

(P. L. 350), known as the "Public School Employes' Retirement Code of 1959," amended June 30, 1965 (P. L. 167), is amended to read:

Section 407. Minimum Benefits to Former School Employes.—

(1) Any person sixty-two (62) years of age or older who was a classroom teacher, principal, supervising principal or superintendent in the public schools of Pennsylvania for at least [twenty (20)] fourteen (14) years and who separated from school service for any reason prior to July 1, 1919, and who was not thereafter engaged in school service, except temporarily for not more than two (2) whole school years, or any person who was a classroom teacher, principal, supervising principal or superintendent in the public schools of Pennsylvania for at least fourteen (14) years and who separated from school service because of physical or mental disability prior to July 1, 1919, and who still is unable to teach because of such disability, shall receive a State compensation of one hundred fifty dollars (\$150) per month, if such former teacher shall agree, in writing, and hold himself ready under the direction of the board of school directors to advise and counsel with school officials, to visit and counsel with new teachers, to act as substitute teacher when able, to examine and report on public school work, to visit pupils' homes in the interests of child welfare, to attend educational conferences and addresses and to be concerned with other educational work as may be deemed necessary and helpful to community-school interests. Any State compensation payable under this subsection to any person who is receiving a retirement allowance under the provisions of a local teachers' retirement system shall be reduced by the annual amount of the retirement allowance received from such local teachers' retirement system.

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Section 2. This act shall take effect July 1, 1967.

APPROVED—The 6th day of December, A. D. 1967.

RAYMOND P. SHAFER

No. 318

AN ACT

SB 1244

To promote the education and welfare of the people of the Commonwealth of Pennsylvania; to provide educational facilities at nonprofit institutions of higher education in the Commonwealth of Pennsylvania; and creating the Pennsylvania Higher Educational Facilities Authority as a body corporate and politic with power to acquire, construct, improve, equip, furnish, operate, lease, and dispose of projects; authorizing and regulating the issuance of notes and bonds and the payment thereof by said authority; and providing that no debt, obligation, or credit of the Commonwealth shall be incurred in the exercise of any powers granted by this act.

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

Section 1. Short Title.—This act shall be known and may be cited as “The Pennsylvania Higher Educational Facilities Authority Act of 1967.”

Section 2. Legislative Findings and Policy.—The Senate and the House of Representatives hereby find that the commerce, prosperity, welfare and security of the Commonwealth require that this and future generations of youth be assured ample opportunity to develop their intellectual capacities and that this opportunity is and will continue to be jeopardized unless the institutions of higher education in this Commonwealth are encouraged and assisted in their efforts to accommodate rapidly mounting numbers of youth who desire and require higher education. The Senate and the House of Representatives further find that all institutions of higher education in this Commonwealth are an essential and integral part of the total educational resources and effort required to be employed to meet the tremendous need for higher education; that a serious public emergency exists from the lack of financial resources by such institutions with which to provide required educational facilities; and that it is necessary and proper for the Commonwealth to provide a measure of assistance and an alternative method to enable such institutions to provide educational facilities which are solely needed to accomplish the purposes of this act, all to the public benefit and good, to the extent and manner provided herein.

Section 3. Definitions.—As used in this act:

(1) “Authority” means the body politic and corporate created by this act;

(2) “Educational facility” means any site, structure, or equipment suitable for use in academic, research and cultural activities at a college, including, but not limited to, class rooms, laboratories, libraries, research facilities, academic buildings, dormitory and housing units, dining halls, student unions, administration buildings, athletic and health care facilities, parking, maintenance, storage and utility facilities, and all the facilities, equipment, materials and furnishings necessary and usually attendant thereto: Provided, That “educational facility” shall not include any facility used or to be used for sectarian instruction or study, or as a place for devotional activities or religious worship;

(3) “College” means any nonprofit educational institution situated within the Commonwealth empowered to provide a program of education beyond the high school level and which, by virtue of governing law and regulation, is recognized by the State Board of Education as an institution of higher education and which places no restrictions upon the admission of students based upon race, creed, or national origin;

