

fix and charge such fees as may be necessary for the proper operation of the college and may refund from their respective advancement funds any advance registration deposits *paid by prospective students who are unable to enter college.

In addition to the rental fees from time to time fixed, charged and collected in the manner provided by law from each person residing in State-owned or State-leased residential facilities at a State Teachers' College for the maintenance and operation of such facilities, a sum of not more than three dollars per week shall be fixed, charged and collected from each such person as an additional rental fee. Such additional rental fees shall be paid to the Commonwealth and as much of said fees as may be necessary shall be credited to the Department of Public Instruction for the creation of—

(a) A Reserve Fund for Contingencies and Capital Replacements, provided by annual payments from each teachers' college at the rate of one cent (\$.01) per cubic foot for each dormitory constructed, and

(b) A Furniture and Equipment Reserve Fund, provided by annual payments from each teachers' college at the rate of eight per cent of the original cost of furniture and equipment for each building, with the further provision that such payments to these reserve funds shall be deposited annually to the credit of the contributing college in order that accrued annual payments and earned interest may be available for the exclusive use of the contributing college for the specific purposes designated or for such purposes as may be approved by the Superintendent of Public Instruction.

Section 2. This act shall take effect immediately.

Act effective immediately.

APPROVED—The 30th day of November, A. D. 1959.

DAVID L. LAWRENCE

No. 581

AN ACT

Amending the act of March 10, 1949 (P. L. 30), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," providing representation on the board of directors of union and merged school districts.

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

Public School Code of 1949.

* "pay" in original.

Section 312, act of March 10, 1949, P. L. 30, added March 11, 1957, P. L. 6, further amended.

Section 1. Section 312, act of March 10, 1949 (P. L. 30), known as the "Public School Code of 1949," added March 11, 1957 (P. L. 6), is amended to read:

Section 312. Union and Merged Districts.—[(A)]
 (a) In all union [districts and all districts resulting from the merger of two or more] *and merged* districts, [there shall be] one director *shall be elected by and from* each [of the component cities, boroughs, towns and townships (hereinafter referred to as "municipalities"), making up] *city, borough, town and township included* in the union or merged district, *and by and from that part of each city, borough, town and township, which is included in the union or merged district (all such cities, boroughs, towns, townships and parts thereof being hereinafter referred to as "component municipalities")*, and such additional number of directors shall be elected at large in the union or merged district as are necessary to make up the number of directors provided by sections 304 and 305 of this act for school districts of the class to which the union or merged district belongs. If the number of component municipalities is *one less* equal to or greater than the number of directors provided for the appropriate class of district, the number of directors of the union or merged district shall equal the number of component municipalities and such additional number elected at large in the union or merged district as are necessary to make up an odd number of directors but never less than two nor more than three. In such event, the number of directors shall be divided into three groups, as nearly equal as possible. The members of each group shall be elected at three successive municipal elections and shall serve for terms of six years each. If a component *school* district *which was not coterminous with a municipality* did not have *an active [and] or elected school board prior to its becoming a part of the union or merged school district, it shall not be entitled to representation on the board of school directors of the union or merged school district.

(b) When two or more school districts are formed into a union *or merged* district, [or are merged] the directors then in office in each district shall, until the end of their respective terms, be directors of the union or merged district. *When part of a district has been merged, the directors then in office, who are residents of the merged part, shall, until the end of their respective terms, be directors of the merged district. In the event that no director is a resident of the merged part, the court of common pleas of the county in which such merged part is located shall appoint a resident director who shall*

* "and" in original.

serve until such time as a director shall be elected from the merged part in accordance with the procedure prescribed in this section. At the first municipal election after the union or merger in the case of newly formed *union or merged* districts, and at the municipal election in one thousand nine hundred fifty-seven in the case of existing union or merged districts, and, in both cases, at each subsequent municipal election, directors shall be elected *by and from the* [number of the] component municipalities [entitled to representation under subsection (a) of this section] equal to the number of directors to be elected at that election in *school* districts of the class to which the union or merged district belongs or to which the *union or merged* district is entitled under subsection (a) of this section. The order *of priority of component municipalities in electing directors shall be in accordance with the population of the component municipalities starting with the largest according to the United States decennial census last preceding the union or merger or, in the case of existing *union or merged* districts, the one thousand nine hundred fifty census. Directors to be elected at large shall be elected after a director has been elected from each component municipality [entitled to representation under subsection (a) of this section].

Section 2. This act shall take effect immediately.

Act effective immediately.

APPROVED—The 30th day of November, A. D. 1959.

DAVID L. LAWRENCE

No. 582

AN ACT

Amending the act of June 24, 1939 (P. L. 872), entitled "An act to consolidate, amend and revise the penal laws of the Commonwealth," prohibiting any mortgagee or pledgee from requiring that the life or health of the person securing a loan be insured by a particular insurance company, agent or broker.

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

Section 1. Section 689.1, act of June 24, 1939 (P. L. 872), known as "The Penal Code," added July 19, 1951 (P. L. 1055), is amended to read:

Section 689.1, act of June 24, 1939, P. L. 872, added July 19, 1951, P. L. 1055, further amended.

Section 689.1. Unlawful Coercion in Contracting Insurance.—Whoever, being engaged in the business of financing the purchase of real or personal property or of lending money on the security of real or personal property, requires, as a condition precedent to financing the purchase of such property, or to lending money upon the security of a mortgage thereon, or as a condition pre-

* "or" in original.