

State Employees' Retirement Board; (47) Public School Employees' Retirement Board; and to any other agency which has been made subject to the provisions of this act by any other act of Assembly.

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Section 2. This act shall take effect immediately.

Act effective immediately.

APPROVED—The 13th day of June, A. D. 1963.

WILLIAM W. SCRANTON

No. 92

AN ACT

Amending the act of May 5, 1933 (P. L. 289), entitled "An act relating to nonprofit corporations; defining and providing for the organization, merger, consolidation, and dissolution of such corporations; conferring certain rights, powers, duties, and immunities upon them and their officers and members; prescribing the conditions on which such corporations may exercise their powers; providing for the inclusion of certain existing corporations of the first class within the provisions of this act; prescribing the terms and conditions upon which foreign nonprofit corporations may be admitted or may continue to do business within the Commonwealth; conferring powers and imposing duties on the courts of common pleas, prothonotaries of such courts, recorders of deeds, and certain State departments, commissions, and officers; authorizing certain local public officers and State departments to collect fees for services required to be rendered by this act; imposing penalties; and repealing certain acts and parts of acts relating to corporations," changing the references to the State Council of Education and imposing duties upon the State Board of Education and the Superintendent of Public Instruction.

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

Nonprofit Corporation Law.

Section 1. Subsection A of section 202, act of May 5, 1933 (P. L. 289), known as the "Nonprofit Corporation Law," amended October 13, 1959 (P. L. 1288) and November 30, 1959 (P. L. 1613), is amended to read:

Subsection A, section 202, act of May 5, 1933, P. L. 289, amended October 13, 1959, P. L. 1288 and November 30, 1959, P. L. 1613, further amended.

Section 202. The Corporate Name.—A. The corporate name may be in any language, but must be expressed in English letters or characters. The corporate name shall not imply that the corporation is a governmental agency of the Commonwealth, or of the United States, or is subject to the supervision of the Department of Banking, the Public Utility Commission or of the Insurance Department, and shall not contain the word "bank," "banking," "banker," "savings," "trust," "deposit," "insurance," "mutual," "assurance," "indemnity," "casualty," "fiduciary," "benefit," "bene-

ficial," "public service," "public utility," "building and loan," "surety," "security," "guaranty," "guarantee," "cooperative," "State," "Commonwealth," "United States," or "Federal," except where the use of such words by ordinary and common interpretation could not imply that the corporation is a governmental agency of the Commonwealth or of the United States, or is subject to the supervision of the Department of Banking, the Public Utility Commission or the Insurance Department, nor shall the corporate name contain the word "college" or "university" when used in such a way as to give the impression that it is an educational institution conforming to the standards and qualifications prescribed by the State [Council] *Board of Education*, unless there be submitted a certificate from the [State Council of Education] *Superintendent of Public Instruction* certifying that the corporation or proposed corporation is entitled to use such designation.

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Subsection B,
section 211 of
the act, amended.

Section 2. Subsection B of section 211 of the act is amended to read:

Section 211. Special Procedure for Incorporation of Educational Institutions Desiring to Confer Degrees.— * * *

B. When the articles and other papers are presented to the court for approval, the court shall examine them. If they are found to be in proper form and in conformity with the provisions of this act and shall appear lawful and not injurious to the community the court shall so certify thereon. The court shall then direct the prothonotary or clerk of the court to transmit to the Superintendent of Public Instruction the articles. The Superintendent of Public Instruction shall, within sixty days after the receipt of the articles, [cause the State Council of Education to be convened, at such time and place as he may designate. Thereupon, the council shall consider the articles and shall] make such investigations and hold such hearings as [it] *he* may deem necessary in the premises. If the courses of instruction, the standards of admission to the institution, and the composition of the faculty shall appear to be sufficient and to conform to the requirements hereinafter prescribed in this act for such institutions, and if the educational needs of the particular locality in which the institution is to be situated and of the Commonwealth at large are likely to be furthered by the granting of the charter, the [council] *Superintendent, pursuant to policies and standards promulgated by the State Board of Education*, shall endorse upon the articles [its] *his* findings and [its] *his* approval of the same, together with a recommendation to the

