

shall be given at least two weeks previously by the secretary, in the manner prescribed in section seven, and choose, by a majority of the votes present, a president and the number of directors prescribed by the by-laws, not less than four nor more than twelve, for the ensuing year, who shall continue in office until the next annual meeting and until others are chosen, at which annual meeting the said stock-holders shall have full power and authority to make, alter, and repeal, by a majority of votes given, any or all such by-laws, rules, orders, and regulations, and do and perform such other corporate acts as may be deemed advisable. The stock-holders may meet at such other times as they may be summoned by the president and directors, in such manner and form and upon such notice as may be prescribed by the by-laws. And the president, on the request in writing of any number of stock-holders representing not less than one-tenth in interest, shall call a special meeting, giving the like notice and stating specifically the objects of the meeting, and such objects and no other shall be acted on at such meetings.

Election of officers.

Special meetings.

APPROVED—The 21st day of April, A. D. 1921.

WM. C. SPROUL.

No. 126.

AN ACT

To amend sections one and twelve of an act, approved the eighteenth day of July, one thousand nine hundred seventeen (Pamphlet Laws, ten hundred forty-three), entitled "An act establishing a public school employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing employes, defining the uses and purposes thereof, and the manner of payments therefrom, and providing for the guaranty by the Commonwealth of certain of said funds; imposing powers and duties upon boards having the employment of public school employes; exempting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties."

Section 1. Be it enacted, &c., That section one of an act, approved the eighteenth day of July, one thousand nine hundred seventeen (Pamphlet Laws, ten hundred forty-three), entitled "An act establishing a public school employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing employes, defining the uses and purposes thereof, and the manner of payments therefrom, and providing for the guaranty by the Commonwealth of certain of said funds; imposing powers and duties upon boards having the employment of public school employes; exempting annuities,

Public school employes.

Retirement system.

allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," which reads as follows:—

"Definitions.

Section 1, act of
July 18, 1917
(P. L. 1043), cited
for amendment.

"Section 1. Be it enacted, &c., That the following words and phrases, as used in this act, unless a different meaning is plainly required by the context, shall have the following meanings:

(1) "Retirement System" shall mean the arrangement for the payment of retirement allowances under the provisions of this act.

(2) "Retirement Association" shall mean the employes' retirement association provided for in section three of this act.

(3) "Retirement Board" shall mean the employes' retirement board provided for in section four of this act.

(4) "Superintendent of Public Instruction" shall mean the Superintendent of Public Instruction of the Commonwealth of Pennsylvania.

(5) "Public School" shall mean any class, school, high school, normal school, training school, vocational school, truant school, parental school, and any or all classes or schools, within the State of Pennsylvania, conducted under the order and superintendence of the Department of Public Instruction of the Commonwealth of Pennsylvania and of a duly elected or appointed board of public education, board of school directors, or board of trustees, of the Commonwealth, or of any school district or normal school district thereof, and shall include the offices of the State Department of Public Instruction and the State Board of Education.

(6) "Employer" shall mean the Commonwealth, school district, normal school district, board, or other committee by which the employe is paid.

(7) "Employe" shall mean any teacher, principal, supervisor, supervising principal, county superintendent, district superintendent, assistant superintendent, any member of the staff of the State normal schools, or of the staff of the State Department of Public Instruction, or of the staff of the State Board of Education, or any clerk, stenographer, janitor, attendance officer, or other person engaged in any work concerning or relating to the public schools of this Commonwealth, or in connection therewith, or under contract or engagement to perform one or more of these functions: Provided, That no person shall be deemed an employe, within the meaning of this act, who is not regularly engaged in performing one or more of these functions as a full-time occupation, outside of vacation periods. In all cases of doubt the retirement board shall determine whether any person is an employe as defined in this act.

(8) "Present Employee" shall mean any employe, as defined in paragraph seven of this section, employed in any capacity in connection with the public schools at the time this bill becomes a law, and any employe who was employed prior to such time and who shall become a contributor within three years from the date of expiration of such employment.

