

## No. 41

## AN ACT

## HB 167

Amending the act of August 7, 1963 (P. L. 549), entitled "An act creating the Pennsylvania Higher Education Assistance Agency; defining its powers and duties; conferring powers and imposing duties on the Governor, President Pro Tempore of the Senate, Speaker of the House of Representatives, Superintendent of Public Instruction and the Department of Banking; and making appropriations," changing age qualifications for directors, further prescribing powers and duties of the agency, providing for loans for the first year of post secondary work, increasing maximum loans, and the guaranty thereof; deleting provisions requiring the transfer of funds to the General Fund, increasing the appropriation to the fund and making an additional and deficiency appropriation, and appropriating earnings from investments to the agency for expenses.

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

Section 1. Subsection (a) of section 3 and clauses (1), (2) and (3) of section 4, act of August 7, 1963 (P. L. 549), entitled "An act creating the Pennsylvania Higher Education Assistance Agency; defining its powers and duties; conferring powers and imposing duties on the Governor, President Pro Tempore of the Senate, Speaker of the House of Representatives, Superintendent of Public Instruction and the Department of Banking; and making appropriations," are amended to read:

Section 3. Governing Bodies.—(a) Such agency shall be governed and all of its corporate powers exercised by a board of directors which shall consist of ten members, nine of whom shall be appointed as hereinafter provided, and the Superintendent of Public Instruction. Three members shall be appointed by the Governor, three shall be appointed by the President Pro Tempore of the Senate, and three shall be appointed by the Speaker of the House of Representatives. All members shall be of full age, citizens of the United States and residents of the State, and shall be appointed for terms of six years each, except that of the members first appointed by the Governor, one shall be appointed for a term which shall expire on June 30, 1965, one for a term which shall expire on June 30, 1967, and one for a term which shall expire on June 30, 1969, and of the members first appointed by the President Pro Tempore of the Senate, one shall be appointed for a term which shall expire on June 30, 1965, one for a term which shall expire on June 30, 1967, and one for a term which shall expire on June 30, 1969, and of the members first appointed by the Speaker of the House of Representatives, one shall be appointed for a term which shall expire on June 30, 1965, one for a term which shall expire on June 30, 1967, and one for a term which shall expire on June 30, 1969. The board of directors shall elect

from its own members each year a chairman and vice chairman who shall serve for terms of one year and who shall be eligible for reelection for successive terms. [No person shall serve as a director longer than, until and including the last day of December in the year in which he shall be seventy years of age.] Vacancies shall be filled for the unexpired terms in the same manner as original appointments. Directors shall receive no compensation for their services, but shall be reimbursed for their expenses actually and necessarily incurred by them in the performance of their duties under this act.

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Section 4. Powers and Duties.—In furtherance of the purposes set forth in this act, the board of directors shall have the following powers:

(1) To lend money upon such terms and conditions as the board may prescribe within the limitations contained herein, and at a uniform rate of interest to be determined by the agency, to persons who are residents of this State and who plan to attend or are attending any approved institution of higher education eligible under this act in this State or elsewhere [, and have satisfactorily completed one year of post secondary work,] to assist them in meeting their expenses of higher education. No such person shall receive any loan or loans in excess of one thousand dollars (\$1,000) for any academic year and no such person shall receive a total of more than [five thousand dollars (\$5000)] seventy-five hundred dollars (\$7500). Such loans shall become due and payable six months after the person to whom the loan was made, or for whom it was guaranteed, leaves the institution, and the board shall have the power to extend this time for a period not to exceed five years.

(2) To provide for monthly payments during this extended period and to guarantee the loans of money upon such terms and conditions as the board may prescribe to persons who are residents of the State and who plan to attend or are attending approved institutions of higher education in this State or elsewhere, to assist them in meeting their expenses of higher education: Provided, however, That no <sup>1</sup> loan to such a person shall be guaranteed to an amount in excess of one thousand dollars (\$1000) for any academic year and that the total loan to such person shall not be guaranteed in an amount of more than [five thousand dollars (\$5000)] seventy-five hundred dollars (\$7500).

