

for the respective institutions which are acquired by the Commonwealth from counties, cities or institution districts for actual use as State mental hospitals under the provisions of act number twenty-one, approved the twenty-ninth day of September, one thousand nine hundred thirty-eight. Each respective board of trustees shall be known as the Board of Trustees of the

.....
(descriptive name of political subdivision in

.....
which institution is located)

- State Hospital;
- In the Department of Property and Supplies,
Board of Commissioners of Public Grounds and Buildings,
- State Art Commission;
- In the Department of Revenue,
State Athletic Commission;
- In the Department of Public Assistance,
State Board of Public Assistance;
- In the Department of Commerce,
State Planning Board;

All of the foregoing departmental administrative boards and commissions shall be organized or reorganized as provided in this act.

Sections 433 and 1810 of said act, repealed.

Section 2. Section four hundred thirty-three and section one thousand eight hundred ten of the said act are hereby repealed.

Act effective immediately.

Section 3. The provisions of this act shall become effective immediately upon final enactment.

APPROVED—The 21st day of May, A. D. 1943.

EDWARD MARTIN

No. 223

AN ACT

To amend section one hundred four, clause (a) of section two hundred five, clause (a) of section two hundred twelve, section four hundred three, section five hundred five, and to add clause (d) to section five hundred two of the act, approved the twenty-fifth day of June, one thousand nine hundred and forty-one (Pamphlet Laws, one hundred fifty-nine), entitled "An act amending, revising, consolidating and changing the law relating to the borrowing of money by certain political subdivisions, the authorization, issuance and sale of general

obligation bonds as herein defined, of bonds imposing no general obligation of debt and of bonds not deemed to constitute a debt for certain purposes, and to the funding of debt and the refunding of bonds; regulating the keeping and use of sinking funds; imposing powers and duties upon the Department of Internal Affairs and upon corporate bodies and officers of political subdivisions; imposing penalties, and repealing existing laws," clarifying and correcting the provisions of said sections, and providing for the funding of debts represented by judgments entered by courts.

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

"Municipal
Borrowing Law."

Section 1. Section one hundred four, clause (a) of section two hundred five, clause (a) of section two hundred twelve, section four hundred three, section five hundred five of the act, approved the twenty-fifth day of June, one thousand nine hundred and forty-one (Pamphlet Laws, one hundred fifty-nine), entitled "An act amending, revising, consolidating and changing the law relating to the borrowing of money by certain political subdivisions; the authorization, issuance and sale of general obligation bonds as herein defined, of bonds imposing no general obligation of debt and of bonds not deemed to constitute a debt for certain purposes, and to the funding of debt and the refunding of bonds; regulating the keeping and use of sinking funds; imposing powers and duties upon the Department of Internal Affairs and upon corporate bodies and officers of political subdivisions; imposing penalties, and repealing existing laws," are hereby amended to read as follows:

Section 104. Purpose of Act.—It is the intent of this act to regulate the manner of borrowing money by the issue of bonds by municipalities and to impose limits and conditions on such borrowing in certain cases. [Nothing in this act shall be construed to confer on any municipality any power or authority to borrow money for any purpose for which such municipality is not otherwise authorized by law to borrow money, nor shall anything in this act be construed to deprive any municipality of any power or authority to borrow money for any purpose for which such municipality is, or may hereafter be, authorized to borrow money.] *Nothing in this act shall be construed to enlarge or curtail the purposes for which any municipality may now or hereafter be authorized to borrow money.* This act shall be deemed to provide an exclusive and uniform system on the subjects covered by this act.

Section 104, act
of June 25, 1941,
P. L. 159,
amended.

Section 205. Desire Ordinance; Elections to Authorize an Increase of Indebtedness.—(a) Whenever the corporate authorities of any municipality by their ordinance shall have signified a desire to make an increase of debt where the assent of the electors is required and shall have called an election for the purpose of obtain-

Section 205,
clause (a), act
of June 25, 1941,
P. L. 159,
amended.

ing such assent, they shall give notice of an election to be held at the places of holding elections in said municipality on a day to be by them fixed for the purpose of obtaining the assent of the electors thereof to such increase of debt. Such notice shall be given in a newspaper or newspapers of general circulation, not exceeding two, published in said municipality and in the legal journal, if any, designated by the rules of court for the publication of legal notices and advertisements, and if no such newspaper is published therein, the notice shall be given in at least one newspaper of general circulation circulating generally in the municipality. [Such election notice shall be published three times at intervals of not less than three days where daily newspapers of general circulation are available for such publication and, in the case of weekly newspapers of general circulation and legal journals, shall be published only twice, once a week for two successive weeks.] *In case such election notice is published in a daily newspaper or newspapers, it shall be published three times, at intervals of not less than three days; and in the case of weekly newspapers and legal journals, it shall be published only twice, once a week, for two successive weeks.* The first publication of such notice shall be not less than fourteen, nor more than twenty-one, days before the day of the election. Such notice may be published at any time after the ordinances shall have become effective.