court before which the articles were originally presented that the application for a charter be granted. If in the judgment of the [council] *Superintendent* the application for a charter should not be granted, [the council] *he* shall endorse upon the articles [its findings and its] *his* disapproval, together with a recommendation to the court that the application be refused. Thereupon, the Superintendent of Public Instruction shall return the articles to the court, which, in passing finally upon the application, shall be guided in its decree by the findings [of the council]. If the court, after giving consideration to the approval [of the council], shall be satisfied with the propriety of the application for a charter, in view of all the facts, it shall approve the application, but if the [council] *Superintendent* has disapproved the application, the court shall refuse to approve the application. The court in no case shall have power to grant a charter to a college, university, or theological seminary, with power to confer degrees, until the application has been approved by the *Superintendent, pursuant to policies and standards promulgated by the State [Council] Board of Education.*

Section 3. Subsections B and C of section 312 of the act, are amended to read:

Subsections B and C, section 312 of the act, amended.

Section 312. Requirements of Educational Institutions Desiring to Confer Degrees.— * * *

B. A college, university, or theological seminary incorporated under this act, with the power to confer degrees, shall have power to confer baccalaureate degrees in art, science, philosophy, or literature only upon students who have completed a college or university course covering four years. The [standard] *qualifications* of admission to these four-year courses, or to advanced classes in these courses, shall be not less than four years of academic or high school preparation, or its equivalent, and shall be subject to the [approval of] *standards promulgated by the State [Council] Board of Education.*

C. Any educational corporation formed under this act with the power to confer degrees, as aforesaid, shall be subject to visitation and inspection by representatives of the [State Council of Education] *Superintendent of Public Instruction.* If any such corporation shall fail to keep up the standards required by this act, the court shall, upon the recommendation of the [State Council of Education] *Superintendent,* revoke the power to confer degrees.

Section 4. Section 707 of the act, is amended to read:

Section 707 of the act, amended.

Section 707. Court to Approve or Refuse Amendments.—On the day specified in the advertisement, or

as soon thereafter as the matter may be heard, the corporation or its representative shall present an application for the amendment of its charter to the court, and shall present to the court the articles of amendment, a certified copy of the resolution authorizing the proposed amendments, proof of the advertisement required by the preceding section, and, in the case of a proposed change of the corporate name, a certificate of registration from the Department of State. The court shall consider the application. It may hear the evidence on behalf of the applicants and against the application, if any there be, or it may refer the application to a master to make report as to the propriety of granting the application. In such case, upon the filing of the master's report, the court shall grant the applicants and protestants a hearing if exceptions are filed by either of them. If the court shall be of the opinion that the amendments are lawful, will be beneficial and not injurious to the community, and do not conflict with the requirements of this act, the court shall so certify on the articles, and shall order and decree thereon that the articles are approved and that, upon the recording of the articles and the order, the amendments specified in the petition shall be a part of the charter. However, the court shall not approve articles of amendment presented by or on behalf of an educational or nonsectarian charitable corporation, unless and until the court shall receive the approval or recommendation of the [State Council of Education] *Superintendent of Public Instruction* or the Department of Welfare, as the case may be, in a manner similar to that prescribed by this act in the case of the formation of such corporations.

Section 807 of
the act, amended
May 23, 1949,
P. L. 1768,
further amended.

Section 5. Section 807 of the act, amended May 23, 1949 (P. L. 1763), is amended to read:

