No later than twelve (12) months after the effective

1 date of this section the department shall develop such rules and  
2 guidelines as may be necessary to implement this subsection.

3 Section 4. Section 2501 of the act is amended by adding a  
4 definition to read:

5 Section 2501. Definitions.--For the purposes of this article  
6 the following terms shall have the following meanings:

7 \* \* \*

8 ~~(31)~~ (40) "Department." The Department of Education of the <--  
9 Commonwealth.

10 Section 5. Section 2574(b.1) and (c.6) of the act, amended  
11 or added July 13, 2005 (P.L.226, No.46) and July 11, 2006  
12 (P.L.1092, No.114), are amended to read:

13 Section 2574. Approved Reimbursable Rental for Leases  
14 Hereafter Approved and Approved Reimbursable Sinking Fund  
15 Charges on Indebtedness.--\* \* \*

16 (b.1) (1) For school buildings constructed and based on an  
17 approved school facility design received from the Department of  
18 Education's school facility design clearinghouse, for which the  
19 general construction contract is awarded subsequent to January  
20 1, 2005, and for approved school building projects for which the  
21 general construction contract was awarded but for which a lease  
22 or general obligation bond resolution was not approved by the  
23 Department of Education prior to January 1, 2005, the approved  
24 building construction cost shall additionally include the  
25 product of the rated pupil capacity as determined by the  
26 Department of Education at the time the project is approved and  
27 (i) four hundred seventy dollars (\$470) in the case of  
28 elementary schools, (ii) six hundred twenty dollars (\$620) in  
29 the case of secondary schools, (iii) an amount in the case of  
30 combined elementary-secondary schools obtained by multiplying

1 the rated elementary pupil capacity by four hundred seventy  
2 dollars (\$470) and the rated secondary pupil capacity by six  
3 hundred twenty dollars (\$620) and dividing the sum by the total  
4 rated pupil capacity.

5 (2) The provisions of this subsection shall only apply to  
6 school construction or reconstruction projects for which a  
7 completed initial school construction or reconstruction project  
8 application was submitted to the department before July 1, 2016.

9 \* \* \*

10 (c.4) (1) For school buildings for which the general  
11 construction contract is awarded on or after January 1, 2005,  
12 and for approved school building projects for which the general  
13 construction contract was awarded but for which a lease or  
14 general obligation bond resolution was not approved by the  
15 Department of Education prior to January 1, 2005, and where the  
16 school building receives a silver, gold or platinum  
17 certification from the United States Green Building Council's  
18 Leadership in Energy and Environmental Design Green Building  
19 Rating System or two, three or four Globes under the Green  
20 Building Initiative's Green Globes Green Building Rating System  
21 on or after January 1, 2005, the Department of Education shall  
22 adjust the approved building construction cost to additionally  
23 include the product of the rated pupil capacity as determined by  
24 the Department of Education at the time the project is approved  
25 and (i) four hundred seventy dollars (\$470) in the case of  
26 elementary schools, (ii) six hundred twenty dollars (\$620) in  
27 the case of secondary schools, (iii) an amount in the case of  
28 combined elementary-secondary schools obtained by multiplying  
29 the rated elementary pupil capacity by four hundred seventy  
30 dollars (\$470) and the rated secondary pupil capacity by six

1 hundred twenty dollars (\$620) and dividing the sum by the total  
2 rated pupil capacity. The Department of Education in  
3 consultation with the Governor's Green Government Council shall  
4 issue guidelines to carry out this section.

5 (2) The provisions of this subsection shall only apply to  
6 school construction or reconstruction projects for which a  
7 completed initial school construction or reconstruction project  
8 application was submitted to the department before July 1, 2016.

9 \* \* \*

10 (c.6) (1) If a school district receives reimbursement for a  
11 school construction project under this section, the school  
12 district, upon request by the Department of Education, shall do  
13 all of the following:

14 (i) Provide information required by the department to  
15 determine whether the school construction project meets criteria  
16 established by the department for certification as an approved  
17 school facility design for purposes of the department's school  
18 facility design clearinghouse.

