

ability to repay all or part of the desired funds or where the annual scholarship allocation has been fully disbursed, the agency may direct the applicant to loan funds. In no case will the total State financial assistance exceed the financial need of the applicant or the annual limits of this act, and those of the act of August 7, 1963 (P. L. 549).

Section 8. (a) Each State scholarship is renewable until the course of study is completed, but not to exceed an additional three academic years beyond the first year of the award. These may not necessarily be consecutive years and the scholarship will be terminated if the student receives his degree in a shorter period of time. Qualifications for renewal will include maintaining satisfactory academic standing, making normal progress toward completion of the course of study, and continued eligibility as determined by the agency including continual legal residency.

(b) In the event that a scholarship recipient transfers from one institution to another, his scholarship shall be transferable only with the approval of the agency.

(c) In the event that any portion of any allocation made under section 6 for scholarships is unused in any year, the agency shall have the right to use any or all of the unused allocation for additional scholarships in any year and in any category.

(d) Payments of State scholarships will be made by the agency in accordance with the rules and regulations established by the agency. Should the recipient terminate his enrollment for any reason during the academic year, the unused portion of the scholarship shall be returned to the Scholarship Fund of the Pennsylvania Higher Education Assistance Agency by the institution according to the institution's own policy for issuing refunds.

Section 9. This act shall take effect January 1, 1966.

APPROVED—The 25th day of January, A. D. 1966.

WILLIAM W. SCRANTON

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No. 542

AN ACT

SB 297

Amending the act of June 2, 1915 (P. L. 736), entitled, as amended, "An act defining the liability of an employer to pay damages for injuries received by an employe in the course of employment; establishing an elective schedule of compensation; providing procedure for the determination of liability and compensation thereunder; and prescribing penalties," defining certain insurers' liability, immunities and protection.

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

Section 1. The first paragraph of section 305, act of June 2, 1915 (P. L. 736), known as "The Pennsylvania Workmen's Compensation Act," reenacted and amended June 21, 1939 (P. L. 520) and amended February 28, 1956 (P. L. 1120), is amended to read :

Section 305. Every employer liable under this act to pay compensation shall insure the payment of compensation in the State Workmen's Insurance Fund, or in any insurance company, or mutual association or company, authorized to insure such liability in this Commonwealth, unless such employer shall be exempted by the department from such insurance. Such insurer shall assume the employer's liability hereunder and shall be entitled to all of the employer's immunities and protection hereunder except, that whenever any employer shall have purchased insurance to provide benefits under this act to persons engaged in domestic service or agriculture, neither the employer nor the insurer may invoke the provisions of section 1, act of June 21, 1939 (P. L. 565), entitled "A Supplement to the act, approved the second day of June, one thousand nine hundred and fifteen (Pamphlet Laws, seven hundred thirty-six), entitled, as amended 'An act defining the liability of an employer to pay damages for injuries received by an employe in the course of employment; establishing an elective schedule of compensation; providing procedure for the determination of liability and compensation thereunder; and prescribing penalties,' as reenacted and amended, to exempt domestic servants and agricultural workers from the provisions thereof, except in certain cases," as a defense. An employer desiring to be exempt from insuring the whole or any part of his liability for compensation shall make application to the department, showing his financial ability to pay such compensation, whereupon the department, if satisfied of the applicant's financial ability, shall, upon the payment of a fee of fifty dollars (\$50.00), issue to the applicant a permit authorizing such exemption. From a refusal of the department to issue such permit, an appeal shall lie to the court of common pleas of Dauphin County. In any such appeal the only question shall be whether the department abused its discretion in refusing such permit. The department shall establish a period of twelve (12) calendar months, to

begin and end at such times as the department shall prescribe, which shall be known as the annual exemption period. Unless previously revoked, all permits issued under this section shall expire and terminate on the last day of the annual exemption period for which they were issued. Permits issued under this act shall be renewed upon the filing of an application, and the payment of a renewal fee of fifty dollars (\$50.00). The department may, from time to time, require further statements of the financial ability of such employer, and, if at any time such employer appear no longer able to pay compensation, shall revoke its permit granting exemption, in which case the employer shall immediately subscribe to the State Workmen's Insurance Fund, or insure his liability in any insurance company or mutual association or company, as aforesaid.

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Section 2. This act shall take effect immediately.

APPROVED—The 25th day of January, A. D. 1966.

WILLIAM W. SCRANTON

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No. 543

AN ACT

SB 298

Amending the act of June 21, 1939 (P. L. 566), entitled "An act defining the liability of an employer to pay damages for occupational disease contracted by an employe arising out of and in the course of employment; establishing an elective schedule of compensation; providing procedure for the determination of liability and compensation thereunder; imposing duties on the Department of Labor and Industry, the Workmen's Compensation Board, Workmen's Compensation Referees, and deans of medical schools; creating a medical board to determine controverted medical issues; establishing an Occupational Disease Fund in custody of the State Workmen's Insurance Board; imposing upon the Commonwealth a part of the compensation payable for certain occupational diseases; making an appropriation; and prescribing penalties," defining certain insurers' liability, immunities and protection.

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

Section 1. The first paragraph of section 305, act of June 21, 1939 (P. L. 566), known as "The Pennsylvania Occupational Disease Act," amended February 28, 1956 (P. L. 1095), is amended to read: