

## No. 36

## AN ACT

## SB 604

Amending the act of August 23, 1967 (P.L.251, No.102), entitled, as amended, "An act providing for the incorporation as public instrumentalities of the Commonwealth and as bodies corporate and politic of industrial and commercial development authorities for municipalities, counties and townships; prescribing the rights, powers and duties of such authorities hereafter incorporated; authorizing such authorities to acquire, by gift or purchase, to construct, improve and maintain industrial or commercial development projects including projects for the elimination or prevention of blight and the control of air and water pollution, and to borrow money and issue bonds therefor; providing for the payment of such bonds and giving security therefor, and prescribing the rights of the holders of such bonds; authorizing the lease or sale of industrial or commercial development projects to industrial, commercial, manufacturing or research and development enterprises; authorizing any county, municipality or township to transfer or convey to such authorities, any facilities or property available for industrial or commercial development projects; exempting the property and securities of such authorities from taxation; authorizing such authorities to enter into contracts with and to accept grants from the Federal Government or any agency thereof; and providing for approval by the Secretary of Commerce of the proceedings relating to industrial or commercial development projects of such authorities," further providing for deposit of funds under savings contracts in savings associations and providing security for such deposits.

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

Section 1. Section 10, act of August 23, 1967 (P.L.251, No.102), known as the "Industrial and Commercial Development Authority Law," is amended to read:

Section 10. Moneys of The Authority.—All moneys of any authority, from whatever source derived, shall be paid **[either]** to the treasurer of the authority **[or to a bank or trust company with which the authority may have entered into an agreement pursuant to section 7 (c) hereof which]**. *Said moneys shall [deposit them] be deposited in banks, bank and trust companies or under savings contracts in savings associations*, in one or more special accounts. Such special accounts to the extent the same is not insured shall be continuously secured by a pledge of direct obligations of the United States of America, of the Commonwealth or as otherwise provided by law having an aggregate market value, exclusive of accrued interest, at all times at least equal to the balance on deposit in such account. Such securities shall either be deposited with the treasurer, or be held by a trustee or agent satisfactory to the authority. All banks, *bank* and trust companies *and savings associations* are authorized to give such security for such deposits. The moneys in said accounts shall be paid out on the warrant or other order of the chairman of the authority, or of such other person or persons as

the authority may authorize to execute such warrants or orders. Every authority shall file an annual report with the Department of Commerce and with the municipality creating the authority on forms prepared and distributed by the Department of Commerce, which shall make provision for the accounting of revenues and expenses. Every authority shall have its books, accounts and records audited annually in accordance with generally accepted auditing standards by an independent auditor who shall be a certified public accountant or competent public accountant and a copy of his audit report shall be attached to and be made a part of the aforesaid annual report. A concise financial statement shall be published annually, at least once in a newspaper of general circulation in the municipality where the principal office of the authority is located. If such publication is not made by the authority, the municipality shall publish such statement at the expense of the authority. If the authority fails to make such an audit, then the controller, auditors or accountant designated by the municipality, are hereby authorized and empowered from time to time to examine at the expense of the authority the accounts and books of the authority, including its receipts, disbursements, contracts, leases, sinking funds, investments, and any other matters relating to its finances, operations and affairs.

The Auditor General of the Commonwealth of Pennsylvania shall have the right to examine the books, accounts and records of any authority.

Section 2. This act shall take effect immediately.

APPROVED—The 16th day of July, A. D. 1975.

MILTON J. SHAPP