

the terms of the bond ordinance, to refund any non-debt revenue bonds, whether the bonds to be refunded have or have not matured, when in the opinion of the corporate authorities of the municipality it is expedient to do so. Refunding non-debt revenue bonds may be exchanged for outstanding non-debt revenue bonds or sold and the proceeds applied to the purchase, redemption and payment of non-debt revenue bonds. Such refunding bonds shall bear interest at a rate not exceeding the bonds to be refunded and the maturity of such refunding bonds shall not exceed twenty years.

Section 2. This act shall take effect immediately.

APPROVED—The 8th day of June, A. D. 1965.

WILLIAM W. SCRANTON

No. 71

AN ACT

SB 143

Amending the act of May 26, 1949 (P. L. 1828), entitled "An act concerning the investment powers and duties of guardians, committees, trustees and other fiduciaries, except personal representatives, and prescribing the nature and kind of investments which may be made and retained by such fiduciaries," designating certain non-debt revenue bonds issued by political subdivisions as authorized investments.

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

Section 1. Section 5, act of May 26, 1949 (P. L. 1828), known as the "Fiduciaries Investment Act of 1949," is amended by adding after clause (10), a new clause to read:

Section 5. Obligations of Pennsylvania Governmental Organizations.—Obligations of the following Pennsylvania governmental organizations shall be authorized investments:

* * *

(11) Municipalities Issuing Non-Debt Revenue Bonds. Obligations issued pursuant to subdivision (b) of Article VI of the act of June 25, 1941 (P. L. 159), known as the "Municipal Borrowing Law," and its amendments, if the obligations are not in default and if, for the period

of five fiscal years next preceding the date of acquisition, the income of the municipality issuing such obligations from the facility from which revenues are pledged for the payment for such obligations, available for fixed charges has averaged not less than one and one-fifth times the average annual fixed charges of such obligations over the life of such obligations. As used in this clause, the term "income available for fixed charges" shall mean income after deducting operating and maintenance expenses, and, unless the obligations are payable in serial, annual maturities, or are supported by annual sinking fund payments, depreciation, but excluding extraordinary non-recurring items of income or expenses; and the term "fixed charges" shall include principal, both maturity and sinking fund, and interest on bonded debt.

Section 2. This act shall take effect immediately.

APPROVED—The 8th day of June, A. D. 1965.

WILLIAM W. SCRANTON

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No. 72

AN ACT

SB 144

Amending the act of June 23, 1931 (P. L. 932), entitled "An act relating to cities of the third class; and amending, revising and consolidating the law relating thereto," authorizing the issuance of non-debt revenue bonds for specified purposes.

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

Section 1. Section 2403, act of June 23, 1931 (P. L. 932), known as "The Third Class City Code," reenacted and amended June 28, 1951 (P. L. 662), is amended by adding at the end thereof, a new clause to read:

Section 2403. Specific Powers.—In addition to other powers granted by this act, the council of each city shall have power, by ordinance:

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65. Non-debt Revenue Bonds.—To issue non-debt revenue bonds pursuant to provisions of the act of June 25, 1941 (P. L. 159), known