

No. 2004-3

AN ACT

HB 1733

Amending Titles 53 (Municipalities Generally) and 64 (Public Authorities and Quasi-Public Corporations) of the Pennsylvania Consolidated Statutes, reenacting the codification of provisions on the Pennsylvania Convention Center Authority; further providing for definitions, for the governing board, for general purposes and powers, for bond purposes and powers, for authority money, for expansion financing and for award of contracts; providing for convention center performance audits and for the Pennsylvania Convention Center Assistance Fund; making conforming amendments; and making related repeals.

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

Section 1. Chapter 59 of Title 53 of the Pennsylvania Consolidated Statutes is repealed.

Section 2. Title 64 is amended by adding parts to read:

PART I  
PRELIMINARY PROVISIONS

Chapter

1. General Provisions (Reserved)

PART II  
PUBLIC AUTHORITIES

Chapter

60. Pennsylvania Convention Center Authority

CHAPTER 60  
PENNSYLVANIA CONVENTION CENTER AUTHORITY

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§ 6001. Scope of chapter.

This chapter deals with convention center authorities in cities of the first class.

§ 6002. Findings and declaration of policy.

The General Assembly hereby finds and declares as follows:

(1) The health, safety and general welfare of the people of this Commonwealth are directly dependent upon the continual encouragement, development, growth and expansion of business, industry, commerce and tourism within this Commonwealth.

(2) Unemployment, the spread of indigency and the heavy burden of public assistance and unemployment compensation can be avoided by the promotion, attraction, stimulation, development and expansion of business, industry, commerce and tourism in this Commonwealth.

(3) Development and continuation of a major convention center is most appropriate in a city of the first class which, because of size, is capable of attracting major national conventions, and the attraction of business to this Commonwealth as a result of the development and continuation is an important factor in the continual encouragement, promotion, attraction, stimulation, development, growth and expansion of business, industry, commerce and tourism within a city of the first class, its surrounding counties and this Commonwealth as a whole.

(4) The purpose of a convention center should be the promotion, attraction, stimulation, development and expansion of business, industry, commerce and tourism in a city of the first class, its surrounding counties and this Commonwealth as a whole.

(5) The development and continuation of a convention center will provide benefits to the hotel industry throughout the entire region where the convention center is developed.

(6) The development and continuation of a convention center will also provide benefits to the restaurant and entertainment industries throughout the entire region where the convention center is located, to all other businesses and individuals benefited by the attraction of major

conventions and tourists, to other individual businesses whose livelihood is dependent on the attraction of major conventions and tourists and to the general public.

(7) The need for and promotion of the type of facility which provides and will continue to provide significant benefits to the general public will require the expenditure of public money, and it is appropriate to authorize a city of the first class where the convention center is located to impose and collect a tax or continue to impose and collect a tax, applicable within the entire territorial limits of the city, to facilitate the development or continuation of a convention center and the promotion of tourism within the city of the first class and the region.

(8) To promote the development and continuation of a convention center within this Commonwealth, it is necessary to provide additional and flexible means of developing, constructing, designing, managing, financing and operating such a convention center.

(9) An important aspect of the development and continuation of a convention center should be the removal of blighted areas and the redevelopment of blighted areas.

(10) The policy of this Commonwealth is to promote the health, safety, employment, business opportunities and general welfare of the people of this Commonwealth by providing for the creation and continuation of a convention center authority, which shall exist and operate as a public instrumentality of this Commonwealth for the public purpose of promoting, attracting, stimulating, developing and expanding business, industry, commerce and tourism in this Commonwealth. This purpose is declared to be a public purpose supporting the enactment of all provisions of this chapter and for which public money may be spent, taxes may be imposed and continued and private property may be acquired by the exercise of the power of eminent domain.

#### § 6003. Definitions.

The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly requires otherwise:

“Authority” or “Pennsylvania Convention Center Authority.” An agency and public instrumentality of the Commonwealth and a body politic and corporate created pursuant to this chapter or created under the former provisions of section 4 of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59 (relating to Pennsylvania Convention Center Authority).

“Board.” The governing body of the authority.

“Bonds.” Notes, bonds, refunding notes and bonds, interim certificates, debentures and other evidence of indebtedness or obligations which the authority is authorized to issue pursuant to this chapter or was authorized pursuant to the former provisions of sections 7 and 8 of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center

Authority Act, formerly codified at 53 Pa.C.S. Ch. 59 (relating to Pennsylvania Convention Center Authority).

“City.” Any city or county of the first class.

“Construction.” The acquisition, design, erection, extension, renovation, rehabilitation, conversion, furnishing, fixturing, equipping, enlargement or substantial repair of a convention center or part of a convention center and activities substantially related to such acquisition, design, erection, extension, renovation, rehabilitation, conversion, furnishing, fixturing, equipping, enlargement or substantial repair of a convention center or part of a convention center.

“Convention center.” Any land, improvement, structure, building or part of a building, or a property interest in any land, improvement, structure, building or part of a building, whether owned by or leased by or to or otherwise acquired by the authority, and appropriate for large public assemblies; the holding of conventions; conferences; trade exhibitions; and other business, social, cultural, scientific and public interest events. The term includes a main convention area and other buildings, structures or facilities for use in conjunction with the main convention area, including provision for off-street parking, retail areas and other improvements related to the convention center owned by or leased by or to the authority for the purpose of producing revenue to assist in defraying any costs or expenses of the convention center.

“Cost of a project.” All or any part of the cost of construction, acquisition, alteration, enlargement, furnishing, fixturing and equipping, reconstruction and rehabilitation of a convention center project. The term includes all of the following:

(1) Cost of 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.

(2) Cost of demolishing or removing any buildings or structures on acquired land, including the cost of acquiring lands to which buildings or structures may be moved or located.

(3) Cost of all utility lines, structures or equipment.

(4) Charges and interest prior to, during and for a period of six months after completion of construction and acquisition.

(5) Provisions for reserves for principal and interest and for extensions, enlargements, additions and improvements.

(6) Cost of architectural, engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenue.

(7) Expenses necessary or incident to determining the feasibility or practicability of constructing the project.

(8) Other capital cost or expense as necessary or incident to the construction, development and acquisition of the project, to the financing of the construction, development and acquisition and to the placing of the project in operation. This paragraph includes a proper allowance for

contingencies and the provisions of reasonable initial working capital for operating the project.

“Expansion or substantial renovation.” Any construction with an estimated total cost of more than \$300,000,000 initiated after substantial completion.

