

*before said court of inquiry or trial, duly certified by the official reporter.*

*The persons comprising said court shall be sworn by the director of the department of public safety to perform their duties impartially and without fear or favor.*

Court to be sworn.

*The persons comprising said court shall select one of their number as chairman, who shall have the same authority to issue and enforce process to secure the attendance of witnesses and administer oaths to witnesses as is possessed by any justice of the peace of the Commonwealth [; if said persons shall be equal in rank then the persons composing said court shall select one of their number to exercise such authority]. Such charges may be of disability for service, in which case the court shall be one of inquiry, whose decision may be for the honorable discharge of the employe concerned; or, of neglect or violation of law or duty, inefficiency, intemperance, disobedience of orders, or unbecoming official or personal conduct, in which cases the court shall be one of trial, and its decision shall authorize the director of public safety to impose fines and pecuniary penalties, to be stopped from pay, or to suspend from pay or duty, or both, for a period fixed by them, not exceeding one year, or to dismiss from the service. It shall be lawful for the director of the department of public safety, at his discretion, to suspend from duty before trial any employe charged, as aforesaid, until such trial can be had, with or without pay as such court shall afterwards determine, but no trial shall be delayed for more than ten days following the date of suspension.*

Court authorized to issue and enforce process and secure attendance of witnesses, etc.

Trial of charge of disability for service.

Trial of other charges.

Suspension of employe from duty before trial authorized.

APPROVED—The 9th day of July, A. D. 1963.

WILLIAM W. SCRANTON

No. 125

AN ACT

Amending the act of May 17, 1956 (P. L. 1609), entitled "An act to promote the welfare of the people of the Commonwealth by the reduction of unemployment in certain areas of the Commonwealth determined to be critical economic areas; providing for the establishment of industrial development projects in such areas; creating The Pennsylvania Industrial Development Authority as a body corporate and politic with power to allocate funds for and make secured loans to industrial development agencies for the payment of a part of the cost of industrial development projects in critical economic areas; authorizing the Authority to enter into agreements with the Government of the United States or any Federal agency or industrial development agency; empowering the Authority to

take title, to sell, convey and lease industrial development projects where necessary to protect loans made by the Pennsylvania Industrial Development Authority on industrial development projects; providing that no debt of the Commonwealth, its municipalities or political subdivisions shall be incurred in the exercise of any powers granted by this act; and providing for the examination of the accounts and affairs of the Authority; and making an appropriation," including research and development facilities and further regulating loans made under the act.

Pennsylvania Industrial Development Authority Act.

Last paragraph, section 2, act of May 17, 1956, P. L. 1609, amended.

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

Section 1. The last paragraph of section 2, act of May 17, 1956 (P. L. 1609), known as the "Pennsylvania Industrial Development Authority Act," is amended to read:

Section 2. Findings and Declaration of Policy.—It is hereby determined and declared as a matter of legislative finding—

\* \* \* \* \*

Therefore, it is hereby declared to be the policy of the Commonwealth of Pennsylvania to promote the health, safety, morals, right to gainful employment, business opportunities and general welfare of the inhabitants thereof by the creation of a body corporate and politic to be known as "The Pennsylvania Industrial Development Authority" which shall exist and operate for the public purpose of alleviating unemployment with its resulting spread of indigency and economic stagnation by the promotion and development of industrial and manufacturing enterprises *and research and development facilities* in those areas of the Commonwealth in which conditions of critical unemployment currently or may from time to time exist. Such purposes are hereby declared to be public purposes for which public money may be spent.

Subsections (g), (i), (k) and (l), section 3 of the act, amended, and three new subsections, (n), (o) and (p) added.

Section 2. Section 3 of the act is amended by amending subsections (g), (i), (k) and (l), and adding three new subsections to read:

Section 3. Definitions.—The following terms, whenever used or referred to in this act, shall have the following meanings, except in those instances where the context clearly indicates otherwise:

\* \* \* \* \*

(g) The term "industrial development agency" shall mean [any incorporated organization, foundation, association or agency,] *a nonprofit corporation or a foundation or association organized and existing under the laws of this Commonwealth*, regardless of the particular name, [and] to whose members or shareholders no profit shall

enure *and* which shall have as [its primary function the promotion, encouragement and development of industrial and manufacturing enterprises] *a purpose the promotion, encouragement, construction, development and expansion of new or existing industrial development projects* in a critical economic area.

