

bers of the convention shall receive an allowance for travelling expenses of ten cents (10¢) per circular mile per week, computed on the same basis as travelling expenses for State Senators, payable monthly. The members of the General Assembly, officers and employes of the Commonwealth shall be reimbursed only for expenses actually incurred in attendance as delegates, unless the same are otherwise paid by the Commonwealth.

Section 11. Registration of Lobbyists.—Any natural person who is employed or engaged for compensation, by any other person or any partnership, committee, association, corporation or any other organization, to advocate passage or defeat of proposals of the constitutional convention or of any of its delegates shall, before beginning such activities, submit to the secretary of the convention a registration statement made under oath or affirmation before an officer authorized by law to administer oaths setting forth the name and business address of the lobbyist, the name and address of the person, partnership, committee, association, corporation or other organization by whom he is employed or engaged, the name and address of the person, partnership, committee, association, corporation or other organization in whose interest he will advocate the passage or defeat of proposals of the convention and the duration of his employment. Whenever any of the facts required herein change, the lobbyist shall file a revised statement.

Any person violating any of the provisions of this section shall be guilty of a misdemeanor, and upon conviction, shall be sentenced to pay a fine not exceeding five hundred dollars (\$500) or to undergo imprisonment not exceeding one year, or both.

Section 12. Conventions Open to the Public.—Sessions of the convention as a whole shall be open to the public.

Section 13. Effective Date.—This act shall take effect immediately.

APPROVED—The 15th day of March, A. D. 1967.

RAYMOND P. SHAFER

No. 3

AN ACT

SB 26

Amending the act of March 10, 1949 (P. L. 30), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," further regulating indebtedness of school districts, reenacting and harmonizing the language of existing amendments and making editorial corrections.

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

Section 1. Sections 631 and 632, act of March 10, 1949 (P. L. 30), known as the "Public School Code of 1949," amended August 11, 1959 (P. L. 685) and December 1, 1965 (P. L. 1007), are reenacted and amended to read:

Section 631. Power to Incur Debt; Limitations.—The board of school directors in any school district may, in any year, create and incur an indebtedness against such school district and issue bonds to secure the same, payable as provided by the act, approved the twenty-fifth day of June, one thousand nine hundred forty-one (Pamphlet Laws 159), known as the "Municipal Borrowing Law," or any amendment or re-enactment thereof, for any or all of the following purposes:

- (1) To purchase or acquire proper sites or grounds for school buildings, or any lands additional to any existing school sites or grounds;
- (2) To erect, enlarge, equip or furnish any school building;
- (3) To repair, remodel or rebuild any building of the school district;
- (4) To purchase school buses;
- (5) To pay any indebtedness incurred by any municipality for or on account of the school district or for school purposes, and required by this act to be assumed by the school district;
- (6) To pay any refund of taxes decreed by an order of court;
- (7) To refund certain bonds, as hereinafter provided;
- (8) To fund floating indebtedness incurred for current expenses and debt service;
- (9) To fund temporary indebtedness incurred for permanent improvements, or in anticipation of proceeds from a bond issue.

[In school districts of the first class and first class A, the indebtedness of any such district shall never exceed five (5) per centum of the last assessed valuation of property taxable for school purposes therein.

In school districts of the second, third, and fourth class, the] The indebtedness of any school district shall never exceed fifteen (15) per centum of the last assessed valuation of property taxable for school purposes therein.

Section 632. Assent of Electors; When Necessary and When Not Necessary.—The assent of the electors shall be required in all school districts of the second, third and fourth class, to issue bonds which will incur any new debt or increase the indebtedness to an amount in excess of [two (2)] five (5) per centum of the assessed valuation of property taxable for school purposes therein. [The indebtedness of any such school district shall never exceed fifteen (15) per centum of the last assessed valuation of property taxable for school purposes therein.] The assent of the electors shall be required in school districts of the first class and first class A to issue bonds which will incur any new debt or increase the indebtedness to an amount in

excess of [two (2)] five (5) per centum of the assessed valuation of property taxable for school purposes therein. [The indebtedness of any school district of the first class and first class A shall never exceed five (5) per centum of the last assessed valuation of property taxable for school purposes therein.] The board of school directors of any school district of the first, first class A, second, third, or fourth class shall have authority, without the assent of the electors, to issue bonds which will incur upon its own authority any amount of such indebtedness not in excess of five (5) per centum of the last assessed valuation of property taxable for school purposes therein.

If the amount of bonds of any bond issue maturing in any single year is in excess of five percent of the total amount of such bond issue, the amount in excess of five percent of such bond issue may be refunded by the board of school directors of any school district, upon its own authority, without submitting any such refunding bond issue to a vote of the electors.

Any school district which calls bonds for payment prior to the date of maturity may issue bonds for the purpose of paying any or all such bonds as may be called for payment. All bonds issued for the purpose of refunding bonds shall be issued as hereinbefore provided for the issuing of such bonds.