Section 212,
clause (a), act
of June 25, 1941,
P. L. 159,
amended.

Section 212. Regulations for Sale of General Obligation Bonds.—(a) When any municipality shall desire to borrow money and issue general obligation bonds therefor the municipality shall sell such bonds to the highest responsible bidder or bidders after public notice by advertisement in at least one and not more than two newspapers of general circulation published in the county in which such municipality shall be situated and in the legal journal, if any, designated by the rules of court for the publication of legal notices and advertisements. [Such notice shall be published three times at intervals of not less than three days, where daily newspapers of general circulation are available for such publication, and in the case of weekly newspapers and legal journals shall be published only twice, once a week for two successive weeks.] *In case such notice is published in a daily newspaper or newspapers, it shall be published three times, at intervals of not less than three days; and in the case of weekly newspapers and legal journals, it shall be published only twice, once a week, for two successive weeks.* The first advertisement shall be published not less than fifteen days before the day fixed for the opening of bids.

Section 403, act
of June 25, 1941,
P. L. 159,
amended.

Section 403. Use of Money in Sinking Fund; Investment.—The money or other assets in the sinking fund

shall be applied to the payment of any taxes covenanted to be paid on the general obligation bonds for the payment of which such fund was created, to the payment of interest on such bonds and to the payment of the principal of such bonds at their maturity. Any moneys in the sinking fund not needed for the time being for any of the above purposes may be invested in obligations issued by the United States of America and general obligation bonds of the Commonwealth of Pennsylvania or any political subdivision thereof. The moneys and other assets held in the sinking fund shall not be used for any other purpose, except for such other investment purposes as may be specifically authorized by law.

Any investments *including bonds of the municipality* held in the sinking fund may be sold at any time by the body, board or commission having the management and control of such sinking fund.

Nothing contained in this section shall be construed to require the sale of any obligations, bonds or notes legally held in a sinking fund at the time this act takes effect.

Section 505. Sale or Exchange of Funding and Refunding Bonds.—Except in the case of refunding general obligation bonds issued to redeem bonds which the holders are willing to surrender, any municipality shall first offer funding or refunding general obligation bonds for sale in accordance with the provisions of section [214] 212 of this act, and, if no bids are received for the same, any such municipality shall be authorized to exchange such bonds with the debtors in the case of bonds issued to fund floating indebtedness and with the holders of the outstanding bonds in the case of bonds issued to redeem and pay off such outstanding bonds when such debt is to be funded or when such outstanding bonds are to be redeemed and paid off, as the case may be. The maximum rate of interest of the bonds to be exchanged shall not be in excess of the maximum rate of interest borne by the bonds previously offered for sale. In the case of refunding* bonds issued to redeem bonds which the holders are willing to surrender the municipality shall have the option to offer said bonds for sale or to exchange said bonds with the holders of the outstanding bonds without previously having offered the same for sale.

Section 505, act
of June 25, 1941,
P. L. 159,
amended.

For services in procuring the exchange or surrender of bonds or other evidences of debt a municipality may expend not to exceed one per centum of the debt so funded or refunded in addition to its actual expenses in the preparation and issue of such funding or refunding bonds.

Section 2. Section five hundred two of said act is

* "refunding" omitted in original.

hereby amended by adding thereto a new clause to read as follows:

Section 502, act of June 25, 1941, P. L. 159, amended by adding clause (d).

Section 502. Funding Bonds; Conditions.—

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(d) *If the unfunded debt which is to be funded under the provisions of this section is represented by a judgment or judgments entered by a court of competent jurisdiction, the municipality shall not be required to obtain the consent of the court of quarter sessions, nor submit the question of the ratification, confirmation or validation of the debt represented thereby, to the electors thereof. General obligation bonds issued to fund any such judgment or judgments shall bear interest at a rate not exceeding six per centum, in addition to any taxes, payment of which may be assumed by the municipality, and shall mature not later than twenty years from the date thereof.*

APPROVED—The 21st day of May, A. D. 1943.

EDWARD MARTIN

No. 224

AN ACT

Authorizing, for a limited period of time, the Department of Public Instruction to act as agent for the several school districts and vocational school districts in the purchase, without bids, and distribution among such districts, of material, supplies and equipment subject to priorities, and on which prices have been stabilized, to be used in vocational education of workers on war work, and validating such action heretofore taken.

Department of Public Instruction.

Department to act as agent of school districts in purchases of supplies.

Advertising for bids not required.

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

Section 1. In lieu of cash purchases that the several school districts and vocational school districts are now authorized to make, the Department of Public Instruction shall have power to act as the agents of the several school districts and vocational school districts desiring the same, in the purchase for and distribution among the school districts and vocational school districts, of material, supplies and equipment to be used for training or retraining workers and prospective workers for industries, essential to the proper conduct of the war, without advertising for or soliciting bids, whenever such material, supplies or equipment is subject to priorities imposed by the Federal Government, and the prices thereof have been stabilized by action of an agency of the