“Federal agency” or “Federal Government.” The United States of America, the President of the United States of America and any department or corporation, agency or instrumentality designated or established by the United States of America.

“Main convention area.” All facilities, furniture, fixtures and equipment necessary or incident to the purposes of a convention center. The term includes:

(1) meeting rooms, dining rooms, kitchens, ballrooms, reception areas, registration and prefunction areas, truck loading areas and access to truck loading areas, accessways, common areas, lobbies and offices; and

(2) areas appurtenant to any of the areas listed in paragraph (1).

“Obligee of the authority” or “obligee.” Any bondholder, trustee or trustees for any bondholders when a party to any contract with the authority.

“Philadelphia Metropolitan Statistical Area.” The Philadelphia, Pennsylvania Metropolitan Division of the Philadelphia-Camden-Wilmington, Pennsylvania-New Jersey Delaware-Maryland Metropolitan Statistical Area as announced on June 6, 2003, by the United States Office of Management and Budget pursuant to Standards for Defining Metropolitan and Micropolitan Statistical Areas by the Office of Management and Budget for the 2000 Decennial Census of the United States Census Bureau, as published in the Federal Register, Vol. 65, No. 249, on December 27, 2000, comprising the Pennsylvania counties of Philadelphia, Delaware, Bucks, Montgomery and Chester.

“Project.” Any site, building, structure, equipment, furnishing and other facilities or undertaking in respect of a convention center which the authority is authorized to acquire, construct, improve, install, maintain or operate under the provisions of this chapter.

“State public body.” The Commonwealth and its executive, administrative and independent agencies, its departments, its officers, its boards, its authorities, its commissions and its instrumentalities.

“Substantial completion.” Construction which is sufficiently completed in accordance with contract documents and certified by a convention center authority’s architect or engineer, as modified by change orders which are subject to review and approval by the Secretary of the Budget and the chief financial officer of a city, so that a main convention area can be used, occupied or operated for its intended use. In no event shall a project be certified as substantially complete until at least 90% of the work on the main convention area is completed.

§ 6004. Authority created; existing authority continued.

A body corporate and politic named the Pennsylvania Convention Center Authority is created and continued as a public authority and instrumentality of the Commonwealth which shall have continuing succession until its existence shall be terminated by law. The exercise by the authority of the powers conferred by this chapter or under the former provisions of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59 (relating to the Pennsylvania Convention Center Authority), is declared to be and shall for all purposes be deemed and held to be the performance of an essential public function.

§ 6005. Governing board.

(a) Appointment.—Power of the authority shall be exercised by a governing board composed of 15 members. Except as provided in section 4 of the act of February 5, 2004 (P.L.7, No.3), members of the board shall be appointed as follows:

(1) Each board of county commissioners or each county council for each county within the Philadelphia Metropolitan Statistical Area, excluding counties which are coterminous with cities of the first class, shall appoint a resident of its county as a member of the board by a majority vote of the members of each board of county commissioners or each county council. The term of office of a member of the board appointed under this paragraph shall run concurrently with the term of office of the chief executive officer of a city.

(2) The President pro tempore of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives and the Minority Leader of the House of Representatives shall each appoint one member of the board. Each member shall serve at the pleasure of the member's appointing authority. The term of office of a member of the board appointed under this paragraph shall be for a period of two years beginning on the third Tuesday of each January in an odd-numbered year.

(3) The chief executive officer of the city in which a convention center is located shall appoint one member of the board who is a resident of the city in which the convention center is located. The term of office of a member of the board appointed under this paragraph shall run concurrently with the term of office of the appointing authority.

(4) The chief executive officer of the city in which a convention center is located shall appoint one member of the board from five lists of four nominees prepared by each of the following organizations:

- (i) The Philadelphia Convention and Visitors Bureau.
- (ii) The Multicultural Affairs Congress.
- (iii) The Greater Philadelphia Tourism and Marketing Corporation.
- (iv) The Greater Philadelphia Hotel Association.
- (v) The Independence Visitors Center Corporation.

Each of the four nominees of each of the five lists must be a resident of the city in which a convention center is located and must have significant

experience in the hospitality industry. The term of office of a member of the board appointed under this paragraph shall run concurrently with the term of office of the appointing authority.

(5) The president of the council of the city in which a convention center is located shall appoint as a member of the board the member of the council of the city in whose council district the majority of the convention center is located. The term of office of a member of the board appointed under this paragraph shall run concurrently with the term of office of the appointing authority.

(6) The minority leader of the council of the city in which a convention center is located shall appoint as a member of the board a resident of the city in which a convention center is located unless the minority leader is enrolled in the same political party as the member of the board appointed under paragraph (5) was enrolled on the date of the member's most recent election to council. If the minority leader of the council of the city in which a convention center is located is enrolled in the same political party as the member of the board appointed under paragraph (5) was enrolled on the date of the member's most recent election to council, the president of the council of the city in which a convention center is located shall appoint as a member of the board a resident of the city in which the convention center is located. The term of office of a member of the board appointed under this paragraph shall run concurrently with the term of office of the appointing authority.

(7) The Governor shall appoint as a member of the board a resident of the city in which the convention center is located and shall appoint as a member of the board a resident of the Philadelphia Metropolitan Statistical Area excluding counties which are coterminous with cities of the first class. The members of the board appointed under this paragraph shall not be of the same political party. The members of the board appointed under this paragraph shall be appointed subject to the advice and consent of a majority of the members elected to the Senate. The term of office of a member of the board appointed under this paragraph shall run concurrently with the term of office of the appointing authority.

(8) The members of the board who are appointed under paragraphs (1) through (7) shall, by a vote of eight members of the board, appoint an additional member to the board who shall serve as a chairman of the board. The member appointed under this paragraph shall serve for a term coincident with the term of the members of the board appointed under paragraph (2). In the event the members of the board who are appointed under paragraphs (1) through (7) cannot agree on an additional member within 60 days of the office becoming vacant, the Governor shall appoint an additional member of the board who shall serve as chairman subject to the advice and consent of a majority of the members elected to the Senate. The member of the board appointed under this paragraph by either the

members of the board or the Governor shall serve as a member of and chairman of the board until his successor is duly appointed.

(9) The Secretary of the Budget shall serve as a nonvoting ex officio member of the board. If the chief financial officer of the city in which the convention center is located is not an appointed member of the board, he shall serve as a nonvoting ex officio member of the board.

(b) Certification and oath of office.—The appointing authorities shall certify their respective appointments to the Secretary of the Commonwealth. Within 30 days after certification of his appointment and before entering upon the duties of his office, each member of the board shall take and subscribe the constitutional oath of office and file it in the office of the Secretary of the Commonwealth.

(c) Terms and vacancies.—Except as otherwise provided, members shall serve a term from the date of their appointment and until their successors have been appointed and qualified. If a vacancy shall occur by means of the death, disqualification, abandonment, resignation or removal of a member or the chairman, subject to the provisions of subsection (a), the appointing authority shall appoint a successor to fill his unexpired term.

(d) Compensation.—Subject to an aggregate per annum limitation and any other rules and regulations as the board shall determine, a member shall receive \$125 per diem when engaged in the exercise of duties for the authority and shall also be entitled to necessary expenses, including travel expenses, incurred in the discharge of duties. In addition to any other compensation provided under this subsection, the chairman of the board of the authority shall be entitled to receive such additional compensation as the board shall determine. No other member of the board shall be entitled to any additional compensation for extra service provided to the authority. The per diem amount may be increased by a vote of eight members of the board, but any increase shall not apply during the term of office of board members voting or eligible to vote on the per diem increase.

(e) Organization.—The members of the board shall select a vice chairman and other officers as the board may determine from the members of the board. Except as otherwise provided in this chapter, all actions of the board shall be taken by a vote of eight members of the board. The board shall have full authority to manage the properties and business of the authority and 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. Notwithstanding any other law, court decision, precedent or practice to the contrary, no actions by or on behalf of the board shall be taken by any officer of the board except upon the approval of a majority of the board. The chairman, vice chairman or any other officer, committee or employee of the board may take actions by or on behalf of the board as authorized on at least an annual basis by a vote of eight members of the board and subject to the supervision and control of the board.



(f) **Nonliability of members.**—Members of the board shall not be liable personally on the bonds or other obligations of the authority. The rights of creditors shall be solely against the authority. The authority, itself or by contract, shall defend, indemnify and hold harmless board members, whether currently members of the board or not, against and from any and all personal liabilities, actions, causes of action and any and all claims made against them for whatever actions they perform within the scope of their duties as board members.

(g) **Meetings.**—Regular meetings of the board shall be held at least once in each calendar month except July or August, the time and place of the meetings to be fixed by the board. A majority of the board shall constitute a quorum for the transaction of business. All actions of the board shall be by resolutions, and the affirmative vote of eight members of the board shall be necessary for the adoption of any resolution.

(h) **Abandonment.**—A member of the board shall be deemed to have abandoned office upon failure to attend any regular or special meeting of the board without excuse approved by resolution of the board for a period of four consecutive months or upon removal of the member's residence from the metropolitan area.

(i) **Chairman removal.**—The member of the board appointed under subsection (a)(8) may be removed from the board only for misfeasance or malfeasance by a vote of eight members of the board. Prior to the member being removed, the member of the board appointed under subsection (a)(8) must be given a copy of the charges and an opportunity to be heard. Notice of the charges must be provided at least ten days prior to the opportunity to be heard. A hearing conducted in accordance with this subsection must be held at a public meeting of the board. The vice chairman of the board shall file a copy of the charges, a copy of the record of the proceedings and a copy of the findings of the board with the Department of State. If the member of the board appointed under subsection (a)(8) is removed by the board, the members of the board appointed under subsection (a)(1) through (7) shall appoint an additional member to the board in accordance with the provisions of subsection (a)(8).

(j) **Definition.**—As used in this section, the term "actions by or on behalf of the board" means any action whatsoever of the board, including the hiring, appointment, removal, transfer, promotion or demotion of any officers and employees, the retention, use or remuneration of any advisors, counsel, auditors, architects, engineers or consultants, the initiation of any legal action, the making of any contracts, leases, agreements, bonds, notes or covenants, the approval of requisitions, purchase orders, investments and reinvestments and the adoption, amendment, revision or rescission of any rules and regulations, orders or other directives.

(k) **Removal of chairman.**—The member of the board appointed under subsection (a)(8) may be removed from the board by a vote of eight members of the board.

§ 6006. Purposes and powers; general.

(a) General powers.—An authority created and continued by this chapter shall exercise the public powers of the Commonwealth as an agency for the purpose, without limitation, by itself or by agreement in cooperation with others, of acquiring, holding, developing, designing, constructing, improving, maintaining, managing, operating, financing, furnishing, fixturing, equipping, repairing, leasing or subleasing, either in the capacity of lessor or lessee or sublessor or sublessee, and owning a convention center or parts of a convention center.

(b) Specific powers.—The authority is granted all powers necessary or convenient for the carrying out of the purposes in subsection (a), including all of the following rights and powers:

- (1) To have continuing succession.
- (2) To be a party in all courts.
- (3) To adopt, use and alter at will a corporate seal.
- (4) To acquire by gift or otherwise, purchase, hold, receive, lease, sublease and use any license, franchise or property, real, personal or mixed, tangible or intangible, or any interest in a license, franchise or property, including a convention center or parts of a convention center.
- (5) To sell, transfer or dispose of any property or interest in property with adequate and fair consideration.
- (6) To acquire, hold, develop, design, construct, improve, maintain, manage, operate, furnish, fixture, equip, repair, own, lease or sublease a convention center or parts of a convention center and to make, enter into and award contracts with any person, association, partnership or corporation for the development, design, financing, construction, improvement, maintenance, operation, management, furnishing, fixturing, equipping and repair of a convention center or parts of a convention center.
- (7) To make bylaws for the management and regulation of its affairs and issue rules, regulations and policies in connection with the performance of its functions and duties.
- (8) To appoint officers, agents, employees and servants, to prescribe their duties, to fix their compensation and to establish work rules, work assignments and conditions of employment for any officer, agent, employee or servant of the authority.
- (9) To fix, alter, charge and collect rentals, admissions, license fees and other charges.
- (10) To borrow money for the purpose of paying the costs of any project and to evidence the debt; make and issue negotiable bonds of the authority; secure the payment of the bonds, or any part of the bonds, by pledge or deed of trust of its revenue, rentals, receipts and contract rights; make contracts with the purchasers or holders of bonds or with other obligees of the authority in connection with any bonds, whether issued or to be issued, as the authority deems advisable; obtain credit enhancement

or liquidity facilities in connection with any bonds as the authority determines to be advantageous; and, in general, provide for the security for bonds and the rights of the holders of bonds.

(11) To make, enter into and award contracts to execute all instruments necessary or convenient for the carrying out of its business.

(12) To borrow money and accept grants and to enter into contracts, leases, subleases, licenses or other transactions with any Federal agency, State public body, political subdivision, person, association, partnership or corporation.