(9) "New Entrant" shall mean any employe, as defined in paragraph seven of this section, appointed or elected, or contracting or otherwise legally engaging, to serve in any capacity in connection with the public schools after this bill becomes a law.

(10) "Contributor" shall mean any person who has an account in the annuity savings fund.

(11) "Beneficiary" shall mean any person in receipt of a retirement allowance or other benefit as provided in this act.

(12) "School Service" shall mean any service as an employe as defined by paragraph seven of this section.

(13) "Prior Service" shall mean all school service completed not later than the thirtieth day of June, nineteen hundred nineteen.

(14) "School Year" shall mean the official school year of the school district in which an employe is employed.

(15) "Disability Retirement" shall mean retirement as defined in section twelve of this act.

(16) "Superannuation Retirement" shall mean retirement as defined in section thirteen of this act.

(17) "Final Salary" shall mean the average annual salary, not exceeding two thousand dollars, earnable by a contributor as an employe for the ten years of service immediately preceding retirement.

(18) "Accumulated Deductions" shall mean the total of the amounts deducted from the salary of a contributor and credited to his or her individual account in the annuity savings fund, together with the regular interest thereon.

(19) "Regular Interest" shall mean interest at four per cent. per annum, compounded annually.

(20) "State Annuity" shall mean payments for life derived from contributions made by the Commonwealth of Pennsylvania as provided in this act.

(21) "Employee's Annuity" shall mean payments for life derived from contributions made by a contributor as provided in this act.

(22) "Retirement Allowance" shall mean the State annuity plus the employe's annuity.

(23) "State Annuity Reserve" shall mean the present value, computed on the basis of such mortality tables as shall be adopted by the retirement board, with regular interest, of the future payments to be made on account of any State annuity granted, and

based on contributions made by the Commonwealth of Pennsylvania.

(24) "Employee's Annuity Reserve" shall mean the present value, computed on the basis of such mortality tables as shall be adopted by the retirement board, with regular interest, of the future payments to be made on account of any employee's annuity granted, and based on the accumulated deductions of the contributor.

(25) "Expense Fund" shall mean the fund provided for in paragraph number two in section eight of this act.

(26) "Contingent Reserve Fund" shall mean the fund provided for in paragraph number three in section eight of this act.

(27) "State Annuity Reserve Fund" shall mean the fund provided for in paragraph number four in section eight of this act.

(28) "State Annuity Reserve Fund Number Two" shall mean the fund provided for in paragraph number five in section eight of this act.

(29) "Employees' Annuity Savings Fund" shall mean the fund provided for in paragraph number six in section eight of this act.

(30) "Employees' Annuity Reserve Fund" shall mean the fund provided for in paragraph number seven in section eight of this act," is hereby amended to read as follows:—

Definitions.

Section 1. Be it enacted, &c., That the following words and phrases, as used in this act, unless a different meaning is plainly required by the context, shall have the following meanings:

(1) "Retirement System" shall mean the arrangement for the payment of retirement allowances under the provisions of this act.

(2) "Retirement Association" shall mean the employees' retirement association provided for in section three of this act.

(3) "Retirement Board" shall mean the employees' retirement board provided for in section four of this act.

(4) "Superintendent of Public Instruction" shall mean the Superintendent of Public Instruction of the Commonwealth of Pennsylvania.

(5) "Public School" shall mean any class, school, high school, normal school, training school, vocational school, truant school, parental school, and any or all classes or schools, within the State of Pennsylvania, conducted under the order and superintendence of the Department of Public Instruction of the Commonwealth of Pennsylvania and of a duly elected or appointed board of public education, board of school directors, or board of trustees, of the Commonwealth, or of any school district or normal school district

thereof, and shall include the offices of the State Department of Public Instruction and the State Board of Education.

(6) "Employer" shall mean the Commonwealth, school district, normal school district, board, or other committee by which the employe is paid.