\* \* \* \* \*

(i) The term "industrial development project" shall mean any *land, site, structure, facility or undertaking* comprising or being connected with or being a part of [an industrial or manufacturing enterprise] *(i) an industrial enterprise, (ii) a manufacturing enterprise, or (iii) a research and development enterprise*, established or to be established by an industrial development agency in a critical economic area.

\* \* \* \* \*

(k) The term "responsible buyer" shall mean any person, partnership, [firm, company] or corporation [organized for profit] deemed by the Authority, after [proper] investigation, to be financially responsible to assume all obligations prescribed by the Authority in the acquisition *and operation* of an industrial development project [from an industrial development agency, and in the operation of an industrial or manufacturing enterprise therein or thereon].

(l) The term "responsible tenant" shall mean any person, partnership, [firm, company] or corporation [organized for profit] deemed by the Authority, after [proper] investigation, to be financially responsible to assume all rental and all other obligations prescribed by the Authority in the leasing *and operation* of an industrial development project [and in the operation of an industrial or manufacturing enterprise therein or thereon].

\* \* \* \* \*

(n) *The term "industrial enterprise" shall mean an enterprise other than a mercantile, commercial or retail enterprise, which by virtue of its size requires substantial capital and which by its nature and size has created or will create substantial employment opportunities. The term "industrial enterprise" may include warehouse and terminal facilities, provided they require substantial capital and have or will create substantial employment opportunities.*

(o) *The term "manufacturing enterprise" shall mean an enterprise which is engaged in the giving of new shapes, new qualities or new combinations to matter by the application of skill and labor thereto.*

(p) *The term "research and development enterprise" shall mean an enterprise for the discovery of new and the refinement of known substances, processes, products, theories and ideas, but shall not include activities directed primarily to the accumulation or analysis of commercial, financial or mercantile data.*

Subsections (b) and (p), section 5 of act, amended.

Section 3. Subsections (b) and (p) of section 5 of the act are amended to read:

Section 5. Powers of the Authority; General.—The Authority, as a public corporation and governmental instrumentality exercising public powers of the Commonwealth, is hereby granted and shall have and may exercise all powers necessary or appropriate to carry out and effectuate the purposes of this act, including the following powers, in addition to others herein granted:

\* \* \* \* \*

(b) To co-operate with industrial development agencies in their efforts to promote the expansion of industrial, [and] manufacturing *and research and development* activity in critical economic areas;

\* \* \* \* \*

(p) To take title by foreclosure to any industrial development project where such acquisition is necessary to protect any loan previously made therefor by the Authority *and to pay all costs arising out of such foreclosure and acquisition from moneys held in the Industrial Development Fund* and to sell, transfer and convey any such industrial development project to any responsible buyer; in the event such sale, transfer and conveyance cannot be effected with reasonable promptness, the Authority may, in order to minimize financial losses and sustain employment, lease such industrial development project to a responsible tenant or tenants; the Authority shall not lease industrial development projects except under the conditions and for the purposes cited in this section.

\* \* \* \* \*

Section 6 of act, amended July 18, 1961, P. L. 793, further amended.

Section 4. Section 6 of the act, amended July 18, 1961 (P. L. 793), is amended to read:

Section 6. Powers of the Authority; Loans to Industrial Development Agencies.—When it has been determined by the Authority upon application of an industrial development agency and hearing thereon in the manner hereinafter provided, that the establishment of a particular industrial development project of such industrial development agency in a critical economic area has accomplished or will accomplish the public purposes of

this act, the Authority may contract to loan such industrial development agency an amount not in excess of [(40%)] *the percentage* of the cost [or estimated cost] of such industrial development project, as established or to be established *as hereinafter set forth*, subject, however, to the following conditions:

(a) Industrial development projects to be established. [(i) The Authority shall have first determined that the industrial development agency holds funds in an amount equal to, or property of a value equal to, not less than (10%) of the estimated cost of establishing the industrial development project, which funds or property are available for and shall be applied to the establishment of such project, and (ii) the Authority shall have also determined that the industrial development agency has obtained from other independent and responsible sources, such as banks and insurance companies or otherwise, a firm commitment for all other funds, over and above the loan of the Authority and such funds or property as the industrial development agency may hold, necessary for payment of all the estimated cost of establishing the industrial development project, and that the sum of all these funds, together with the machinery and equipment to be provided by the responsible tenant or responsible buyer is adequate to insure completion and operation of the plant or facility.

