

Amending the act of May 5, 1933 (P. L. 457), entitled "An act relating to the business of building and loan associations; providing for the organization and voluntary dissolution of such associations; defining the rights, powers, duties, liabilities, and immunities of such associations, and of their officers, directors, shareholders, solicitors, and other employes; prohibiting the transaction of business in this Commonwealth by foreign building and loan associations; conferring powers and imposing duties upon the courts, recorders of deeds, and certain State departments, commissions, and officers; establishing limitations of actions; imposing penalties; and repealing certain acts and parts of acts," further defining and limiting the rights, powers, duties and liabilities of such associations and shareholders, and further defining terms.

Building and  
Loan Code.

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

Subsection B,  
section 509, act  
of May 5, 1933,  
P. L. 457,  
amended.

Section 1. Subsection B of section 509, act of May 5, 1933 (P. L. 457), known as the "Building and Loan Code," is amended to read:

Section 509. Determination of Shareholders of Record.—

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B. Holders of [matured] *fully paid* shares, or holders of shares which have been voluntarily or involuntarily withdrawn, or holders of shares who have not assented to or have dissented from a merger or a consolidation, shall be entitled to notice of, and to vote at, any meeting of shareholders, until they shall have been paid in full the amount lawfully due them on account of their shares. The exercise of such right to vote at a meeting shall not constitute waiver of, or in any way affect, any rights granted by law to such shareholders by virtue of [the maturing of] their shares *having become fully paid*, or of their withdrawal from the association, either voluntarily or involuntarily, or of their failure to assent to, or their dissent from, a plan of merger or consolidation.

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Sections 604 and  
608 of the act,  
amended July 13,  
1953, P. L. 424,  
further amended.

Section 2. Sections 604 and 608 of the act, amended July 13, 1953 (P. L. 424), are amended to read:

Section 604. Membership or Withdrawal Fees; Other Charges.—An association shall not levy upon any shareholder, or upon any corporation or person intending to become a shareholder, any fee, or any other charge not specifically permitted by this act.

An association may levy upon any holder of installment shares, or upon any corporation or person intending to become a holder of installment shares, a membership fee which shall not exceed one-eighth of one per

centum of the par value of each installment share subscribed to by such shareholder, corporation, or person. All membership \*fees so paid shall be credited to the general profit account of the association, and shall not be credited as dues in the passbook or other receipt issued to the shareholder. Upon the voluntary withdrawal before [maturity of installment shares] *said shares are declared fully paid* \*\* an association may charge such withdrawal fee as the by-laws may provide. Any withdrawal fee shall be expressed in the by-laws in terms of a percentage of the participation value of the installment shares withdrawn.

Section 608. Shares Held in Name of Minor.—Any association may issue shares in the name of any minor not less than twelve years of age, and shall pay the dividends or earnings thereon, as well as the withdrawal or [maturity] *fully paid* value of such shares, to such minor, without the assent of his parent or guardian. The receipt, acquittance, or other action required by the association to be taken by the minor shall be binding upon such minor with like effect as if such minor were of full age and shall be a valid release to the association. The parent or guardian of such minor shall not, in his capacity as parent or guardian, have the power to attach, or in any manner transfer, any shares issued to or in the name of such minor.

Section 3. Section 609 of the act is amended to read:

Section 609  
of the act,  
amended.

Section 609. Shares Held in Name of Two or More Persons.—A. Whenever shares of an association shall be issued in the names of two or more persons, the association shall not pay any dividends or earnings thereon, or the withdrawal or [maturity] *fully paid* value thereof, except upon proper receipt, acquittance, or other action, as the case may be, of all of such persons, unless at the time of subscribing to the shares, or at a subsequent time, all the parties agree to a different arrangement, and give the association written notice thereof.

B. Whenever shares of an association shall be issued in the names of two or more persons, and such shares shall have been subscribed for under an arrangement with the association whereby the dividends or earnings thereon, or the withdrawal or [maturity] *fully paid* value thereof, may be paid upon receipt, acquittance, or other action, as the case may be, of either or any of such persons, the association may pay such dividends, earnings, withdrawal value, or [maturity] *fully paid* value upon such receipt, acquittance, or other action, as the case may be, of either or any of such persons, pursuant to the arrangement provided for in this section, not-

\* "fee" in original.

\*\* "by" in original.

withstanding the fact that one or more of the other persons may be dead and the association has notice thereof.

C. This section shall not be construed to affect shares in the names of a husband and his wife.

Section 610 of the act, amended October 14, 1955, P. L. 696, further amended.