(4) “Project” means any educational facility which the authority

is authorized to acquire, construct, improve, install, maintain or operate under the provisions of this act;

(5) "Bonds" mean and include the notes, bonds, and other evidences of indebtedness or obligations, which the authority is authorized to issue pursuant to this act;

(6) "Construction" means and includes acquisition, construction, improvement, equipping and furnishing and the term "to construct" means and includes to acquire, to construct, to improve, to equip, and to furnish in such manner as may be deemed desirable;

(7) "Improvement" means and includes extension, enlargement, equipping, reconstruction, rehabilitation, furnishing and improvement, and the term "to improve" means and includes to extend, to enlarge, to equip, to reconstruct, to rehabilitate, to furnish and to improve in such manner as may be deemed desirable;

(8) "Cost of a project" means and includes, but shall not be limited to, all or any part of the cost of construction, acquisition, alteration, enlargement, reconstruction and rehabilitation of a project, including all lands, structures, real or personal property, rights, rights of way, roads, franchises, easements and interests acquired or used for or in connection with a project, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved or relocated, the cost of all utility lines, structures or equipment, the charges, interest prior to, during and for a period of six months after completion of such construction and acquisition, provisions for reserves for principal and interest and for extensions, enlargements, additions and improvements, cost of architectural, engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, administrative expenses, expenses necessary or incident to determining the feasibility or practicability of constructing the project and such other expense as may be necessary or incident to the construction and acquisition of the project, the financing of such construction and acquisition and the placing of the project in operation.

Section 4. Pennsylvania Higher Educational Facilities Authority.—The Governor, the State Treasurer, the Auditor General, the Superintendent of Public Instruction, the Secretary of Property and Supplies, the President pro tempore of the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate, the Minority Leader of the House of Representatives and their respective successors in office are hereby created as a body corporate and politic, constituting a public corporation and public instrumentality by the name of the "Pennsylvania Higher Educational Facilities Authority." Said members shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members. The President pro tempore of the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate and the Minority Leader of the House of Representatives shall continue as

members of the authority until their respective successors in office assume such office, regardless of whether or not they shall have ceased to be members of the Senate or the House of Representatives. The members of the authority may authorize by written proxy or authorization a personal deputy to appear and act for them at a meeting and for the purposes specified in such written proxy or authorization, provided that a separate written authorization or proxy shall be required for each separate meeting.

Section 5. Purposes and General Powers.—The authority is created for the purpose of acquiring, constructing, improving, maintaining and operating any educational facility.

The authority is hereby granted and shall have and may exercise all the powers necessary or convenient for the carrying out of the aforesaid purposes, including but without limiting the generality of the foregoing, the following rights and powers:

- (1) To have perpetual existence as a corporation;
- (2) To sue and be sued, implead and be impleaded, complain and defend, in all courts;
- (3) To adopt, use and alter at will a corporate seal;
- (4) To acquire, purchase, hold, lease as lessee, and use any property real, personal or mixed, tangible or intangible, any educational facility, or any interest therein, or any contract for the acquisition, construction, furnishing or equipping thereof, necessary or desirable for carrying out the purposes of the authority, and, with respect to a college, lease as lessor, transfer, sell, grant options for, and dispose of any educational facility, property or any interest therein at any time acquired by it;
- (5) To acquire by purchase, lease, gift or otherwise, and to acquire, construct, improve, maintain, repair and operate projects;
- (6) To make bylaws for the management and regulation of its affairs;
- (7) To obtain from the State Public School Building Authority, for a fee, those executive, fiscal, and administrative services, which are not available from the college for whose use the project is being constructed, as may be required to carry out functions of the authority under this act;
- (8) To fix, alter, charge and collect rentals and other charges for the use of any educational facility of, or for the services rendered by, the authority, at reasonable rates to be determined by it for the purpose of providing for the payment of the expenses of the authority, not provided for otherwise, the acquisition, construction, improvement, repair, equipping and furnishing, maintenance and operation of any educational facility, the payment of the principal of, and interest on, its obligations, and to fulfill the terms and provisions of any agreements made with the purchasers or holders of any such obligations;
- (9) To borrow money for the purpose of paying the cost of any project, make and issue negotiable notes, bonds, refunding bonds and