(13) To have the power of eminent domain within a city of the first class. Any condemnation by the authority shall be in the manner provided by the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent Domain Code.

(14) To pledge, hypothecate or otherwise encumber any of its property, real, personal or mixed, tangible or intangible, and its revenue or receipts, including any interest the authority may have in any lease or sublease of a convention center or parts of a convention center.

(15) To procure insurance containing coverages, including, without limitation, insurance covering the timely payment in full of principal of and interest on bonds of the authority, in amounts and from insurers as the authority may determine to be necessary or desirable for its purposes.

(16) To invest its money.

(17) To cooperate with any Federal agency, State public body or political subdivision.

(18) To invest any funds held in reserve or sinking funds or any funds not required for immediate disbursements, as authorized by section 6012(d)(relating to moneys of authority).

(19) To appoint all officers, agents and employees required for the performance of its duties and fix and determine their qualifications, duties and compensation and retain or employ other agents or consultants, including architects, auditors, engineers, private counsel and private consultants, on a contract basis or otherwise for rendering professional or technical services and advice.

(20) To enroll or to continue to enroll its employees in an existing retirement system of the Commonwealth.

(21) To appoint and fix the compensation of chief counsel and assistant counsel to provide it with legal assistance, for which purpose the authority shall not be considered either an executive agency or an independent agency for the purpose of the act of October 15, 1980 (P.L.950, No.164), known as the Commonwealth Attorneys Act, but shall possess the same status for such purpose as the Auditor General, State Treasurer and the Pennsylvania Public Utility Commission, except that the provisions of section 204(b) and (f) of the Commonwealth Attorneys Act shall not apply to the authority, and, notwithstanding the provisions of 42 Pa.C.S. § 8525 (relating to legal assistance), the authority through its

counsel shall defend actions brought against the authority and its officers and employees when acting within the scope of their official duties.

(22) To maintain an office in a city.

(23) To appoint an executive director who shall:

(i) be the chief executive officer of the authority;

(ii) devote full time during business hours to the duties of office;

and

(iii) receive compensation as the board determines.

(24) To contract with an association with experience in managing convention centers for the management of the convention center.

(25) To do all acts and things necessary or convenient for the promotion of its purposes and the general welfare of the authority and to carry out the powers granted to it by this chapter or any other acts.

(c) Limitation.—The authority shall have no power to pledge the credit or taxing powers of the Commonwealth, a political subdivision or a city, nor shall any of its obligations be deemed obligations of the Commonwealth, a political subdivision or a city, nor shall the Commonwealth, a political subdivision or a city be liable for the payment of principal or interest on the obligations.

(d) Affirmative action.—The authority shall develop and implement an affirmative action plan to assure that all persons are accorded equality of opportunity in employment and contracting by the authority, its contractors, subcontractors, assignees, lessees, agents, vendors and suppliers.

§ 6007. Acquisition of lands.

(a) Power.—If the authority deems it necessary for a purpose under this chapter, the authority has the power to acquire any of the following with respect to land within the city by purchase or eminent domain proceedings:

(1) A fee.

(2) Any right, title, interest or easement.

(b) Procedure.—The right of eminent domain shall be exercised by the authority in the manner provided by the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent Domain Code.

§ 6008. Purposes and powers; bonds.

(a) Authorization.—

(1) Bonds must be authorized by resolution of the board. A resolution authorizing the issuance of bonds must specify all of the following:

(i) Series.

(ii) Date of maturity not exceeding 40 years from date of issue.

(iii) Interest.

(iv) Denomination.

(v) Form, either coupon or fully registered without coupons.

(vi) Registration, exchangeability and interchangeability privileges.

(vii) Medium of payment and place of payment.

(viii) Terms of redemption.

(ix) Priorities in the revenue or receipts of the authority.

(2) Bonds must be signed by or must bear the facsimile signature of such officers as the authority determines. Coupon bonds must have attached interest coupons bearing the facsimile signature of the treasurer of the authority as prescribed in the authorizing resolution. Bonds may be issued and delivered notwithstanding that one or more of the signing officers or the treasurer has ceased to be an officer when the bonds are actually delivered. Bonds must be authenticated by an authenticating agent, a fiscal agent or a trustee, if required by the authorizing resolution.

(3) Bonds may be sold at public or private sale for a price determined by the authority. Bonds may be sold at private sale only if:

(i) the authority makes a written public explanation of the circumstances and justification for the private sale; and

(ii) the board approves the private sale by a vote of eight members of the board.

(4) Pending the preparation of definitive bonds, interim receipts may be issued to the purchaser and may contain terms and conditions as the authority determines.

(b) Negotiability.—Bonds shall have all the qualities of negotiable instruments under 13 Pa.C.S. Div. 3 (relating to negotiable instruments).

(c) Use of net proceeds.—The net proceeds of the issue of bonds or notes may be used to pay the costs of a project or to reimburse any costs initially paid by any State public body, the city, other political subdivision, agency, organization or person.

(d) Refunding authorized.—

(1) Subject to the provisions of the outstanding bonds, notes or other obligations issued under the former provisions of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59 (relating to Pennsylvania Convention Center Authority), and if not otherwise inconsistent, subject to the provisions of this chapter, the authority shall have the right and power to refund any outstanding debt, in whole or in part, at any time and shall have the right and power to refund any outstanding notes with bonds or bonds with notes.

(2) As used in this subsection, the term “refund” shall mean the issuance and sale of obligations the proceeds of which are used or are to be used for the payment or redemption of outstanding obligations upon or prior to maturity.

#### § 6009. Provisions of bonds, trusts, indentures and mortgages.

In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of the bonds and obligations, the authority, in addition to its other powers, shall have the power to:

(1) Pledge all or any part of its gross or net revenue to which its right then exists or may thereafter come into existence.

(2) Mortgage all or any part of its real or personal property then owned or thereafter acquired.

(3) Covenant against pledging all or any part of its revenue, or against mortgaging all or any part of its real or personal property to which its right or title exists or may come into existence, or against permitting or suffering a lien on the revenue or property; covenant with respect to limitations on its right to sell, lease or otherwise dispose of any of its real property; and covenant as to what other or additional debts or obligations may be incurred by it.

(4) Covenant as to the bonds to be issued and as to the issuance of the bonds, in escrow or otherwise, and as to the use and disposition of the proceeds of the bonds.

(5) Provide for the replacement of lost, destroyed or mutilated bonds.

(6) Covenant against extending the time for the payment of its bonds or interest on the bonds, redeem the bonds and covenant for their redemption, and provide the terms and conditions of the bonds.

