

or more banks or trust companies in one or more special accounts and each of such special accounts shall be continuously secured by a pledge of direct obligations of the United States of America, of the Commonwealth, or of a county of the Commonwealth, having an aggregate market value, exclusive of accrued interest, at all times, at least equal to the balance on deposit in such account. Such securities shall either be deposited with the treasurer or be held by a trustee or agent satisfactory to the Authority. All banks and trust companies are authorized to give such security for such deposits. The moneys in said accounts shall be paid out on the warrant or other order of the treasurer of the Authority or of such person or persons as the Authority may authorize to execute such warrants or orders. The department of Revenue of the Commonwealth or its legally authorized representatives are hereby authorized and empowered from time to time to examine the accounts and books of the Authority, including its receipts, disbursements, contracts, leases, sinking funds, investments and any other matters relating to its finances, operation and affairs. *In order to reimburse the General Fund appropriation to the Department of Revenue for costs incurred by the Department of Revenue in making such examination or examinations, the Authority shall be billed by the Department of Revenue from time to time, as such examination or examinations are made, upon a cost basis, at such amounts as the Department of Revenue, with approval of the Executive Board, shall determine; and such amounts shall be paid by the Authority to the Department of Revenue, and shall be by it paid into the General Fund of the State Treasury and credited to the General Fund appropriation of the Department of Revenue.*

APPROVED—The 14th day of January, A. D. 1952.

JOHN S. FINE

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No. 513

AN ACT

To further amend section 9 of the act, approved the fifth day of July, one thousand nine hundred forty-seven (Pamphlet Laws 1217), entitled "An act to promote the education and educational facilities of the people of the Commonwealth of Pennsylvania; creating a State Public School Building Authority as a body corporate and politic with power to construct, improve and operate projects and to lease the same and to fix and collect fees, rentals and charges for the use thereof; authorizing school districts to enter into contracts to lease; authorizing and regulating the issuance of bonds by said Authority; and providing for the payment of such bonds and the rights of the

holders thereof; granting the right of eminent domain; increasing the powers and duties of the Department of Public Instruction; and providing that no debt of the Commonwealth shall be incurred in the exercise of any of the powers granted under this act; and making an appropriation to said Authority to pay expenses incident to its formation," by further providing for examination of the books and accounts of the Authority.

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

"State Public School Building Authority Act."

Section 1. Section 9 of the act, approved the fifth day of July, one thousand nine hundred forty-seven (Pamphlet Laws 1217), entitled "An act to promote the education and educational facilities of the people of the Commonwealth of Pennsylvania; creating a State Public School Building Authority as a body corporate and politic with power to construct, improve and operate projects and to lease the same and to fix and collect fees, rentals and charges for the use thereof; authorizing school districts to enter into contracts to lease; authorizing and regulating the issuance of bonds by said Authority; and providing for the payment of such bonds and the rights of the holders thereof; granting the right of eminent domain; increasing the powers and duties of the Department of Public Instruction; and providing that no debt of the Commonwealth shall be incurred in the exercise of any of the powers granted under this act; and making an appropriation to said Authority to pay expenses incident to its formation," as amended by the act, approved the twentieth day of April, one thousand nine hundred forty-nine (Pamphlet Laws 636), is hereby further amended to read as follows:

Section 9, act of July 5, 1947, P. L. 1217, as amended by act of April 20, 1949, P. L. 636, further amended.

Section 9. Moneys of the Authority.—All moneys of the Authority from whatever source derived shall be paid to the treasurer of the Authority. Said moneys shall be deposited in the first instance by the treasurer in one or more banks or trust companies in one or more special accounts, and each of such special accounts shall be continuously secured by a pledge of direct obligations of the United States of America, or of the Commonwealth, having an aggregate market value, exclusive of accrued interest, at all times at least equal to the balance on deposit in such account. Such securities shall either be deposited with the treasurer, or be held by a trustee or agent satisfactory to the Authority. All banks and trust companies are authorized to give such security for such deposits. The moneys in said accounts shall be paid out on the warrant or other order of the treasurer of the Authority, or of other person or persons as it may authorize, to execute such warrants or orders. The Department of Revenue of the Commonwealth and its legally authorized representatives are hereby authorized

and empowered from time to time to examine the accounts and books of the Authority, including its receipts, disbursements, contracts, leases, sinking funds, investments, and any other matters relating to its finances, operation and affairs. *In order to reimburse the General Fund appropriation to the Department of Revenue for costs incurred by the Department of Revenue in making such examination or examinations, the Authority shall be billed by the Department of Revenue from time to time, as such examination or examinations are made, upon a cost basis, at such amounts as the Department of Revenue, with approval of the Executive Board, shall determine; and such amounts shall be paid by the Authority to the Department of Revenue, and shall be by it paid into the General Fund of the State Treasury and credited to the General Fund appropriation of the Department of Revenue.* All moneys of the Authority, from whatever source derived, except such part thereof as may be required to pay the administrative and other costs of operating the Authority as may be provided for in the resolution authorizing the issuance of the bonds or in the trust indenture, shall be set aside at such regular intervals as may be provided in such resolution or such trust indenture in a sinking fund, which is hereby pledged to, and charged with, the payment of (1) the interest upon such bonds as such interest shall fall due, (2) the principal of the bonds as the same shall fall due, (3) the necessary fiscal agency charges for paying principal and interest, and (4) any premium upon bonds retired by call or purchase, as herein provided. The use and disposition of such sinking fund shall be subject to such regulations as may be provided in the resolution authorizing the issuance of bonds or in the trust indenture, but except as may otherwise be provided in such resolution or trust indenture, such sinking fund shall be a fund for the benefit of all bonds issued hereunder, without distinction or priority of one over another. Subject to the provisions of the resolutions authorizing the issuance of bonds or of the trust indenture, any moneys in such sinking fund in excess of an amount equal to one year's interest on all bonds then outstanding may be applied to the purchase or redemption of bonds. All bonds so purchased or redeemed shall forthwith be cancelled and shall not again be issued.

APPROVED—The 14th day of January, A. D. 1952.

JOHN S. FINE