(3) To take, hold and administer on behalf of the agency and for any of its purposes, real property, personal property and moneys or any

<sup>1</sup> "loans" in original.

interest therein and the income therefrom either absolutely or in trust. The board may acquire property or moneys for such purpose by purchase or lease and by the acceptance of gifts, grants, bequests, devises or loans, but no obligation of the agency shall be a debt of the State and it shall have no power to pledge the credit or taxing power of the State nor to make its debts payable out of any moneys except those of the corporation. All accrued and future earnings from funds invested by the board of directors are hereby appropriated to the agency for the payment of expenses in carrying out the provisions of this act.

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Section 2. Section 4 of the act is amended by adding at the end thereof, a new clause to read:

Section 4. Powers and Duties.—In furtherance of the purposes set forth in this act, the board of directors shall have the following powers:

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(8) To take, hold and administer for the purpose of granting scholarships, real property, personal property and moneys, or any interest therein, and the income therefrom, either absolutely or in trust, by the acceptance of gifts, grants, bequests, devises or loans, but no obligation of the agency shall be a debt of the State and it shall have no power to pledge the credit or taxing power of the State or to make their debts payable out of any moneys except those of the agency.

Section 3. Section 10 of the act is amended to read:

Section 10. Funds; Appropriations.—(a) The sum of [four hundred twenty-five thousand dollars (\$425,000)] one million two hundred twenty-five thousand dollars (\$1,225,000) is hereby specifically appropriated to the [authority] agency to be deposited in the Higher Education Assistance Fund, hereby created, which shall be held as a reserve to guarantee payment of possible losses for loans guaranteed under the provisions of this act.

(b) The sum of seventy-five thousand dollars (\$75,000) is hereby appropriated to the agency for the payment of expenses in carrying out the provisions of this act. [Annually on September 1, all sums in the fund in excess of five hundred thousand dollars (\$500,000) shall be transferred to the General Fund until the total sum of seventy-five thousand dollars (\$75,000) is transferred thereto.] The sum of one hundred twenty thousand dollars (\$120,000) is hereby appropriated to

the agency for the payment of expenses in carrying out the provisions of this act for the fiscal year commencing July 1, 1965.

Section 4. The sum of twenty-five thousand dollars (\$25,000), or as much thereof as may be necessary, is hereby specifically appropriated to the agency for payment of the deficiency in the appropriation to the agency for the fiscal year July 1, 1964, to June 30, 1965, for the salaries, wages and all necessary expenses in administering the provisions of the act to which this is an amendment.

Section 5. This act shall take effect immediately.

APPROVED—The 11th day of May, A.D. 1965, except for the appropriation for administration expenses for the fiscal year commencing July 1, 1965, which I approve in the sum of \$100,000. I withhold my approval from the remainder of said appropriation because accrued and future earnings from funds invested by the board of directors are appropriated to the agency for payment of expenses in carrying out the provisions of the act, so the additional amount will not be necessary.

WILLIAM W. SCRANTON

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No. 42

AN ACT

SB 156

Amending the act of May 21, 1943 (P. L. 571), entitled, as amended "An act relating to assessment for taxation in counties of the fourth, fifth, sixth, seventh and eighth classes; designating the subjects, property and persons subject to and exempt from taxation for county, borough, town, township, school, except in cities and county institution district purposes; and providing for and regulating the assessment and valuation thereof for such purposes; creating in each such county a board for the assessment and revision of taxes; defining the powers and duties of such boards; providing for the acceptance of this act by cities; regulating the office of ward, borough, town and township assessors; abolishing the office of assistant triennial assessor in townships of the first class; providing for the appointment of a chief assessor, assistant assessors and other employes; providing for their compensation payable by such counties; prescribing certain duties of and certain fees to be collected by the recorder of deeds and municipal officers who issue building permits; imposing duties on taxables making improvements on land and grantees of land; prescribing penalties; and eliminating the triennial assessment," providing for listing and valuation of property excluded or exempted from taxation.

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

Section 1. Section 601, act of May 21, 1943 (P. L. 571), known as "The Fourth to Eighth Class County Assessment Law," amended January 18, 1952 (P. L. 2138), is amended to read: