



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 201

PRINTER'S NO. 255

PRIME SPONSOR: Ciresi

COST / (SAVINGS)

FUND	FY 2024/25	FY 2025/26
General Fund	\$0	\$0

SUMMARY:

House Bill 201 allows Intermediate Units to own land and buildings for instructional use.

ANALYSIS:

House Bill 201 amends Article IX-A – Intermediate Units – of the Public School Code to allow Intermediate Units to acquire land and buildings by purchase, lease, or gift. Under current law, Intermediate Units may own only office space and warehouse facilities and are required to lease land and buildings for other uses. All loan agreements and mortgages shall be pre-approved by the Secretary of Education.

House Bill 201 would take effect immediately.

FISCAL IMPACT:

House Bill 201 would have no adverse fiscal impact on commonwealth funds.

For Intermediate Units, the fiscal impact is indeterminate and will depend upon each Intermediate Unit's unique plans for capital projects. It is possible that House Bill 201 could result in some cost savings for Intermediate Units. For example, owning instructional spaces may allow Intermediate Units to reduce administrative expenses, operate more efficiently, and have greater control over costs associated with facility infrastructure, utilities, and maintenance. In the long term, Intermediate Units may realize some financial benefits from facility ownership such as insulation from rental cost inflation.

PREPARED BY: Emma Eglinton, Budget Analyst
House Appropriations Committee (D)

DATE: February 3, 2025

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.