Section 807. Court to Approve or Refuse Merger or Consolidation.—On the day specified in the advertisement, or as soon thereafter as the matter may be heard, the constituent corporations, or their representative, shall present an application for the merger or consolidation of such corporations to the court, and shall present to the court the articles of merger or articles of consolidation, as the case may be, a certified copy of the joint plan of merger or consolidation, proof of the advertisement required by the preceding section, and, in the case of a proposed change of the corporate name, a certificate of registration from the Department of State. The court shall consider the application. It may hear evidence on behalf of the applicants and against the application, if any there be, or it may refer the application to a master to make report as to the propriety of granting the application. In such case, upon the filing of the master's re-

port, the court shall grant the applicants and protestants a hearing if exceptions are filed by either of them. If the court shall be of the opinion that the proposed merger or consolidation is lawful, will be beneficial and not injurious to the community, and does not conflict with the requirements of this act, the court shall so certify on the articles, and shall order and decree thereon that the articles are approved and that, upon the recording of the articles and the order, the merger or consolidation shall take effect, as hereinafter provided in this act. However, the court shall not approve articles of merger or articles of consolidation presented by or on behalf of an educational or nonsectarian charitable corporation unless and until the court shall receive the approval or recommendation of the [State Council of Education] *Superintendent of Public Instruction* or the Department of Welfare, as the case may be, in a manner similar to that prescribed by this act in the case of the formation of such corporations.

Section 6. Clause (4) of section 902 of the act, amended July 11, 1957 (P. L. 692), is amended to read:

Section 902. Restrictions on Admission of Foreign Nonprofit Corporations.—The Department of State shall not issue a certificate of an authority to any foreign nonprofit corporation:

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(4) If the corporation is a college, university, theological seminary or other nonprofit corporation, which, if formed under the provisions of this act, would require the approval of the [State Council of Education] *Superintendent of Public Instruction*, unless the approval of the [State Council of Education] *Superintendent* shall be annexed thereto. Whenever the Department of State shall receive an application for a certificate of authority from this type of corporation, it shall be the duty of the department to submit the application, together with the certified copy of the articles or special law, as the case may be, to the Superintendent of Public Instruction and thereafter the procedure shall be the same as that heretofore prescribed by this act for the approval or disapproval [by the State Council of Education] of applications for the incorporation of similar domestic nonprofit corporations, except that the documents and the findings of the [State Council of Education] *Superintendent of Public Instruction* shall be returned to the Department of State. It shall be unlawful for the Department of State to issue a certificate of authority to such a corporation without the approval of the [State Council of Education] *Superintendent*.

Clause (4), section 902 of the act, amended July 11, 1957, P. L. 692, further amended.

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Act effective
immediately.

Section 7. This act shall take effect immediately.

APPROVED—The 13th day of June, A. D. 1963.

WILLIAM W. SCRANTON

No. 93

AN ACT

Amending the act of July 8, 1957 (P. L. 557), entitled "An act to authorize military leaves of absence for employees of the Commonwealth or its departments, boards, bureaus, commissions, agencies and offices, and employees of counties, municipalities, townships, authorities or other political subdivisions of the Commonwealth, who are drafted into the military service of the United States at any time or who enlist therein in time of war or armed conflict; and providing reemployment, seniority and retirement rights," extending eligibility for military leave of absence to times of emergency proclaimed by the Governor or by the President of the United States.

Veterans
Preference Act
of 1957.

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

Sections 3 and 4,
act of July 8,
1957, P. L. 557,
amended.

Section 1. Sections 3 and 4, act of July 8, 1957 (P. L. 557), known as the "Veterans Preference Act of 1957," are amended to read:

Section 3. *Military Leaves of Absence.*—Whenever any employee shall, in time of war or armed conflict, or *emergency proclaimed by the Governor or by the President of the United States*, enlist or shall, at any time, be drafted into the active military service of the United States, he shall be automatically granted a military leave of absence. So long as an employee is on military leave of absence, he shall not be removed from his employment and his duties shall either be performed by other employees or by a temporary substitute. During such time he shall not receive any remuneration from his civilian employer.

Section 4. *Expiration of Military Leaves of Absence.*—Every military leave of absence granted to an employee by reason of his enlistment in the active military service in time of war or armed conflict, or *emergency proclaimed by the Governor or by the President of the United States*, shall expire ninety (90) days after the expiration of the first period of his enlistment to expire at a time when the United States is not engaged in a war or armed conflict, or *emergency proclaimed by the Governor or by the President of the United States*. Every military leave of absence granted to an employee by