(7) Covenant as to the amount of revenue to be raised each year or other period of time by the authority as well as to the use and disposition to be made of the revenue.

(8) Create or authorize the creation of special funds for debt service or other purposes and to covenant as to the use and disposition of the money held in the special funds.

(9) Prescribe the amount of bonds.

(10) Prescribe the procedure, if any, by which the terms of a contract with bondholders may be amended or abrogated, the percentage of bonds the consent of the holders of which is required for amendment or abrogation and the manner in which consent of bondholders may be obtained.

(11) Covenant as to the use of any or all of its real or personal property, warrant its title and covenant as to the maintenance of its real and personal property, the replacement of the property, the insurance to be carried on the property and the use and disposition of insurance money.

(12) Covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation and covenant and prescribe, in the event of default, as to terms and conditions upon which its bonds or obligations shall become or may be declared due before maturity and as to the terms and conditions upon which declaration and its consequences may be waived.

(13) Vest in a trustee or the holders of bonds, or any proportion of them, the right to enforce the payment of the bonds or any covenants securing or relating to the bonds; and vest in a trustee the right, in the event of a default by the authority, to take possession and use, operate and manage any real property and to collect the rent and revenue arising from the property and to dispose of the rent and revenue in accordance with the agreement of the authority with the trustee.

(14) Provide for the powers and duties of a trustee; limit liabilities of the trustee; and provide the terms and conditions upon which the trustee

or the holders of bonds, or any proportion of them, may enforce any covenant or rights securing or relating to the bonds.

(15) Obtain letters of credit and bond insurance.

(16) Negotiate and enter into interest rate exchange agreements, interest rate cap, collar, corridor, ceiling and floor agreements, forward agreements, float agreements and other similar arrangements which, in the judgment of the authority, will assist the authority in managing the interest costs of the authority.

(17) Exercise all or any part or combination of the powers granted under this chapter or under the former provisions of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59 (relating to the Pennsylvania Convention Center Authority); make covenants other than and in addition to the covenants expressly authorized in this chapter; and make covenants and to do any and all such acts and things necessary or convenient or desirable to secure its bonds or, in the absolute discretion of the authority, as will tend to accomplish the purposes of this chapter by making the bonds more marketable or by managing the interest cost of the bonds, notwithstanding that the covenants, acts or things may not be specifically enumerated in this chapter.

§ 6010. Remedies of obligee of authority.

An obligee of the authority has the right, in addition to all other rights which may be conferred on the obligee, subject only to any contractual restrictions binding upon the obligee, to:

(1) By mandamus, suit, action or proceeding at law or in equity, compel the authority and the members, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any bond or contract of the authority with or for the benefit of the obligee and to require the carrying out of any or all covenants and agreements of the authority and the fulfillment of all duties imposed upon the authority by this chapter or under the former provisions of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act, formerly codified in 53 Pa.C.S. Ch. 59 (relating to Pennsylvania Convention Center Authority).

(2) By proceeding in equity, obtain an injunction against any acts or things which may be unlawful or the violation of any of the rights of the obligee of the authority.

§ 6011. Additional remedies conferrable by authority.

(a) Additional remedies.—The authority has the power, by its resolution, trust, indenture or mortgage, to confer upon any obligees holding or representing a specified percentage of bonds the right, in addition to all rights that may otherwise be conferred, upon the happening of an event of default as defined in the resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction, to:

(1) obtain the appointment of a receiver of real property or a leasehold interest of the authority and of the rents and profits from the property or interest and, if a receiver is appointed, to authorize the receiver to enter and take possession of the real property or leasehold interest, operate it, collect and receive all revenue or other income arising from it, keep the money in a separate account and apply it in accordance with the obligations of the authority as the court directs; or

(2) require the authority and its board members to account as if it and they were the trustees of an express trust.

(b) Authority of receiver.—Nothing in this section or any other section of this chapter shall authorize any receiver appointed pursuant to this chapter for the purpose of operating and maintaining any facilities of the authority to sell, assign, mortgage or otherwise dispose of any of the assets, of whatever kind or character, belonging to the authority. It is the intention of this chapter to limit the powers of the receiver to the operation and maintenance of the facilities of the authority as the court shall direct, and no holder or holders of bonds of the authority nor any trustee or other obligee shall ever have the right in any suit, action or proceeding, at law or in equity, to compel a receiver, nor shall any receiver ever be authorized or any court be empowered to direct the receiver, to sell, assign, mortgage or otherwise dispose of any assets, of whatever kind or character, belonging to the authority.

§ 6012. Moneys of authority.

(a) Paid to treasurer.—Unless otherwise provided by law, all money of the authority from whatever source derived shall be paid to the treasurer of the authority.

(b) Funds to be invested.—The board shall invest authority funds consistent with sound business practice.

(c) Investment program.—The board shall provide for an investment program subject to restrictions contained in any of the following:

(1) This chapter.

(2) Any other applicable statute.

(3) Any rules and regulations adopted by the board.

(d) Authorized types of investments.—

(1) Authorized types of investments for authority funds shall be all of the following:

(i) Direct obligations of or obligations guaranteed by the United States of America.

(ii) Any bond, debenture, note, participation certificate or other similar obligation issued by any one or combination of the following agencies:

(A) Government National Mortgage Corporation.

(B) Federal Land Banks.

(C) Federal Home Loan Banks.

(D) Federal Intermediate Credit Banks.



- (E) Banks for Cooperatives.
- (F) The Tennessee Valley Authority.
- (G) The United States Postal Service.
- (H) The Farmers Home Administration.
- (I) The Student Loan Marketing Association.
- (J) The Export-Import Bank of the United States.

(iii) Any bond, debenture, note, participation certificate or other similar obligation issued by the Federal National Mortgage Corporation to the extent the obligations are guaranteed by the Government National Mortgage Corporation or issued by any other Federal agency and backed by the full faith and credit of the United States of America.

(iv) Deposits in interest-bearing time or demand deposits, or certificates of deposit, fully insured by the Federal Deposit Insurance Corporation or its successor or the Federal Savings and Loan Insurance Corporation or its successor or fully secured by any of the obligations described above to the extent not so insured.

(v) Repurchase agreements relating to or investment agreements secured by, or providing for the acquisition and resale of, obligations described in subparagraphs (i) through (iv) or obligations of Federal Home Loan Mortgage Corporation or Federal National Mortgage Association, with:

(A) banks or trust companies, including any banking entity or depository;

(B) brokers or broker-dealers registered under the Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C. §§ 78a-78jj) acceptable to the authority; or

(C) insurance companies rated A+ or better by Best's having a net capital and surplus of at least \$25,000,000 or certificates of deposit with banks or trust companies fully secured as to principal and accrued interest by obligations described in subparagraphs (i) through (iv) deposited with or subject to the control of the authority.

(vi) Money market deposit accounts of banks or trust companies having a net capital and surplus of at least \$25,000,000, including any banking entity or depository.

(2) The description of authorized investments as set forth in paragraph (1)(v) and (vi) shall only be met if the agreements referenced in paragraph (1)(v) and (vi) provide for the repayment of the principal amount invested at an amount not less than that invested. Whenever security is required as set forth in paragraph (1)(iv) through (vi), security shall be deposited with the treasurer of the authority or be held by a trustee or agent satisfactory to the authority. Money of the authority shall be paid out on the warrant or other order of the chairman of the authority or of any other person the authority authorizes to execute the warrants or orders.

(e) Annual report to be filed; annual audits.—Within 90 days following the end of the fiscal year, an authority shall file an annual report with the Department of Community and Economic Development, the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives and with the city which shall make provisions for the accounting of revenue and expenses. The 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 the audit report shall be attached to and be made a part of the annual report. A concise financial statement shall be published annually in the Pennsylvania Bulletin. If the authority fails to make an audit, then the controller, auditors or accountants designated by the city are authorized 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.

(f) Power of inspection.—The Attorney General, Auditor General, Secretary of the Budget and the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives shall have the right to examine the books, accounts and records of the authority.

§ 6013. Capital and operating budgets.

(a) Capital budget.—At least 90 days before the commencing of the ensuing fiscal year of the authority, the board shall cause to be prepared and submitted to it a recommended capital budget. The capital budget shall show in detail the capital expenditures to be made or incurred in the next fiscal year which are to be financed from funds subject to control or appropriation by the board. The capital budget shall be prepared with the aid of the Secretary of the Budget and the chief financial officer of the city and shall be in a form and detail satisfactory to them. In the event that the capital budget is not in a form and detail satisfactory to either the Secretary of the Budget or the chief financial officer of the city, either official may require that the capital budget be redrafted and resubmitted. The official shall not be considered to be in receipt of the capital budget or any amendments to the capital budget unless the form and detail is to the officer's satisfaction. For each separate purpose, project, facility or other property, the amount and the source of the money which has been spent, encumbered or is intended to be spent or encumbered during the fiscal year shall be shown. No later than the date of the adoption of the annual operating budget, the board shall adopt a capital budget by a majority vote of its members.

(b) Operating budget.—At least 90 days before the commencing of the ensuing fiscal year of the authority, the board shall cause to be prepared and submitted to it a recommended operating budget. The operating budget shall

be prepared with the aid of the chief financial officer of the city and shall be in form and detail satisfactory to him. In the event that the operating budget is not in a form and detail satisfactory to the chief financial officer of the city, the officer may require that the operating budget be redrafted and resubmitted. The chief financial officer shall not be considered to be in receipt of the operating budget or any amendments to the operating budget unless the form and detail is to the officer's satisfaction. The operating budget should set forth the estimated receipts and revenue of the authority during the next fiscal year. The board shall, at least 30 days before the end of the fiscal year, adopt, by a majority vote of its members, an operating budget for the next fiscal year.

(c) Additional approvals or disapprovals.—If the Secretary of the Budget or the chief financial officer of the city in which the convention center is located are among the members appointed to the board of the authority or if they sit as ex officio members of the board, each shall have the right to approve or disapprove each line item of the capital budget of the authority and any amendments to it as well as all change orders. In addition, the chief financial officer of the city shall have the right to approve or disapprove the total amount of the operating budget of the authority and any amendments increasing the aggregate amount. In the case of both the capital and operating budgets and change orders of the authority, approval shall be presumed unless the chief financial officer of the city has disapproved the entire operating budget or relevant amendments to it or either the chief financial officer of the city or the Secretary of the Budget has disapproved all or part of the capital budget of the authority or amendments to it or change orders within 30 days of the receipt of the respective budgets, amendments to the respective budgets or change orders. The Secretary of the Budget or the chief financial officer of the city may establish a threshold level below which the officers will not exercise their right to disapprove change orders and may identify categories or types of change orders for which they will not exercise that right.

(d) Project design.—Notwithstanding any other provisions of this chapter to the contrary, the design for any capital project undertaken by the authority shall be submitted to the Secretary of the Budget and the chief financial officer of the city for approval. No capital project may be undertaken by the authority unless the schematic design and the preliminary design development documents have been approved by the Secretary of the Budget and the chief financial officer of the city. The design and construction of any capital project for the convention center may be divided into stages or phases for which schematic design and preliminary design development documents may be approved separately by the Secretary of the Budget and the chief financial officer of the city and which may be undertaken by the authority as if each stage or phase was a separate capital project. In the case of the schematic design and preliminary design development documents for any capital project or any stage or phase of a capital project, approval shall be

presumed unless the Secretary of the Budget or the chief financial officer of the city has disapproved the design and expressly set forth his objections to the documents within 45 days of the receipt of the documents. Further design approval shall not be required provided the construction documents are consistent with the design set forth in the schematic and preliminary design development documents.

(e) Onsite inspectors.—The Secretary of the Budget may appoint and designate an inspector or inspectors who shall have complete authority to inspect any and all aspects of the construction of any capital project undertaken by the authority. Any inspection shall be made during normal business hours and shall be conducted in such a manner as to not disrupt the work of constructing the convention center and shall be made solely for the purpose of observing the construction of the project. The inspectors shall report to the Secretary of the Budget for the purpose of assisting the secretary in carrying out his duties and responsibilities as provided by this section.

§ 6014. Expansion financing.

(a) Commonwealth funds.—Any grants of Commonwealth funds to the authority or for use by the authority to finance any expansion or substantial renovation of the convention center shall be subject to the requirements of this section.

(b) Managerial audit.—

(1) If the board has not initiated or completed a managerial audit within 12 months prior to the effective date of this section, the board shall initiate a managerial audit of the convention center to be performed by an independent auditor. The audit shall examine all of the following:

- (i) payroll and personnel practices;
- (ii) equipment controls and security;
- (iii) management activities;
- (iv) management control systems;
- (v) cost overruns for conventions held at the convention center;
- (vi) labor productivity;
- (vii) comparison of costs with convention centers in other states;
- (viii) work rules;
- (ix) appropriate benchmarks for evaluation of convention center performance;
- (x) rebooking rates; and
- (xi) any other items proposed by the board.

(2) The board shall order subsequent independent managerial audits no later than 90 days after the end of every third fiscal year beginning with the fiscal year ending in 2004.

(c) Code of conduct.—The board shall establish a code of conduct and a system to enforce the code of conduct.

(d) Customer service.—The board shall do all of the following:

(1) Establish dispute resolution mechanisms for the use of customers of the convention center.

(2) Adopt a plan for documenting, investigating and resolving customer complaints.

(3) Implement the systematic collection of customer feedback and monitor customer satisfaction.

(4) Adopt a system of program measures and benchmarks to evaluate changes in customer satisfaction over time. The program measures shall include customer perspectives on labor jurisdiction disputes, overall labor environment and labor efficiency.

(e) Release.—Prior to the release of any Commonwealth funds to finance any expansion or substantial renovation, the Secretary of the Budget in his sole discretion shall certify to the President pro tempore of the Senate and the Speaker of the House of Representatives that the board has complied with subsections (b), (c) and (d).

(f) Financial plan.—The authority shall submit a proposed financial plan for an expansion or substantial renovation of the convention center to the Governor, the President pro tempore of the Senate, the Speaker of the House of Representatives and the Pennsylvania Intergovernmental Cooperation Authority. The financial plan shall be considered a public record. The Pennsylvania Intergovernmental Cooperation Authority shall prepare a detailed analysis on the fiscal impact and financial risks for the expansion or substantial renovation and provide the detailed analysis to the Governor, the President pro tempore of the Senate and the Speaker of the House of Representatives. The analysis shall be considered a public record.

§ 6015. Transfer of existing facilities or funds; making of annual grants and lease payments to authority; Commonwealth bonds.

(a) Authority granted.—

(1) A State public body, political subdivision or the city may sell, lease or sublease from or to, lend, grant, convey or otherwise transfer or pay over directly to the authority, with or without consideration, any of the following:

(i) A convention center or parts of a convention center.

(ii) Any interest in property, real, personal or mixed, tangible or intangible.

(iii) Any funds available, needed or obligated for development, acquisition, design, maintenance, management, operation, financing, leasing or subleasing construction, expansion or substantial renovation or improvement purposes. This subparagraph includes the proceeds of bonds previously or hereafter issued for construction or improvement of a convention center or parts of a convention center.

(iv) Notwithstanding any other provision of law, any grant shall be made directly to the authority.

(2) Any property, funds or convention center or parts of a convention center received by the authority may be used for any lawful purpose of the authority.

(3) Nothing in this chapter nor in any other law shall be deemed to make an authority or any persons, State-supported or State-aided institutions under any laws of this Commonwealth.

(b) Grants authorized.—

(1) A city may do any of the following:

(i) Make grants from current revenue to the authority.

(ii) Assist in defraying the cost of management, operation, maintenance, financing and debt service of a convention center or parts of a convention center.

(iii) Enter into long-term agreements providing for the payment of grants made or costs defrayed under subparagraph (i) or (ii).

(iv) Enter into long-term leases or subleases as lessee or sublessee of all or part of a convention center.

(2) Obligations of a city to make grants, lease or sublease payments to an authority shall not, even if based on debt obligations of an authority, constitute debts of the city within the meaning of any constitutional or statutory provision and shall be payable only to the extent that current revenues of the city are available.

(3) A city may issue general obligation bonds for the purpose of obtaining funds for local contributions pertaining to convention centers or parts of convention centers.

§ 6016. Award of contracts.

(a) Lowest responsible bidder.—All construction, reconstruction, repairs or work of any nature made by the authority where the entire cost, value or amount of construction, reconstruction, repairs or work, including labor and materials, shall exceed \$25,000, except construction, reconstruction, repairs or work done by employees of the authority or by labor supplied under agreement with any Federal agency, State public body, political subdivision or city with supplies and materials purchased as provided in this chapter, shall be done only under contract or contracts to be entered into by the authority with the lowest responsible bidder upon proper terms, after due public notice has been given asking for competitive bids as provided in this chapter, but the authority shall have the right to reject any or all bids or select a single item from any bid. No contract shall be entered into for construction or improvement or repair of any project or portion of a project unless the contractor shall provide sufficient surety or sureties approved by the authority, and in an amount fixed by the authority, for the performance of the contract. All contracts shall provide, among other things, that the person or corporation entering into the contract with the authority will pay for all materials furnished and services rendered for the performance of the contract and that any person or corporation furnishing materials or rendering services may maintain an action to recover for the same against the obligor in the undertaking as though the person or corporation was named in the undertaking, 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 construct, repair or improve any project or portion of a project or any addition, betterment or extension to a project, directly by the officers and employees of the authority. Whether the costs of the project are being paid for in whole or in part with funds provided under section 6015 (relating to transfer of existing facilities or funds; making of annual grants and lease payments to authority; Commonwealth bonds), the authority may award the construction, expansion or substantial renovation of a convention center as a single bid project without regard to the provisions of the act of May 1, 1913 (P.L.155, No.104), entitled "An act regulating the letting of certain contracts for the erection, construction, and alteration of public buildings," and shall not be subject to 62 Pa.C.S. (relating to procurement). Nothing in this section or any other law of this Commonwealth shall require the authority to competitively bid architectural design, engineering, construction management or other professional services required by the authority.

(b) Supplies and materials.—All supplies and materials costing \$25,000 or more to be acquired directly by the authority shall be purchased only after due advertisement as provided in this chapter. The authority shall accept the lowest bid or bids from a responsible bidder, kind, quality and material being equal, but the authority shall have the right to reject any or all bids or select a single item from any bid. The provisions as to bidding shall not apply to the purchase of unique supplies and materials or supplies and materials which cannot be obtained in the open market.

(c) Management prerogatives.—Nothing in this section or in any other law of the Commonwealth shall preclude the board, with the approval of eight members of the board, from negotiating contracts for management, operation, concession services, licensing or leasing of a convention center or any part of a convention center. The authority shall not award any contract to any manager, operator, concessionaire, licensee, lessee or lessor that exceeds three years in duration unless eight members of the board approve the awarding of a contract for a greater period of time.

(d) Application of city ordinances.—The authority, its contractors, subcontractors, assignees, lessees, agents, vendors and suppliers shall not be subject to any city laws, ordinances, rules or regulations relating to any limits or preferences with regard to employment, contracting or procurement in the construction and operation of the convention center.

(e) Steel products.—The authority shall be subject to the act of March 3, 1978 (P.L.6, No.3), known as the Steel Products Procurement Act, and 62 Pa.C.S. Ch. 37 Subch. B (relating to motor vehicles).