other evidences of indebtedness or obligations (hereinafter called "bonds"), of the authority, and to secure the payment of such bonds, or any part thereof, by pledge or deed of trust of all, or any, of its revenues, rentals, receipts and contract rights, and to make such agreements with the purchasers or holders of such bonds or with others in connection with any such bonds, whether issued or to be issued as the authority shall deem advisable, and in general to provide for the security for said bonds and the rights of the holders thereof;

(10) To invest moneys not required for current expenditures, pending such expenditures, in any securities eligible for the investment of funds in the Commonwealth;

(11) To make contracts of every name and nature, and to execute all instruments necessary or convenient for the carrying on of its business;

(12) Without limitation of the foregoing, to borrow money, and accept grants from, and to enter into contracts, leases or other transactions with, any Federal or other governmental agency;

(13) To pledge, hypothecate or otherwise encumber, all of any of the revenues, receipts or contract rights, of the authority as security for all, or any of, the obligations of the authority;

(14) Notwithstanding any other provisions contained in this act, to combine for financing purposes, with the consent of all leasing colleges involved, the project or the projects and some or all future projects of any two or more colleges, and to provide reserves, out of lease rentals or other funds made available for the purpose, for debt service, maintenance, repairs and replacements;

(15) To do all acts and things necessary or convenient to carry out the powers granted to it by this act or any other acts: Provided, however, That the authority shall have no power, at any time or in any manner, to pledge the credit or taxing power of the Commonwealth, nor shall any of its obligations or debts be deemed to be obligations of the Commonwealth, nor shall the Commonwealth be liable for the payment of principal or interest on such obligations.

Section 6. Purposes and Powers; Bonds.—(a) The bonds of the authority hereinabove referred to and authorized to be issued, shall be authorized by resolution of the board thereof or by the terms of a trust indenture authorized by such board, and shall be of such series, shall bear such date or dates, shall mature at such time or times, not exceeding forty years from their respective dates, shall bear interest at such rate or rates, shall be in such denominations, shall be in such form, either coupon or fully registered without coupons, shall carry such registration, exchangeability and interchangeability privileges, shall be payable in such medium of payment and at such place or places, shall be subject to such terms of redemption, not exceeding one hundred five percent of the principal amount thereof and shall be entitled to such priorities in the revenues, rentals or receipts of the authority as such trust, indenture, resolution or resolutions may

provide. The bonds shall be signed by such officers, either manually or by facsimile as the authority shall determine, and coupon bonds shall have attached thereto interest coupons bearing the facsimile signature of the treasurer of the authority, all as may be prescribed in such resolution or resolutions. Any such bonds may be issued and delivered, notwithstanding that one or more of the officers signing such bonds or the treasurer whose facsimile signature shall be upon the coupons or any thereof, shall have ceased to be such officer or officers at the time when such bonds actually shall be delivered. Said bonds may be sold at public or private sale for such price or prices as the authority shall determine, with the approval of the college for whose use the project is being constructed. The net interest cost to maturity of the money received for any issue of bonds, whether sold at public or private sale, shall not exceed six percent per annum.

For the purposes of this section, net interest cost shall be determined by ascertaining the total amount of interest payable with respect to the bonds, computed from the date of the bonds to the stated maturity dates thereof, plus the amount of any discount from the principal amount of the bonds or less the amount of any premium in excess of the principal amount of the bonds. Pending the preparation of the definitive bonds, interim receipts may be issued to the purchaser or purchasers of such bonds, and may contain such terms and conditions as the authority may determine.

(b) Such bonds are hereby made securities in which all officers of the State and its political subdivisions and municipal officers and administrative departments, boards and commissions of the Commonwealth, all banks, bankers, savings banks, trust companies, saving and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees, and other fiduciaries, and all other persons whatsoever who now or hereafter may be authorized to invest in bonds or other obligations of the Commonwealth, properly and legally may invest any funds, including capital, belonging to them or within their control, and said bonds or other securities or obligations hereby are made securities which properly and legally may be deposited with, and received by, any State or municipal officers or agency of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth now is or hereafter may be authorized by law.

(c) Any trust indenture, resolution or resolutions authorizing any bonds may contain provisions which shall be part of the contract with the holders thereof as to (i) pledging all or any of the revenues, rentals or receipts and contract rights of the authority from such projects or properties, as the college or colleges leasing the same may approve; (ii) the acquisition, construction, improvement, operation, extension, enlargement, maintenance and repair, of any project or projects, and the duties of the authority with reference thereto;

(iii) the terms and provisions of the bonds; (iv) limitations on the purposes to which the proceeds of the bonds, then or thereafter to be issued, under such indenture or resolution, or of any loan or grant by the United States may be applied; (v) the rate of rentals and other charges for use of any educational facility of, or for the services rendered by the authority, including limitations upon the power of the authority to modify any leases or other agreements, pursuant to which any rentals or other charges are payable; (vi) the setting aside of reserves or sinking funds and the regulation and disposition thereof, provided that any income received from the investment of such reserves or sinking funds shall be applied in reduction of the rentals payable by the college for whose project the same are created; (vii) limitations on the issuance of additional bonds; (viii) the terms and provisions of any deed or trust or indenture securing the bonds, or under which the same may be issued; and (ix) any other or additional agreements with the holders of the bonds.

(d) The authority may enter into any deeds of trust, indentures or other agreements with any bank or trust company, or other person or persons in the United States having power to enter into the same, including any Federal or other governmental agency, as security for such bonds, and may assign and pledge all or any of the revenues, rentals, receipts, and contract rights of the authority thereunder. Such deed of trust, indenture or other agreement may contain such provisions as may be customary in such ¹ instruments, or as the authority may authorize, including (but without limitation) provisions as to (i) the acquisition, construction, improvement, operation, maintenance, and repair of any project or projects, and the duties of the authority with reference thereto; (ii) the application of funds and the safeguarding of funds on hand or on deposit; (iii) the rights and remedies of said trustee and the holders of the bonds (which may include restrictions upon the individual right of action of such bondholders); and (iv) the terms and provisions of the bonds, or the resolutions authorizing the issuance of the same: Provided further, That nothing in this act shall prevent the authority from obtaining temporary financing where necessary or desirable for any project by issuance of negotiable notes or other obligations, the maturity of which shall not exceed five years from the date of issue, and which shall be paid, as to both principal and interest, from proceeds of sale of bonds of the authority, in anticipation of which said notes or obligations were issued.

Said bonds shall have all the qualities of negotiable instruments under the law merchant, and the negotiable instruments law of the Commonwealth of Pennsylvania.

Section 7. Refunding Bonds.—The authority is hereby authorized to provide, by resolution of the board, for the issuance of refunding bonds for the purpose of refunding any bonds of the authority issued

¹ "instruments" in original.

under the provisions of this act and then outstanding, either by voluntary exchange with the holders of such outstanding bonds or to provide funds to redeem and retire such outstanding bonds, with accrued interest, and any premium payable thereon at maturity or at any call date. The issuance of such refunding bonds, the maturities and other details thereof, the rights of the holders thereof, and the duties of the authority in respect to the same, shall be governed by the foregoing provisions of this act in so far as the same may be applicable. Refunding bonds may be issued by the authority to refund bonds originally issued or to refund bonds of the authority previously issued for refunding purposes.