Section 4. Section 610 of the act, amended October 14, 1955 (P. L. 696), is amended to read:

Section 610. Death of One Holding Shares as Trustee.—Whenever shares of an association shall be issued to any person describing himself in subscribing for such shares as trustee for any person or persons, and no other notice of the existence and terms of a valid trust than such description shall have been given to the association, the dividends or earnings on such shares, as well as the withdrawal or [maturity] *fully paid* value of such shares, shall, in the event of the death of the person so described as trustee, be paid to the person or persons for whose benefit the shares were stated to have been subscribed if, at the time of payment, such beneficiary is over sixteen years of age. Payment shall be made to any such beneficiary who is not less than sixteen years of age under the same conditions as if such shares had been originally subscribed for by him. If there are two or more beneficiaries named on any such shares, the association shall, in the absence of written notice to the contrary, make payment to such of the beneficiaries as may survive the trustee, in equal portions. The receipt or acquittance of any such beneficiary or beneficiaries for payments made in accordance with this section shall be a full, complete and valid release of the association from any further liability for the amounts so paid.

Subsection A, section 613 of the act, amended May 15, 1945, P. L. 485, further amended.

Section 5. Subsection A of section 613 of the act, amended May 15, 1945 (P. L. 485), is amended to read:

Section 613. Involuntary Withdrawal of Optional Payment or Installment Shares.—A. An association may [, at or before maturity,] compel withdrawal of optional payment or installment shares which are not pledged to the association as security for mortgage loans granted by it, but it shall not have the power to compel withdrawal of any optional payment or any installment share, as the case may be, unless it shall have on hand sufficient funds to pay such withdrawals immediately and until all optional payment or all installment shares, respectively, issued prior to the date of issuance of such share have first been voluntarily or involuntarily withdrawn. In the case of installment shares issued in series, such compulsory withdrawal shall be pro rata among the shares of the same series.

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Section 6. Section 615 of the act, amended May 15, 1945 (P. L. 485) and June 21, 1957 (P. L. 366), is amended to read:

Section 615 of the act, amended May 15, 1945, P. L. 485, and June 21, 1957, P. L. 366, further amended.

Section 615. [Matured Shares.—A. Installment shares shall be declared matured by the board of directors of an association, whenever the dues paid thereon by the shareholder, plus the dividends credited thereto equal the aggregate par value of the installment shares subscribed to by such shareholder. Notice of such maturity shall forthwith be given to the holder of such shares, and, at the option of the holder thereof, such shares shall be listed for payment as withdrawn shares, or with the consent of the association, such shares may be converted into full-paid shares, or into optional payment shares. If the shareholder does not elect one of the options within thirty days after maturity, such shares shall immediately be converted at the option of the association into optional payment shares, or full-paid shares, or be listed for payment as withdrawn shares.] *Fully Paid Shares.—A. Installment shares shall be declared fully paid by the board of directors of an association whenever the dues paid thereon by the shareholder plus the dividends credited thereto equal the aggregate par value of the installment shares subscribed to by such shareholder.*

*Upon being declared fully paid, the association shall immediately convert such shares to full-paid shares or optional payment shares, or a combination thereof, and the shareholder shall be notified promptly of such conversion.*

B. If the shares thus declared [matured] *fully paid* have not been pledged to the association as security for a loan, the association shall, before making payment or converting such shares deduct an amount equal to any delinquent fines or other charges due it by such shareholder.

C. If the shares thus declared [matured] *fully paid* have been pledged to the association as security for a loan which is secured also by a mortgage upon real property, then the mortgage shall be forthwith satisfied upon the payment of any delinquent fines or other charges due the association and upon the payment of a fee to the association of not more than four dollars, plus the satisfaction and filing costs, and, in addition thereto, a fee of ten cents per mile, if the place of business of the association is not located in the county where the mortgage is to be satisfied.

D. If the shares thus declared [matured] *fully paid* have been pledged to the association pursuant to a loan upon which the sole security is such shares, the note

shall be forthwith cancelled and the \*amount of the loan, together with the amount of any delinquent fines or other charges due the association, shall be deducted from the participation value of such shares. The balance shall be [payable to such shareholder in the same manner as provided by this act in the case of shares which have been declared matured, which are not pledged to the association as security for a loan] *converted into full-paid shares or optional payment shares or a combination thereof, and the shareholder shall be notified promptly of such conversion.*

Subsection D,  
section 616 of  
the act, amended  
May 15, 1945,  
P. L. 485,  
further amended.

Section 7. Subsection D of section 616 of the act, amended May 15, 1945 (P. L. 485), is amended to read:

Section 616. Order of Payment and Funds to Be Used to Pay Withdrawn Shares; Power to Sue.—\* \* \*

D. Whenever withdrawn shares have not been paid by an association for a period of six months after [the maturities have been declared, or] the withdrawals have become effective, owing to the fact that the funds in the treasury, which under this act, are to be applied to the payment of such shares, are insufficient to pay them in full, so much of the bonds or other obligations of the United States, of the Commonwealth of Pennsylvania, of the Federal Home Loan Bank Board, of a Federal Home Loan Bank, or of the Federal Savings and Loan Insurance Corporation, owned by the association, as shall be necessary to pay such withdrawn shares shall be sold and the proceeds paid into the treasury of the association to be used to pay such shares, unless the department shall give written permission to the association to hold such bonds or other obligations for a longer period of time.

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Subsection C,  
section 618 of  
the act, amended  
June 21, 1957,  
P. L. 366,  
further amended.

Section 8. Subsection C of section 618 of the act, amended June 21, 1957 (P. L. 366), is amended to read:

Section 618. Dividends on Shares; Undivided Profits.—

\* \* \* \* \*

C. The books of each association shall be closed at least annually, and as much oftener as the board of directors may determine, and the net profits for the period determined and transferred to the undivided profit account. Dividends shall be declared on all types of shares at the same date and at least annually, by resolution of the board of directors, out of the undivided profits after appropriate transfers to reserves. For the purpose of [maturing installment shares] *having installment shares become fully paid*, special dividends may

\* "amount" omitted in original.

be declared between regular dividend dates to installment shares nearly [matured] *fully paid*, and special dividends may also be declared between regular dividend dates to installment, optional payment and full-paid shares in the case of withdrawal between dividend dates. Such special dividends shall not be declared unless justified by the earnings for the current period, and shall not in any event exceed the rate of the last regular dividend on the same type of \*shares.

\* \* \* \* \*

Section 9. Subsection A of section 802 of the act, amended April 20, 1949 (P. L. 656), is amended to read:

Subsection A, section 802 of the act, amended April 20, 1949, P. L. 656, further amended.

Section 802. Power to Borrow Money; Issuance of Notes; Pledging of Collateral.—A. An association may, by resolution of its board of directors, borrow money, at a rate of interest not exceeding six per centum per annum, to a total amount not exceeding fifty per centum of the participation value of shares which have not been pledged to the association as security for mortgage loans, or which have not on the date of such borrowing been [matured] *declared fully paid*, or for which notice of withdrawal has not on such date been given: Provided, That the amount of all existing share loans shall be deducted in determining the participation value of shares: And provided further, That at any time an association has shares listed for payment as withdrawn shares which it may be unable to pay in full within thirty days without borrowing an amount in excess of the limitation aforesaid, such association may borrow such larger amount as may be necessary to meet the association's withdrawal demands, subject to the prior written approval of the department.

\* \* \* \* \*

Section 10. Subsection D of section 802 and subsection A of section 808 of the act, amended May 15, 1945 (P. L. 485), are amended to read:

Subsection D, section 802, and subsection A, section 808 of the act, amended May 15, 1945, P. L. 485, further amended.

Section 802. Power to Borrow Money; Issuance of Notes; Pledging of Collateral.—\* \* \*

D. An association shall not grant any mortgage loan if the amount of borrowed money owed by it to corporations or persons, except the Federal Home Loan Bank or any other agency or instrumentality of the United States Government, other than national banks, exceeds fifteen per centum of the participation value of shares which have not been pledged to the association as security for mortgage loans or which have not been [matured] *fully paid* or for which notice of withdrawal has not been given. The amount of all existing share loans

\* "share" in original.

shall be deducted in determining the participation value of shares. This provision shall not be construed to \*affect the right of an association to readjust or otherwise re-finance any mortgage loan which it has granted.

Section 808. Segregation of Dues Upon Order of Department.—A. Whenever it shall appear to the department that the affairs of an association are in such condition that the action hereinafter provided in this section is justified, the department may, by written order issued in the manner provided by law, direct that all payments made thereafter on account of shares which have not been transferred and pledged to the association as security for loans shall be segregated from the other assets of the association, and that the association shall not grant any further loans, make any payments on account of withdrawn or [matured] *fully paid* shares, or allow any credit for the value of any shares on account of the principal of any loan, until such order is revoked in writing by the department. Such order of the department shall be known as an order of segregation. Such segregated moneys shall either be kept on deposit in a depository selected in the manner provided by this act, or invested in the bonds designated by this act as authorized investments for associations. The money so segregated, and the bonds in which such moneys are invested, shall be known as the segregated fund.