(7) "Employee" shall mean any teacher, principal, supervisor, supervising principal, county superintendent, district superintendent, assistant superintendent, any member of the staff of the State normal schools, or of the staff of the State Department of Public Instruction, or of the staff of the State Board of Education, or any clerk, stenographer, janitor, attendance officer, or other person engaged in any work concerning or relating to the public schools of this Commonwealth, or in connection therewith, or under contract or engagement to perform one or more of these functions: Provided, That no person shall be deemed an employe, within the meaning of this act, who is not regularly engaged in performing one or more of these functions as a full-time occupation, outside of vacation periods. In all cases of doubt the retirement board shall determine whether any person is an employe as defined in this act: *And provided further, That those employes of the Department of Public Instruction who are members of or are entitled to membership in the retirement system herein established may withdraw from the system, and be entitled to reimbursement of moneys which they have paid in, by so electing in writing filed with the Retirement Board on or before the first day of July, one thousand nine hundred and twenty-one. After said date all new employes in the Department of Public Instruction shall be members of said system, unless they elect otherwise in writing filed with the Retirement Board within thirty days after beginning their employment.*

(8) "Present Employee" shall mean any employe, as defined in paragraph seven of this section, employed in any capacity in connection with the public schools at the time this bill becomes a law, and any employe who was employed prior to such time and who shall become a contributor within three years from the date of expiration of such employment.

(9) "New Entrant" shall mean any employe, as defined in paragraph seven of this section, appointed or elected, or contracting or otherwise legally engaging, to serve in any capacity in connection with the public schools after this bill becomes a law.

(10) "Contributor" shall mean any person who has an account in the annuity savings fund.

(11) "Beneficiary" shall mean any person in receipt of a retirement allowance or other benefit as provided in this act.

(12) "School Service" shall mean any service as an employe as defined by paragraph seven of this section.

(13) "Prior Service" shall mean all school service completed not later than the thirtieth day of June, nineteen hundred and nineteen.

(14) "School Year" shall mean the official school year of the school district in which an employe is employed.

(15) "Disability Retirement" shall mean retirement as defined in section twelve of this act.

(16) "Superannuation Retirement" shall mean retirement as defined in section thirteen of this act.

(17) "Final Salary" shall mean the average annual salary, not exceeding two thousand dollars, earnable by a contributor as an employe for the ten years of service immediately preceding retirement.

(18) "Accumulated Deductions" shall mean the total of the amounts deducted from the salary of a contributor and credited to his or her individual account in the annuity savings fund, together with the regular interest thereon.

(19) "Regular Interest" shall mean interest at four per centum per annum, compounded annually.

(20) "State Annuity" shall mean payments for life derived from contributions made by the Commonwealth of Pennsylvania as provided in this act.

(21) "Employe's Annuity" shall mean payments for life derived from contributions made by a contributor as provided in this act.

(22) "Retirement Allowance" shall mean the State annuity plus the employe's annuity.

(23) "State Annuity Reserve" shall mean the present value, computed on the basis of such mortality tables as shall be adopted by the retirement board, with regular interest, of the future payments to be made on account of any State annuity granted, and based on contributions made by the Commonwealth of Pennsylvania.

(24) "Employe's Annuity Reserve" shall mean the present value, computed on the basis of such mortality tables as shall be adopted by the retirement board, with regular interest, of the future payments to be made on account of any employe's annuity granted, and based on the accumulated deductions of the contributor.

(25) "Expense Fund" shall mean the fund provided for in paragraph number two in section eight of this act.

(26) "Contingent Reserve Fund" shall mean the fund provided for in paragraph number three in section eight of this act.

(27) "State Annuity Reserve Fund" shall mean the fund provided for in paragraph number four in section eight of this act.

(28) "State Annuity Reserve Fund Number Two" shall mean the fund provided for in paragraph number five in section eight of this act.

(29) "Employes' Annuity Savings Fund" shall mean the fund provided for in paragraph number six in section eight of this act.

(30) "Employes' Annuity Reserve Fund" shall mean the fund provided for in paragraph number seven in section eight of this act.

Section 2. Section twelve of said act, which reads as follows:—

"Withdrawal.

"Section 12. Should a contributor, by resignation or dismissal, or in any other way than by death or retirement, separate from the school service, he or she shall be paid on demand: (a) the full amount of the accumulated deductions standing to the credit of his or her individual account in the annuity savings fund, or, in lieu thereof, should he or she so elect, (b) an annuity or a deferred annuity, which shall be the actuarial equivalent of said accumulated deductions. His or her membership in the retirement association shall thereupon cease.

Section 12, act of
July 18, 1917
(P. L. 1043),
cited for amend-
ment.

"2. Should an employe, so separated from the school service, return within three years, and restore to the annuity savings fund his or her accumulated deductions as they were at the time of his or her separation, the annuity rights forfeited by him or her at that time shall be restored.

"3. Should a contributor die before retirement, his or her accumulated deductions shall be paid to his or her estate, or to such person as he or she shall have nominated by written designation, duly executed and filed with the retirement board," is hereby amended to read as follows:—

Withdrawal.

Section 12. Should a contributor, by resignation or dismissal, or in any other way than by death or retirement, separate from the school service, *or should such contributor legally withdraw from the retirement system*, he or she shall be paid on demand: (a) the full amount of the accumulated deductions standing to the credit of his or her individual account in the annuity savings fund, or, in lieu thereof, should he or she so elect, (b) an annuity or a deferred annuity, which shall be the actuarial equivalent of said accumulated deductions. His or her membership in the retirement association shall thereupon cease.

2. Should an employe, so separated from the school service, return within three years, and restore to the annuity savings fund his or her accumulated deductions as they were at the time of his or her separation, the annuity rights forfeited by him or her at that time shall be restored.

3. Should a contributor die before retirement, his or her accumulated deductions shall be paid to his or her estate, or to such person as he or she shall have nominated by written designation, duly executed and filed with the retirement board.

APPROVED—The 21st day of April, A. D. 1921.

WM. C. SPROUL.

No. 127.

AN ACT

To amend section two thousand seven hundred three of an act, approved the eighteenth day of May, one thousand nine hundred and eleven (Pamphlet Laws, three hundred nine), entitled "An act to establish a public school system in the Commonwealth of Pennsylvania, together with the provisions by which it shall be administered, and prescribing penalties for the violation thereof; providing revenue to establish and maintain the same, and the method of collecting such revenue; and repealing all laws, general, special, or local, or any parts thereof, that are or may be inconsistent therewith."

State School
Fund.

Section 1. Be it enacted, &c., That section two thousand seven hundred three of an act, approved the eighteenth day of May, one thousand nine hundred and eleven (Pamphlet Laws, three hundred nine), entitled "An act to establish a public school system in the Commonwealth of Pennsylvania, together with the provisions by which it shall be administered, and prescribing penalties for the violation thereof; providing revenue to establish and maintain the same, and the method of collecting such revenue; and repealing all laws, general, special, or local, or any parts thereof, that are or may be inconsistent therewith," which reads as follows:—

Section 2703, act
of May 18, 1911
(P. L. 309), cited
for amendment.

"Section 2703. The State Board of Education shall promptly invest, and keep invested as constantly as possible, to the best advantage of the State School Fund, all receipts derived from, or on account of, the State forest reservations, and all proceeds from the sales of real estate received by the State Treasurer, together with all appropriations, devises, gifts, and other receipts for this purpose, as a permanent State School Fund, whose income only may be expended. But such investments of the permanent State School Fund may be made only in bonds properly issued by a school district in this Commonwealth, or in municipal bonds in which savings banks of Pennsylvania are authorized by law to invest their deposits, and all such investments must be first approved by the Auditor General," is hereby amended to read as follows:—

Investment.

Section 2703. The State Board of Education shall promptly invest, and keep invested as constantly as