Section 8. Remedies of Bondholders.—(a) The rights and the remedies herein conferred upon, or granted to the bondholders, shall be in addition to, and not in limitation of, any rights and remedies lawfully granted to such bondholders by the resolution or resolutions providing for the issuance of bonds, or by any deed of trust, indenture or other agreement under which the same shall be issued. In the event that the authority shall default in the payment of principal of, or interest on, any of the bonds after said principal or interest shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the authority shall fail or refuse to comply with the provisions of this act, or shall default in any agreement made with the holders of the bonds, the holders of twenty-five percent in aggregate principal amount of the bonds then outstanding, by instrument or instruments filed in the office of the recorder of deeds of the county, and proved or acknowledged in the same manner as a deed to be recorded may (except as such right may be limited under the provisions of any deed of trust, indenture or other agreement as aforesaid), appoint a trustee to represent the bondholders for the purposes herein provided. Such trustee and any trustee under any deed of trust, indenture or other agreement may, and upon written request of the holders of twenty-five percent (or such other percentage as may be specified in any deed of trust, indenture or other agreement aforesaid) in principal amount of the bonds then outstanding, shall, in his or its own name:

(1) By mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the bondholders, including the right to require the authority to collect rates, rentals, charges and other pledged assets adequate to carry out any agreements as to, or pledge of the revenues, rentals, receipts and contract rights of, the authority, and to require the authority to carry out any other agreements with or for the benefit of the bondholders, and to perform its and their duties under this act;

(2) Bring suit upon the bonds;

(3) By action or suit in equity, require the authority to account as if it were the trustee of an express trust for the bondholders;

(4) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the bondholders;

(5) By notice in writing to the authority, declare all bonds due and payable, and if all defaults shall be made good, then with the consent of the holders of twenty-five percent (or such other percentage as may be specified in any deed of trust, indenture or other agreement aforesaid) of the principal amount of the bonds then outstanding, to annul such declaration and its consequences.

(b) Any trustee, whether appointed as aforesaid or acting under a deed of trust, indenture or other agreement, and whether or not all bonds have been declared due and payable, shall be entitled, as of right, to the appointment of a receiver, who (to the same extent that the authority itself could do so) may enter and take possession of the facilities of the authority or any parts thereof, the revenues, rentals, receipts or pledges from which are, or may be, applicable to, the payment of the bonds so in default, and operate and maintain the same and collect and receive all rentals and other revenues thereafter arising therefrom in the same manner as the authority might do, and shall deposit all such moneys in a separate account and apply the same in such manner as the court shall direct. In any suit, action or proceeding by the trustee, the fees, counsel fees and expenses of the trustee, and of the receiver, if any, and all costs and disbursements allowed by the court, shall be a first charge on any revenues, rentals and receipts derived from the facilities of the authority, the revenues, rentals, receipts or pledges from which are or may be applicable to the payment of the bonds so in default. Said trustee, in addition to the foregoing, shall have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of the bondholders in the enforcement and protection of their rights.

(c) In addition to all other rights and all other remedies, any holder of bonds of the authority shall have the right by mandamus or other suit, action or proceeding at law, or in equity, to enforce his rights against the authority, including the right to require the authority to collect fees, rentals and other charges adequate to carry out any agreement as to, or pledge of, such fees, rentals, or other charges or income, revenues and receipts, and to require the authority to carry out any of its covenants and agreements with the bondholders and to perform its and their duties under this act.

Section 9. Governing Body.—The powers of the authority shall be exercised by a governing body consisting of the members of the authority acting as a board. Within ninety days after this act shall become effective, the board shall meet and organize by electing from their number a president, a treasurer and a secretary. At the first regular meeting in each year thereafter they shall elect from their number a president, a secretary and a treasurer.

Five members shall constitute a quorum of the board for the purpose of organizing the authority and conducting the business thereof, and for all other purposes, and all action shall only be taken by vote of a majority of the members of the authority, unless in any case the

bylaws shall require a larger number: Provided, That any action which may be taken at a meeting of the board may be taken without a meeting after public announcement of the proposed action shall have been made, if a consent in writing setting forth the action so taken shall be signed by all members of the board, and shall be filed with the secretary of the authority. The board shall have full authority to manage the properties and business of the authority, to prescribe, amend and repeal bylaws, rules and regulations governing the manner in which the business of the authority may be conducted, and the powers granted to it may be exercised and embodied. The board shall fix and determine the number of officers, agents and employes of the authority and their respective compensation and duties, and may delegate to one or more of their number, or to one or more of said officers, agents or employes, such power and duties as it may deem proper.