Section 2. Section 634 and subsection (b) of section 636 of the act, are amended to read:

Section 634. Temporary Debt.—Any school district having no indebtedness, or whose indebtedness, incurred or created without the assent of the electors thereof, is less than [two (2)] five (5) per centum of the total valuation of property taxable for school purposes therein, may, at any time, for the purpose of providing funds in any fiscal year for current expenses and debt service, for permanent improvements, the acquiring of school buses, or in anticipation of proceeds from a bond issue already officially authorized and (except in school districts of the first class) approved by the Department of [Internal Affairs] Community Affairs, with such limitations and for such length of term as hereinafter provided, by or through its board of school directors, incur, in addition to any bonds therein authorized, a temporary debt, or borrow money, and issue an obligation or obligations therefor, under the seal of the district, if any, properly executed by the president and attested by the secretary thereof, and bearing interest not exceeding the legal rate, but no such obligation shall be sold for less than par. The incurring of any such temporary debt, or borrowing money upon such obligation, shall receive the affirmative vote of not less than two-thirds of the members of the board of school directors therein.

In addition thereto, any school district may, as hereinbefore provided, incur a temporary debt or borrow money for permanent improvements, where no bond issue has been previously officially authorized, and refund such temporary indebtedness by the issue of

bonds, in the manner provided by law, when the exact amount required for such permanent improvement becomes known.

Section 636. Emergency Loans for Current Expenses and Debt Service.—

* * *

(b) All temporary indebtedness, for the purpose of current expenses and debt service in school districts of the first class, shall not exceed four tenths of one per centum ($4/10\%$), and in school districts of the second class, shall not exceed three fourths of one per centum ($3/4\%$), and in school districts of the third and fourth class, shall not exceed one (1) per centum [(1%)] of the total amount of property taxable for school purposes in such district, and the total indebtedness for such purposes, together with all other indebtedness incurred without authorization by vote of the electors of the district shall, at no time, exceed [two per centum (2%)] five (5) per centum of the last total assessed valuation of the property taxable for school purposes therein.

Section 3. Section 637 of the act, amended December 1, 1965 (P. L. 1007), is amended to read:

Section 637. Limit on Temporary Debt for Permanent Improvements, etc.; Tax Levy.—The total amount of temporary indebtedness incurred in any school district for the purpose of permanent improvements and the acquiring of school buses [shall, at no time, in school districts of the first and second class, exceed one-half of one per centum ($1/2$) of the last assessed valuation of property taxable for school purposes therein, and in school districts of the third and fourth class, two per centum (2) of such assessed valuation: Provided, That the total indebtedness in any school district of the first class and first class A,] except obligations incurred under the provisions of section six hundred forty of this act, shall never exceed five (5) per centum of the last assessed valuation of property taxable for school purposes therein [, and in school districts of the second, third and fourth class shall not exceed seven per centum (7) of such assessed valuation]. Except where such temporary indebtedness is to be refunded by the issue of bonds, as hereinbefore authorized, at or before the time of incurring such indebtedness for such purpose, provision shall be made for the collection of an annual tax, sufficient to pay the interest and also the principal thereof within the term of such indebtedness, as provided by law.

Section 4. Section 666 of the act, amended August 11, 1959 (P. L. 685) and December 1, 1965 (P. L. 1007), is reenacted and amended to read:

Section 666. Limit of Indebtedness.—The total indebtedness incurred or created in any school district of the first class and first class A, including any indebtedness assumed by it on or before the eighteenth day of May, one thousand nine hundred eleven, shall not

exceed [five (5)] fifteen (15) per centum upon the total assessed value of the taxable property in such school district.

Section 5. This act shall take effect immediately.

APPROVED—The 16th day of March, A. D. 1967.

RAYMOND P. SHAFER

No. 4

AN ACT

SB 27

Amending the act of June 25, 1941 (P. L. 159), entitled, as amended, "An act amending, revising, consolidating and changing the law relating to the borrowing of money by certain political subdivisions, the authorization, issuance and sale of general obligation bonds as herein defined, of bonds imposing no general obligation of debt and of bonds not deemed to constitute a debt for certain purposes, and to the funding of debt and the refunding of bonds; regulating the keeping and use of sinking funds; imposing powers and duties upon the Department of Community Affairs and upon corporate bodies and officers of political subdivisions; imposing penalties, and repealing existing laws," changing provisions of the act in regard to increasing municipal ¹ indebtedness; removing dollar limitations in the borrowing of money by certain boroughs and townships, and reenacting and harmonizing the language of existing amendments.

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

Section 1. Sections 201 and 203, act of June 25, 1941 (P. L. 159), known as the "Municipal Borrowing Law," amended September 11, 1959 (P. L. 896) and September 28, 1965 (P. L. 548), are reenacted and amended to read:

Section 201. Limitation on Municipal Debt.—Whenever the net debt of any municipality shall be equal to [ten per centum, in the case of municipalities authorized by the provisions of section fifteen, article nine of the Constitution to incur debt to said amount, and seven] fifteen per centum, [in the case of all other municipalities

(except school districts of the second, third and fourth class which shall be limited to fifteen per centum, and except school districts of the first class and school districts of the first class A which shall be limited to five (5) per centum),] of the assessed valuation, it shall be unlawful to increase the same by borrowing money (except in the case of issuing evidences of debt in anticipation of current revenues), and any such increase shall be void, and any general obligation bonds issued to evidence such increase of debt shall be of no binding force upon such municipality. Each of the officers thereof wilfully authoriz-

¹ "indebtedness" in original.