

No. 251

AN ACT

HB 2386

Amending the act of May 31, 1911 (P.L.468), entitled "An act providing for the establishment of a State Highway Department, by the appointment of a State Highway Commissioner, two Deputy State Highway Commissioners, chief engineer, chief draughtsman, superintendents of highways, and a staff of assistants and employes; defining their duties and the jurisdiction of the State Highway Department, and fixing salaries of commissioner and deputies and other appointees; providing for taking over from the counties or townships of the Commonwealth certain existing public roads connecting county-seats, principal cities, and towns and extending to the State line; describing and defining same by route numbers as the State Highways of the Commonwealth; providing for the improvement, maintenance and repair of said State Highways solely at the expense of the Commonwealth, and relieving the several townships or counties from any further obligation and expense to improve or maintain the same, and relieving said townships or counties of authority over same; requiring boroughs and incorporated towns to maintain certain State Highways wholly and in part; requiring the State Highway Commissioner to make maps to be complete records thereof; conferring authority on the State Highway Commissioner; providing for the payment of damages in taking of property, or otherwise, in the improvement thereof; providing for purchase or acquiring of turnpikes or toll-roads forming all or part of any State Highway, and procedure therein; providing for work of improvement of State Highways to be done by contract, except where the State Highway Commissioner decides the work be done by the State; providing aid by the State to counties and townships desiring the same in the improvement of township or county roads; defining highways and State-aid highways; providing method of application for State aid in the improvement, maintenance and repair of township or county roads and prescribing the contents of township, county, borough, or incorporated town petitions; providing for percentage of cost of improvement or repairs to be paid by State, county, township, borough, or incorporated town, and requiring contracts by counties, townships, boroughs, and incorporated towns with Commonwealth governing same; providing for the minimum width of State Highways and State-aid highways, and kind of materials to be used in the improvement; providing for payment of cost of improvement and repairs; providing penalty for injuring or destroying State Highways; making appropriations to carry out the provisions of the act; and providing for the repeal of certain acts relating to Highway Department and improvement of roads, and of all acts or parts of acts inconsistent herewith; and providing that existing contracts are not affected by provisions of this act," permitting a contractor to deposit certificates of deposit with the Secretary of Highways as an alternative to the payment by the Secretary of Highways of interest on amounts withheld pending satisfactory completion of a contract.

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

Section 1. Subsection (i) of section 33, act of May 31, 1911 (P.L.468), entitled "An act providing for the establishment of a State Highway Department, by the appointment of a State Highway Commissioner, two Deputy State Highway Commissioners, chief engineer, chief draughtsman, superintendents of highways, and a staff of assistants and employes; defining their duties and the jurisdiction of the State Highway

Department, and fixing salaries of commissioner and deputies and other appointees; providing for taking over from the counties or townships of the Commonwealth certain existing public roads connecting county-seats, principal cities, and towns and extending to the State line; describing and defining same by route numbers as the State Highways of the Commonwealth; providing for the improvement, maintenance and repair of said State Highways solely at the expense of the Commonwealth, and relieving the several townships or counties from any further obligation and expense to improve or maintain the same, and relieving said townships or counties of authority over same; requiring boroughs and incorporated towns to maintain certain State Highways wholly and in part; requiring the State Highway Commissioner to make maps to be complete records thereof; conferring authority on the State Highway Commissioner; providing for the payment of damages in taking of property, or otherwise, in the improvement thereof; providing for purchase or acquiring of turnpikes or toll-roads forming all or part of any State Highway, and procedure therein; providing for work of improvement of State Highways to be done by contract, except where the State Highway Commissioner decides the work be done by the State; providing aid by the State to counties and townships desiring the same in the improvement of township or county roads; defining highways and State-aid highways; providing method of application for State aid in the improvement, maintenance and repair of township or county roads and prescribing the contents of township, county, borough, or incorporated town petitions; providing for percentage of cost of improvement or repairs to be paid by State, county, township, borough, or incorporated town, and requiring contracts by counties, townships, boroughs, and incorporated towns with Commonwealth governing same; providing for the minimum width of State Highways and State-aid highways, and kind of materials to be used in the improvement; providing for payment of cost of improvement and repairs; providing penalty for injuring or destroying State Highways; making appropriations to carry out the provisions of the act; and providing for the repeal of certain acts relating to Highway Department and improvement of roads, and of all acts or parts of acts inconsistent herewith; and providing that existing contracts are not affected by provisions of this act," amended May 25, 1961 (P.L.231), is amended to read:

Section 33. * * *

(i) At the option of the contractor and in lieu of the payment of any interest as hereinbefore provided in subsection (h), amounts withheld pending completion of any highway improvement under this act may, in whole or in part, be withdrawn by the contractor as soon as such amounts are credited to his account under either of the hereinbefore mentioned methods for making partial and final payments upon depositing with the Secretary of Highways securities of a market value equal to the amount so withdrawn. Such securities shall be of a character approved by the

Secretary of Highways and shall include, but not be limited to, *certificates of deposit issued by national or state banks authorized to do business in the Commonwealth*, bonds or notes of the United States of America, the Commonwealth of Pennsylvania, or any political subdivision thereof and, upon approval, such *certificates of deposit*, bonds, notes or other obligations as may be issued by any *national or state bank authorized to do business in the Commonwealth*, authority, agency or instrumentality created by the United States of America, the Commonwealth of Pennsylvania, or any political subdivision thereof.

The Secretary of Highways shall, from time to time, collect all interest or income on the securities so deposited and shall pay the same, when and as collected, to the contractor who deposited the securities. If the deposit be in the form of coupon bonds, the coupons as they respectively become due shall be delivered to the contractor. Upon default, the Secretary of Highways may apply such securities, interest, coupons or income therefrom as may be necessary to correct said default and the contractor shall not be entitled to the balance thereof, if any, until the work remaining to be done under the contract has been satisfactorily completed.

Section 2. This act shall take effect immediately.

APPROVED—The 25th day of November, A. D. 1970.

RAYMOND P. SHAFER

The foregoing is a true and correct copy of Act of the General Assembly No. 251.

A handwritten signature in cursive script, appearing to read "Robert J. Kelley".

Secretary of the Commonwealth.