If an association at any time after an order of segregation has become effective has no liability except to its shareholders arising from the ownership of shares, it may, with the written consent of the department, transfer to the segregated fund a portion or all of any cash which it may have on hand and bonds, if any, designated by this act as authorized investments. Cash and bonds so transferred shall become a part of the segregated fund the same as though paid into the segregated fund by the shareholders whose shares are not pledged to the association as security for loans in proportion to the participation value of their shares on the date that the order of segregation was issued. Such segregated fund shall not be subject to any attachment issued on a judgment obtained by any creditor or shareholder of the association.

During the period of segregation, the segregated fund shall be available exclusively for the benefit of the shareholders who made such payments or for whose benefit the transfer of cash and bonds was made, and may be withdrawn during such period of segregation upon thirty days' written notice.

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\* "effect" in original.

Section 11. Clause (3) of subsection A of section 903 of the act, amended October 14, 1955 (P. L. 696), is amended to read:

Clause (3), subsection A, section 903 of the act, amended October 14, 1955, P. L. 696, further amended.

Section 903. Security for Mortgage Loans.—A. An association shall grant mortgage loans to its shareholders, or to any person intending to become a shareholder, upon the following security only:

\* \* \* \* \*

(3) The bond of the borrower, secured by a mortgage upon real estate owned by the borrower in fee simple or in which he has a leasehold interest as tenant under a lease, such mortgage being for an amount not to exceed one-half of the amount of the loan, such portion of the loan to be known as the straight-mortgage portion of the loan, and a bond for the remainder of the loan, secured by the transfer and pledge to the association of installment shares in such association, which belong to the borrower and which have a par value at least equal to the amount of such remainder of the loan, and further secured by a mortgage upon the real estate or leasehold interest as aforesaid, for an amount equal to such remainder of such loan, such remainder of such loan to be known as the share-mortgage portion of the loan. A loan secured by both a straight mortgage and a share mortgage in this manner shall be known as a split-mortgage loan. A split-mortgage loan may also be in the form of a single bond and mortgage which meets all the requirements of this section.

The straight-mortgage portion of a split-mortgage loan shall not be secured by shares, and an association shall not charge fines upon such portion of the loan.

An association shall not demand payment of the straight-mortgage portion of a split-mortgage loan, except in case of a default by the borrower in the terms of the loan, until the share-mortgage portion of such loan has been repaid in full by the [maturing of the shares assigned or pledged as security therefor] *shares assigned or pledged \*therefor being declared fully paid* or by any other method. Upon such payment of the share-mortgage portion of a split-mortgage loan, an association shall either demand and enforce payment of the straight-mortgage portion of the loan, or convert such loan to a share-mortgage loan or to a direct reduction mortgage loan upon the transfer and pledge to the association of installment shares in such association which belong to the borrower and which have a par value at least equal to the amount of such loan or of one direct reduction loan share in such association which belongs to the borrower.

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\* "therefore" in original.



Subsections B and C, section 903 of the act, amended June 21, 1957, P. L. 366, and subsection B amended in part August 7, 1961, Act No. 419, further amended.

Section 12. Subsections B and C of section 903 of the act, amended June 21, 1957 (P. L. 366), subsection B amended in part August 7, 1961 (Act No. 419), are amended to read:

Section 903. Security for Mortgage Loans \* \* \*

B. [An] *Except as otherwise hereinafter provided*, an association shall not grant any mortgage loan upon real property owned by the borrower in fee simple unless the mortgage securing such loan is a first lien upon improved real property, [the improvement being a dwelling for not more than twelve families, which is used or to be used in whole or in part for residential purposes,] *excluding theaters and factories*, or upon real property upon which [such] an improvement is in the process of construction, situated anywhere within the Commonwealth, or within fifty miles of a boundary thereof, or where it is not a first lien upon such property, every equal or prior lien is owned by the association.

An association shall not grant any mortgage loan secured by a mortgage upon a leasehold interest in real property leased to the borrower as tenant under a lease, unless (1) the property so leased is improved real property, [the improvement being a dwelling for not more than twelve families, which is used or to be used in whole or in part for residential purposes,] *excluding theaters and factories*, or unless [such] an improvement is in the process of construction thereon, situated anywhere within the Commonwealth, or within fifty miles of a boundary thereof, and (2) the loan on a leasehold interest otherwise conforms to such rules and regulations as may be prescribed by the Secretary of Banking with the approval of the Building and Loan Board.

An association shall primarily confine its mortgage lending to direct reduction, interest reduction and share mortgage loans secured by residential real property which is used or to be used, in whole or [in part] *a substantial portion of which is used or to be used*, as a dwelling for not more than four families and on such property may lend an amount which, together with any other outstanding loan held by such association and secured by a mortgage upon the same property or leasehold interest, does not exceed eighty per centum of the fair market value thereof. An association may, however, invest an amount not to exceed an aggregate of [fifteen] *twenty* per centum of its total assets in mortgages without provision for monthly amortization as hereinbefore provided, and in mortgages of real property, other than one to four family property, on which the maximum loans shall not exceed the following percentages of fair market value; seventy-five per centum of the value of five or six family residential property, sixty per centum

of the value of residential property for more than six families but for not more than twelve families *and fifty per centum of the value of other improved income-producing properties excluding theaters and factories*: Provided, however, That any mortgage loan may be increased by the withdrawal value upon the day of the granting of such loan of shares to be assigned or pledged to the association by the borrower or by any other shareholder as additional security for such loan. Any additional shares assigned or pledged as additional collateral security for the mortgage loan by the borrower or any other shareholder may be released by the association whenever the mortgage loan otherwise meets all of the requirements of this act, and could be legally made at the time of release without the requirement of additional collateral: Provided also, That an association may accept and hold additional collateral of any kind if the loan meets all of the requirements of this act and could have been legally made without such additional collateral.

Without regard to the limitations set forth in this subsection, an association may grant any mortgage loan which is insured or guaranteed, in whole or in part, by the United States or any instrumentality thereof, or if there is a commitment to so insure or guarantee: Provided, That the real estate security therefor shall be a building [used or to be used, in whole or in part, for residential purposes] situated within the Commonwealth or within fifty miles of a boundary thereof. *An association may also purchase and take an assignment of any such insured or guaranteed mortgage loan which is secured by a dwelling for not more than four families situated outside of the aforesaid lending area: Provided, That (1) the seller and assignor is an association or corporation insured by the Federal Savings and Loan Insurance Corporation or the Federal Deposit Insurance Corporation, (2) that the real estate security is situated within the regular lending area of the seller and assignor, and (3) that the seller and assignor agrees in writing to service the loan until it is repaid in full.*

The provisions of this subsection shall not be construed to apply to a purchase money mortgage taken by an association upon real property or leasehold interest in real property owned by it, nor to the readjustment or refinancing in any other manner of a mortgage loan owed to the association upon the effective date of this act.

C. [An] *On mortgages secured by one to twelve family residential properties, an association shall not, directly or indirectly, grant loans to any one corporation or person [mortgage loans] to a total amount [exceeding] in excess of ten per centum of the participation value of its outstanding shares. On mortgages*

*secured by other improved income-producing properties, an association shall not, directly or indirectly, grant loans to any one corporation or person to a total amount in excess of one per centum of the participation value of its outstanding shares.*

In computing the total mortgage loans made by an association to an individual, there shall be included all mortgage loans made by the association to a partnership or other unincorporated association of which he is a member, all mortgage loans made either for his benefit or for the benefit of such partnership or other unincorporated association, and all mortgage loans to or for the benefit of a corporation of which he owns twenty-five per centum or more of the capital stock.

In computing the total mortgage loans made by an association to a partnership or other unincorporated association, there shall be included all mortgage loans to its individual members, all mortgage loans made for the benefit of such partnership or other unincorporated association, or of any member thereof, and all mortgage loans to or for the \*benefit of any corporation of which the partnership or unincorporated association, or any member thereof, owns twenty-five per centum or more of the capital stock.

In computing the total mortgage loans made by an association to a corporation, there shall be included all mortgage loans made for the benefit of the corporation, and all mortgage loans to or for the benefit of any individual who owns twenty-five per centum or more of the capital stock of such corporation.

A mortgage loan shall be deemed to be made for the benefit of a corporation or person to the extent that the proceeds of such loans are credited or transferred to such corporation or person.

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Subsections A and B, section 911 of the act, amended March 15, 1937, P. L. 63, further amended.