19 (ii) Authorize the department, in its discretion, to certify  
20 the school construction project as an approved school facility  
21 design and to include information about the certified project in  
22 the department's school facility design clearinghouse.

23 (2) The provisions of this subsection shall only apply to  
24 school construction or reconstruction projects for which a  
25 completed initial school construction or reconstruction project  
26 application was submitted to the department before July 1, 2016.

27 \* \* \*

28 Section 6. Section 2575(a) of the act, amended July 12, 1968  
29 (P.L.192, No.96), is amended and the section is amended by  
30 adding a subsection to read:

1 Section 2575. Payments on Account of Leases Hereafter  
2 Approved and on Account of Sinking Fund Charges on Indebtedness  
3 for School Buildings Hereafter Constructed.--(a) (1) The  
4 Commonwealth shall pay annually to each school district erecting  
5 or sharing in the erection of a building or buildings under the  
6 provisions of the Public School Building Authority Act, the  
7 Municipality Authority Act, section 758 [of the Public School  
8 Code of 1949,] or section 791 of [the Public School Code of  
9 1949,] this act on account of buildings for which the lease is  
10 approved on or after March 22, 1956, or through the incurring of  
11 indebtedness by the issuance of general obligation bonds on  
12 account of buildings for which the general construction contract  
13 is awarded on or after March 22, 1956, an amount to be  
14 determined by multiplying the district's capital account  
15 reimbursement fraction computed for the year 1967 or aid ratio  
16 whichever is larger by the approved reimbursable rental or  
17 approved reimbursable sinking fund charge.

18 (2) The provisions of this subsection shall only apply to  
19 school construction or reconstruction projects for which a  
20 completed initial school construction or reconstruction project  
21 application was submitted to the Department of Education before  
22 July 1, 2016.

23 (a.1) (1) The Commonwealth shall pay annually to each  
24 school district erecting or sharing in the erection of a  
25 building or buildings under the provisions of the Public School  
26 Building Authority Act, the Municipality Authority Act or  
27 section 758 or 791 of this act, on account of buildings for  
28 which the lease is approved on or after July 1, 2016, or through  
29 the incurring of indebtedness by the issuance of general  
30 obligation bonds on account of buildings for which the general

1 construction contract is awarded on or after July 1, 2016, an  
2 amount to be determined by multiplying the district's aid ratio  
3 by the approved reimbursable rental or approved reimbursable  
4 sinking fund charge.

5 (2) The provisions of this subsection shall only apply to  
6 school construction or reconstruction projects for which a  
7 completed initial school construction or reconstruction project  
8 application was submitted to the Department of Education on or  
9 after July 1, 2016.

10 \* \* \*

11 Section 7. Section 2575.1 of the act, amended July 9, 1992  
12 (P.L.392, No.85), is amended to read:

13 Section 2575.1. Payments on Account of Building Costs.--(a)

14 (1) The Commonwealth shall pay to any school district making a  
15 preliminary payment on account of the approved building  
16 construction or approved renovation cost as authorized by  
17 section 783 or by clause (4) of section 790 or by clause (5) of  
18 section 791 of this act, an amount determined by multiplying the  
19 district's capital account reimbursement fraction computed for  
20 the year 1967 or aid ratio whichever is larger by the amount of  
21 the payment made by the school district.

22 (2) The provisions of this subsection shall only apply to  
23 school construction or reconstruction projects for which a  
24 completed initial school construction or reconstruction project  
25 application was submitted to the Department of Education before  
26 July 1, 2016.