(b) Industrial development projects established without initial Authority loan participation. (i) The Authority shall have first determined that the industrial development agency has expended funds in an amount equal to, or has applied property of a value equal to, not less than (20%) of the cost of establishing the industrial development project, and (ii) the Authority shall have also determined that the industrial development agency obtained from other independent and responsible sources such as banks and insurance companies or otherwise, other funds necessary for payment of all the cost of establishing the industrial development project, and that the industrial development agency participation and these funds, together with the machinery and equipment provided by the responsible tenant or responsible buyer, has been adequate to insure completion and operation of the plant or facility: Provided, however, That the proceeds of any loan made by the Authority to the industrial development agency pursuant to this subsection (b) shall be used only for the establishment of additional industrial development projects in furtherance of the public purposes of this act.]

*(1) If the industrial development project is exclusively a research and development facility, the Authority may contract to loan the industrial development agency*

(45%) of the cost of such industrial development project if it has determined that the industrial development agency holds funds or property in an amount or value equal to not less than (5%) of the cost of establishing the industrial development project, which funds or property are available for and shall be applied to the establishment of such project.

(2) If the industrial development project is any other type of industrial development project than exclusively a research and development facility, the Authority may contract to loan the industrial development agency an amount not in excess of (40%) of the cost of such industrial development project if it has determined that the industrial development agency holds funds or property in an amount or value equal to not less than (10%) of the cost of establishing the industrial development project, which funds or property are available for and shall be applied to establishment of such project.

(3) Prior to the making of any loan under this subsection (a), the Authority shall have determined that the industrial development agency has obtained from other independent and responsible sources, such as banks and insurance companies or otherwise, a firm commitment for all other funds, over and above the loan of the Authority and such funds or property as the industrial development agency may hold, necessary for payment of all of the cost of establishing the industrial development project, and that the sum of all these funds, together with the machinery and equipment to be provided by the responsible tenant or responsible buyer, is adequate for the completion and operation of the industrial development project.

(b) The Authority may contract to loan to an industrial development agency an amount not in excess of (40%) of the cost of establishing an industrial development project established without prior Authority participation, if at the time of making such loan the Authority has determined:

(1) That the industrial development agency has invested in the industrial development project funds or property in an amount or value equal to not less than (10%) of the cost of such industrial development project and all of the costs of establishing said industrial development project have been paid.

(2) That the industrial development project is leased or sold to a responsible tenant or purchaser which has supplied the machinery and equipment necessary for the operation of the industrial development project and is occupying the same for the purposes intended.

(3) That neither the industrial development agency nor the responsible tenant or purchaser is in default under any of the agreements entered into by them in respect of the financing and operation of the industrial development project.

(4) That there is sufficient income from the lease or agreement to purchase with the industrial tenant or industrial purchaser sufficient to insure the repayment of the loan of the Authority made pursuant to this subsection (b).

(5) The proceeds of the Authority loan to the industrial development agency made pursuant to this subsection (b) shall be used only to pay a part of the cost of establishing an industrial development project in furtherance of the public purposes of this act.

(c) The Authority may contract to loan to an industrial development agency in respect of an industrial development project in which the Authority heretofore participated an amount which, together with the prior loan of the Authority, is not in excess of (40%) of the cost of such industrial project, determined as of the time of the disbursement of the prior Authority loan, if at the time of making such loan under this subsection (c) the Authority has determined:

(1) That the industrial development agency has invested in the industrial development project funds or property in an amount or value equal to not less than (20%) of the cost of such industrial development project and all of the costs of establishing such industrial development project have been paid.