Section 13. Subsections A and B of section 911 of the act, amended March 15, 1937 (P. L. 63), are amended to read:

Section 911. Repayment of Loans before [Maturity] *Shares are Declared Fully Paid.*—A. A borrower shall have the right to repay a loan to an association at any time before the [maturity of the shares securing such loan] *shares securing such loan are declared fully paid*, unless the by-laws of an association provide that such repayment can be made only at a regular meeting of the board of directors of such association.

B. When a borrower repays a loan to an association before the [maturity of the shares securing such loan] *shares securing such loan are declared fully paid* he may—

\* "benefit" in original.

(1) Pay the amount of the principal of the loan in cash and have the shares securing such loan retransferred to him by the association; or

(2) In the case of a mortgage loan, apply the withdrawal value of the shares securing such loan against the principal of such loan, and pay the balance in cash; or

(3) In the case of a share loan, take credit for the withdrawal value of the shares securing such loan up to the amount of the principal of the loan, and, as to any balance remaining, acquire the rights of a withdrawing shareholder.

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Section 14. Subsection B of section 912 of the act is amended to read:

Subsection B, section 912 of the act, amended.

Section 912. Demand by Association of Payment of Mortgage or Share Loans.—\* \* \*

B. Except as otherwise provided in this section, an association which is not in the possession of the Secretary of Banking as receiver, or of a liquidating trustee or liquidating trustees, shall not, except upon a default by the borrower, have the power to demand payment of any mortgage loan or share loan until the shares transferred and pledged to it as security for the loan have [matured] *been declared fully paid*.

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Section 15. Subsection A of section 1112 of the act, amended May 15, 1945 (P. L. 485), is amended to read:

Subsection A, section 1112 of the act, amended May 15, 1945, P. L. 485, further amended.

Section 1112. Order of Preference in Distribution.—

A. The following shall be the order followed by the liquidating trustee or trustees, as the case may be, in the distribution, pursuant to the provisions of this act, of the assets of any association which is being liquidated in pursuance of a plan of voluntary dissolution.

First. Any reasonable expense incurred by the liquidating trustee or trustees, as the case may be, in the management, liquidation, or distribution of the assets and affairs of the association; any fee or other debt owing to the department for examinations, or other services rendered, or penalties incurred; any other claim of the Commonwealth of Pennsylvania; and any other claim which is given a preference by law.

Second. Any claim of a creditor of the association, other than the claim of a shareholder arising from his ownership of shares.

Third. Any claim of a shareholder, whether or not reduced to a judgment, arising from his ownership of shares, whether such shares be installment, optional payment, full-paid, prepaid, [matured,] *fully paid*, or any

other type, and whether or not notice of withdrawal of such shares has been given to the association. The amount of the claim arising from each share shall be the participation value of such share, less any amount lawfully deductible therefrom by the association.

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APPROVED—The 25th day of September, A. D. 1961.

DAVID L. LAWRENCE

No. 689

AN ACT

Amending the act of April 9, 1929 (P. L. 177), entitled "An act providing for and reorganizing the conduct of the executive and administrative work of the Commonwealth by the Executive Department thereof and the administrative departments, boards, commissions, and officers thereof, including the boards of trustees of State Normal Schools, or Teachers Colleges; abolishing, creating, reorganizing or authorizing the reorganization of certain administrative departments, boards, and commissions; defining the powers and duties of the Governor and other executive and administrative officers, and of the several administrative departments, boards, commissions, and officers; fixing the salaries of the Governor, Lieutenant Governor, and certain other executive and administrative officers; providing for the appointment of certain administrative officers, and of all deputies and other assistants and employes in certain departments, boards, and commissions; and prescribing the manner in which the number and compensation of the deputies and all other assistants and employes of certain departments, boards and commissions shall be determined," authorizing the purchase and resale of books by the Historical and Museum Commission.

The Administrative Code of 1929.

Article XXVIII-A, act of April 29, 1929, P. L. 177, amended by adding a new section 2803-A.

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

Section 1. Article XXVIII-A, act of April 29, 1929 (P. L. 177), known as "The Administrative Code of 1929," is amended by adding, at the end thereof, a new section to read:

*Section 2803-A. Historical Publications.*—*In order to encourage and promote the economical publication of worthwhile books on the history, archaeology, art, cartography, folklore and other cultural elements of Pennsylvania's heritage, the Pennsylvania Historical and Museum Commission, with the approval of the Governor, Auditor General and State Treasurer, is authorized to enter into agreements with publishers to subsidize the publishing of books in the said fields by agreeing to purchase a sufficient number of copies of a given book to make publication possible. The said com-*