27 (a.1) (1) The Commonwealth shall pay to any school district  
28 making a preliminary payment on account of the approved building  
29 construction or approved renovation cost as authorized by  
30 section 783 or by clause (4) of section 790 or by clause (5) of

1 section 791 of this act, an amount determined by multiplying the  
2 district's aid ratio by the amount of the payment made by the  
3 school district.

4 (2) The provisions of this subsection shall only apply to  
5 school construction or reconstruction projects for which a  
6 completed initial school construction or reconstruction project  
7 application was submitted to the Department of Education on or  
8 after July 1, 2016.

9 (b) (1) Whenever any school district provides the full  
10 payment on account of approved building construction or approved  
11 renovation cost without incurring debt, or without assuming a  
12 lease, the Commonwealth shall pay to such school district an  
13 amount determined by multiplying the district's capital account  
14 reimbursement fraction computed for the year 1967 or aid ratio  
15 whichever is larger by the amount of the payment made by the  
16 school district.

17 (2) The provisions of this subsection shall only apply to  
18 school construction or reconstruction projects for which a  
19 completed initial school construction or reconstruction project  
20 application was submitted to the Department of Education before  
21 July 1, 2016.

22 (b.1) (1) Whenever any school district provides the full  
23 payment on account of approved building construction or approved  
24 renovation cost without incurring debt, or without assuming a  
25 lease, the Commonwealth shall pay to such school district an  
26 amount determined by multiplying the district's aid ratio by the  
27 amount of the payment made by the school district.

28 (2) The provisions of this subsection shall only apply to  
29 school construction or reconstruction projects for which a  
30 completed initial school construction or reconstruction project

1 application was submitted to the Department of Education on or  
2 after July 1, 2016.

3 (c) The payment required by this section shall be made for  
4 the year in which the school district made its payment on  
5 account of the approved building construction or approved  
6 renovation cost.

7 Section 8. The act is amended by adding a section to read:

8 Section 2581. Lump Sum Reimbursement for Construction or  
9 Reconstruction.--(a) The department may, at any time, upon the  
10 availability of sufficient funds and the mutual agreement of the  
11 department and a school district, provide an immediate lump sum  
12 payment to the school district as full reimbursement for a  
13 construction or reconstruction project that has received all  
14 required approvals from the department for Commonwealth  
15 reimbursement. The lump sum payment provided for under this  
16 section shall be no greater than seventy-five percent (75%) of  
17 the total allowable construction or reconstruction reimbursement  
18 provided for under Article XXV of this act for which the school  
19 district is eligible: Provided, however, That such payments  
20 shall not include reimbursement for interest incurred by a  
21 school district. A school district that does not agree to a lump  
22 sum payment under this section shall remain eligible for the  
23 total allowable construction or reconstruction reimbursement  
24 provided for under Article XXV of this act.

25 (b) Each agreement for lump sum reimbursement under this  
26 section shall require the school district receiving a lump sum  
27 payment to relinquish any current claim to the total allowable  
28 construction or reconstruction reimbursement provided for under  
29 Article XXV of this act for which the school district is  
30 eligible in exchange for the immediate lump sum payment of a

1 lesser amount.

2 (c) The department shall make the opportunity for a lump sum  
3 payment available to school districts in the order in which each  
4 school district construction or reconstruction project receives  
5 approval for Commonwealth reimbursement by the department. A  
6 school district that does not agree to a lump sum payment under  
7 this section shall retain its place in the order in which the  
8 department reimburses school districts.

9 (d) No later than twelve (12) months after the effective  
10 date of this section, the department shall develop such rules  
11 and guidelines as may be necessary to implement this section.

12 Section 9. For the 2015-2016 fiscal year and each fiscal  
13 year thereafter, the State Public School Building Authority  
14 shall assist all school districts with refinancing projects that  
15 are currently receiving State reimbursement for a portion of  
16 their school construction costs to make additional funds  
17 available through which to provide State reimbursement to  
18 projects that have not yet begun receiving State reimbursement.

19 Section 10. This act shall take effect in 60 days.