(2) That the loan to the industrial development agency will not reduce the present investment of the industrial development agency in the industrial development project to an amount which is less than (10%) of the cost of establishing the industrial development project, such percentage to be determined as of the time of the disbursement of the prior Authority loan.

(3) That the responsible tenant or buyer occupying said industrial development project is willing to enter into such agreements, mortgages or other security instruments as the Authority may deem necessary to secure such additional loan.

(4) That there is sufficient income from the lease or agreement to purchase with the industrial tenant or industrial purchaser sufficient to insure the repayment of the loan of the Authority made pursuant to this subsection (c).

(5) That neither the industrial development agency nor the responsible tenant or purchaser is in default under any of the agreements entered into by them in

*respect of the financing and operation of the industrial development project.*

*(6) That the proceeds of the Authority loan to the industrial development agency made pursuant to this subsection (c) shall be used only to pay a part of the cost of establishing a specific industrial development project in furtherance of the public purposes of this act.*

Any such loan of the Authority shall be for such period of time and shall bear interest at such rate as shall be determined by the Authority and shall be secured by bond or note of the industrial development agency and by mortgage on the industrial development project for which such loan was made, such mortgage to be second and subordinate only to the mortgage securing the first lien obligation issued to secure the commitment of funds from the aforesaid independent and responsible sources and used in the financing of the industrial development project.

Moneys so loaned by the Authority to industrial development agencies shall be withdrawn from the Industrial Development Fund and paid over to the industrial development agency in such manner as shall be provided and prescribed by the rules and regulations of the Authority.

All payments of interest on said loans and the principal thereof shall be deposited by the authority in the Industrial Development Fund.

Loans by the Authority to an industrial development agency for an industrial development project shall be made only in the manner and to the extent as in this section six provided, except, however, in those instances wherein an agency of the Federal government participates in the financing of an industrial development project by loan, grant or otherwise of Federal funds. When any Federal agency does so participate the Authority may adjust the required ratios of financial participation by the industrial development agency, the source of independent funds, and the Authority in such manner as to insure the maximum benefit available to the industrial development agency, the Authority, or both, by the participation of the Federal agency.

Where any Federal agency participating in the financing of an industrial development project is not permitted to take as security for such participation a mortgage the lien of which is junior to the mortgage of the Authority, the Authority shall in such instances be authorized to take as security for its loan to the industrial development agency a mortgage junior in lien to that of the Federal agency.

Section 5. Clauses (a) and (k) of section 7 of the act are amended to read:



Section 7. Loan Application Requirements.—Prior to the loaning of any funds to an industrial development agency for an industrial development project in a critical economic area, the Authority shall receive from such industrial development agency a loan application in form adopted by the Authority which shall contain, without being limited to, the following provisions:

Clauses (a) and (k), section 7 of act, amended.

(a) A general description of the industrial development project and a general description of the industrial or manufacturing enterprise or *research and development facility* for which the industrial development project has been or is to be established;

\* \* \* \* \*

(k) Evidence that the establishment of the industrial development project will not cause the removal of an industrial or manufacturing plant or facility or *research and development facility* from one area of the Commonwealth to another area of the Commonwealth.

\* \* \* \* \*

Section 6. This act shall take effect immediately.

Act effective immediately.

APPROVED—The 10th day of July, A. D. 1963.

WILLIAM W. SCRANTON

No. 126

AN ACT

Authorizing the Department of Property and Supplies to sell and convey real property situate in the City of Allentown, Lehigh County, \*Pennsylvania, with the approval of the Governor.

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

Real property.

Section 1. The Department of Property and Supplies, with the approval of the Governor, is hereby authorized on behalf of the Commonwealth of Pennsylvania to sell, at public sale to the highest bidder, the following described tract of land situate in the City of Allentown, County of Lehigh, and Commonwealth of Pennsylvania, bounded and described as follows:

Department of Property and Supplies, with approval of Governor, authorized to sell certain land in Allentown, Lehigh County.

Starting at the west property line of North Jane Street and along northerly property line of East Hamilton Street in a westerly direction 40.12 feet; then at right angles to East Hamilton Street 117 feet to the southerly property line of East Court Street; then along southerly property line of East Court Street parallel to East

Description.

\* "Pennsylvania" in original.