Section 10. Moneys of the Authority.—All moneys of the authority from whatever source derived shall be paid to such depositories and in such manner as the authority shall direct. Said moneys shall be deposited in the first instance by the treasurer in one or more banks or trust companies in one or more special accounts, and each of such special accounts shall be continuously secured by a pledge to the extent such moneys are not insured by a Federal agency, of direct obligations of the United States of America, or of the Commonwealth, having an aggregate market value, exclusive of accrued interest, at all times at least equal to the balance on deposit in such account, demand or time, or represented by certificates of deposit. Such securities either shall be deposited with the treasurer, or shall be held by a trustee or agent satisfactory to the authority. All banks and trust companies are authorized to give such security for such deposits. The moneys in said accounts shall be paid out by check or on the warrant or other order of the treasurer of the authority, or of other person or persons as it may authorize, to execute such checks, warrants or orders.

The authority shall file an annual report with the Department of Revenue. The authority shall have its books, accounts and records audited annually by a certified public accountant and a copy of his audit shall be attached to and be made a part of the aforesaid annual report. A concise financial statement shall be published annually by the authority and shall be available for public inspection at the office of the authority. The Attorney General of the Commonwealth shall have the right to examine the books, accounts and records of the authority.

Section 11. Issuance of Bonds.—The bonds of the authority may be issued pursuant to one or more resolutions or one or more trust indentures and, as provided in such resolution or trust indenture, the moneys set aside in any fund or funds pledged for any particular bonds or series of bonds shall be held for the sole benefit of such bonds, separate and apart from the moneys pledged for any other bonds of the authority issued under any other resolution or trust indenture.

Section 12. Competition in Award of Contracts.—If any project or

any portion thereof, or any improvement thereof, shall be constructed pursuant to a contract, and the estimated cost thereof exceeds twelve thousand dollars (\$12,000), such contract shall be awarded to the lowest responsible bidder after due advertisement and subject to the provisions of law applicable to the Department of Property and Supplies. The authority may, to the same extent, and under the same rules and regulations applicable to the Department of Property and Supplies, make rules and regulations for the submission of bids and the construction or improvement of any project or portion thereof: Provided, however, That where there exists an agreement whereby the college may acquire legal title to the said project, contracts for construction, reconstruction, repair or work of any nature, or purchase of furnishings, machinery or equipment shall, if the college so requests, be awarded without regard to the limitations of this section 12 or any other statutory provision or regulation requiring competitive bidding. No contract shall be entered into for the construction or improvement of any project or portion thereof, or for the purchase of materials, unless the contractor shall give an undertaking with a sufficient surety or sureties approved by the authority, and in an amount fixed by the authority, for the faithful performance of the contract, and such contract shall be accompanied by an additional bond for the protection of those who furnish labor and materials, for such amount and subject to the same terms and conditions as required by the authority. All construction contracts shall provide, among other things, that the person or corporation entering into such contract with the authority will pay for all materials furnished in services rendered, for the performance of the contract, and that any person or corporation furnishing such materials or rendering such services may maintain an action to recover for the same against the obligor in the undertaking as though such person or corporation was named therein, provided the action is brought within one year after the time the cause of action accrued. Nothing in this section shall be construed to limit the power of the authority to acquire or construct any project or portion thereof or any addition, betterment, or extension thereto, directly by the officers, agents and employes of the authority, or otherwise than by contract.

Subject to the aforesaid, the authority (but without intending by this provision to limit any powers of the authority), may enter into and carry out such contracts, or establish or comply with such rules and regulations concerning labor and materials and other related matters in connection with any project or portion thereof as the authority may deem desirable, or as may be requested by any Federal agency that may assist in the financing of such project or any part thereof.

Nothing in this section 12 shall be construed as precluding the transfer to the authority by purchase or otherwise of any completed project, or any project in course of construction and the assignment to the authority of the relevant contracts for constructing, furnishing or equipping such projects and the acceptance thereof by the authority.

Section 13. Use of Projects.—The use of the facilities of the authority and the operation of its business shall be subject to the rules and regulations from time to time adopted by the authority: Provided, however, That the authority shall not be authorized to do anything which will impair the security of the holders of the obligations of the authority or violate any agreements with them or for their benefit.

Section 14. Limitation of Powers.—The Commonwealth does hereby pledge to, and agree with, any person, firm or corporation or Federal or other governmental agency subscribing to, or acquiring, the bonds to be issued by the authority for the acquisition, construction, extension, improvement, or enlargement of any project, or part thereof, or for refunding purposes, that the Commonwealth will not limit or alter the rights hereby vested in the authority, or limit or alter any provisions for the security and protection of the authority and its bondholders contained in this act or as now provided by law, until all bonds at any time issued, together with the interest thereon, fully are met and discharged. The Commonwealth further does pledge to and agree with the United States and any other Federal or other governmental agency that, in the event that any such agency shall construct or contribute any funds for the acquisition, construction, extension, improvement or enlargement of any project or any portion thereof, the Commonwealth will not alter or limit the rights and powers of the authority in any manner which would be inconsistent with the continued maintenance and operation of the project, or the improvement thereof, or which would be inconsistent with the due performance of any agreements between the authority and any such agency, and the authority shall continue to have and may exercise all power herein granted so long as the same shall be necessary or desirable for the carrying out of the purposes of this act and the purposes of the United States and any Federal or other governmental agency in the construction or improvement or enlargement of any project or such portion thereof.

Section 15. Exemption from Taxation.—The effectuation of the authorized purposes of the authority created under this act in all respects shall and will be for the benefit of the people of the Commonwealth, for the increase of their welfare and prosperity and for the improvement of their education and educational facilities, and since the authority will be performing essential public functions in effectuating such purposes, the authority shall be exempt from payment of any taxes or assessments upon any property acquired, held, owned, leased or used by it for such purposes, and the bonds issued by the authority, their transfer and the income therefrom (including any profits made on the sale thereof) at all times shall be free from the taxation, other than inheritance and estate taxation, within the Commonwealth of Pennsylvania.

Section 16. Scope of Act.—This act shall be deemed to provide an additional and alternative method for the doing of things authorized thereby and shall be regarded as supplemental and additional to

powers conferred by other laws and shall not be regarded as in derogation of any powers now existing.

Section 17. Construction of Act.—(a) This act, being necessary for the welfare of the Commonwealth and its inhabitants, shall be liberally construed to effect the purposes thereof.

(b) If any provision of the title or any section or clause of this act, or the application thereof to any person, party, corporation, public or private, shall be judged invalid by a court of competent jurisdiction, such order or judgment shall be confirmed in its operation to the controversy in which it was rendered, and shall not affect or invalidate the remainder of any provision of the title or any section or clause of this act, or the application of any part thereof to any other person, party, corporation, public or private, or circumstance and, to this end, the provisions of the title, or any section or clause of this act, hereby are declared to be severable. It hereby is declared as the legislative intent that this act would have been adopted had any provision declared unconstitutional not been included herein.

Section 18. Effective Date.—The provisions of this act shall take effect immediately.

APPROVED—The 6th day of December, A. D. 1967.

RAYMOND P. SHAFER

No. 319

AN ACT

HB 64

To provide for an additional law judge of the court of common pleas in the fifty-second judicial district.

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

Section 1. In addition to the judges provided for in the act of January 8, 1952 (P. L. 1844), entitled "An act to designate the several judicial districts of the Commonwealth, as required by the Constitution, and to provide for the election and commissioning of judges learned in the law for the said districts," an additional law judge is hereby authorized and provided for the court of common pleas of the fifty-second judicial district, who shall possess the same qualifications which are required by the Constitution and laws for the President Judge of the court of common pleas of the district and who shall hold his office for a like term and by the same tenure and shall have the same power, authority and jurisdiction and shall be subject to the