(f) Waiver of notice.—Public notice under this section may be waived if the authority determines an emergency exists and the supplies and materials must be purchased immediately by the authority.

(g) Definitions.—As used in this section, the term "advertisement" or "public notice" means a notice published at least ten days before the award of any contract in a newspaper of general circulation published in the city.

§ 6017. Interests of public officers, public employees and party officers.

(a) Restrictions upon authority management-level employees.—

(1) No party officer, public officer, public official, public employee or a member of the immediate family of a party officer, public officer or public official shall be employed as a management-level authority employee.

(2) No person convicted of an infamous crime shall be a member of the board or employed as a management-level employee by the authority.

(b) Restricted activities; statement of financial interests; public meetings and records.—The provisions of 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure) and the act of July 19, 1957 (P.L.1017, No.451), known as the State Adverse Interest Act, are specifically applicable to board members, officers and employees of the authority. For the purposes of application of those acts, employees of the authority shall be regarded as public employees of the Commonwealth, and officers or board members of the authority shall be regarded as public officials of the Commonwealth, whether or not they receive compensation. The authority shall also be subject to 65 Pa.C.S. Ch. 7 (relating to open meetings) and the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.

(c) Conflicts of interest.—Notwithstanding the provisions of subsection (b), all of the following prohibitions shall apply to the authority:

(1) No management-level employee or other employee of the authority shall use his position with the authority, or any confidential information received through his position with the authority, to obtain financial gain other than compensation provided by law for himself, a member of his immediate family or a business with which he is associated.

(2) No person shall offer or give to a board member, a management-level employee or other employee of the authority or a member of his immediate family or a business with which he is associated, and no board member, management-level employee or other employee of the authority shall solicit or accept, anything of value, including a gift, loan, political contribution, reward or promise of future employment, based on any understanding that the vote, official action or judgment of the board member, management-level employee or other employee of the authority would be influenced thereby.

(3) No board member, management-level employee or other employee of the authority or a member of his immediate family or any business in which the person or a member of the person's immediate family is a director, officer, owner or holder of stock exceeding 5% of the equity at fair market value of the business shall enter into any contract valued at \$500 or more to provide goods or services to the authority unless the contract has been awarded to the lowest responsible bidder through an open and public process, including prior public notice and subsequent public disclosure of all proposals considered and contracts awarded.



(4) No former board member, management-level employee or other employee of the authority shall represent a person, with or without compensation, on any matter before the authority with which he has been associated for one year after he leaves the authority.

(5) Neither an individual who is a State, city or county public officer or public official or any party officer or member of the immediate family of such individual nor a business with which such individual or member of the individual's immediate family is associated shall have a financial interest in any contract valued at \$500 or more to provide goods or services to the authority either during the time the person holds office or for two years after the person terminates office unless the contract is executed pursuant to the provisions of paragraph (3). For purposes of this paragraph, the term "financial interest" does not include employment by, association with or ownership of a business association unless the public officer, public official, party officer or member of the immediate family of the individual owns shares of stock in a corporation in an amount in excess of 5% of the total issue for the stock of the corporation or has an ownership interest in any noncorporate business association in an amount in excess of 5% of the total ownership of a noncorporate business association.

(6) No board member, management-level employee or other employee of the authority or an advisor or consultant to the State, city or the county having recommended to the authority which he serves either the making of a contract relating to a convention center authority or a course of action of which the making of such a contract is an express or implied part shall, at any time thereafter, have an adverse interest in the contract.

(7) No board member, management-level employee or other employee of the authority, the State, the city or the county shall influence or attempt to influence the making of or supervise or in any manner deal with any contract with the authority in which the employee has an adverse interest.

(8) No board member, management-level employee or other employee of the authority shall have an adverse interest in any contract with the authority.

(9) No person having an adverse interest in a contract with the authority shall become a board member, management-level employee or other employee of the authority until the adverse interest has been wholly divested.

(10) No board member, management-level employee or other employee of the authority, the State, the city or the county, except in the performance of his duties as such employee, shall for remuneration, directly or indirectly, represent any other person upon any matter pending before the authority.

(d) Enforcement; penalties.—

(1) Any person who violates the provisions of this section shall have employment by the authority or membership on the board terminated

immediately by the appropriate person having the power to terminate and shall be liable to the authority to reimburse the authority for all compensation received from the authority while employed in violation of this section.

(2) Any person who violates the provisions of subsection (c)(1) or (2) is guilty of a felony and shall be fined not more than \$10,000 or imprisoned for not more than five years or be both fined and imprisoned.

(3) Any person who violates the provisions of subsection (c)(3) through (10) is guilty of a misdemeanor and shall be fined not more than \$1,000 or imprisoned for not more than one year or be both fined and imprisoned.

(4) Any person who obtains financial gain from violating any provisions of subsection (c), in addition to any other penalty provided by law, shall pay into the accounts of the authority a sum of money equal to three times the financial gain resulting from the violation.

(5) Any person who violates the provisions of subsection (c) shall be barred for a period of five years from engaging in any business or contract with the authority, the State, the city and any political subdivision.

(6) Any employee of the State, city or any political subdivision or any public officer or public official who violates subsection (c) shall automatically forfeit any office or employment the employee holds.

(7) The penalties and sanctions provided by this section shall supersede any similar penalties and sanctions provided by the Public Official and Employee Ethics Law and State Adverse Interest Act.

(e) Definitions.—As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

“Business.” Any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint-stock company, receivership, trust or any legal entity organized for profit or as a not-for-profit corporation or organization.

“Business with which he is associated.” Any business in which the person or a member of the person’s immediate family is a director, officer, owner, employee or holder of stock.

“County.” A county within the Philadelphia Metropolitan Statistical Area as defined in this chapter.

“Immediate family.” A parent, spouse, child, brother, sister or like relative-in-law.

“Infamous crime.” Any violation and conviction for an offense which would disqualify an individual from holding public office pursuant to section 6 of, Article II of the Constitution of Pennsylvania; any conviction for a violation of this section; any conviction for a violation of 18 Pa.C.S. § 4113 (relating to misapplication of entrusted property and property of government or financial institutions) or 18 Pa.C.S. Ch. 47 (relating to bribery and corrupt influence), 49 (relating to falsification and intimidation), 51 (relating to obstructing governmental operations) or 53 (relating to abuse of office); any

other violation of the laws of this Commonwealth for which an individual has been convicted within the preceding ten years and which is classified as a felony; or a similar violation of the law of any other state or the Federal Government.

“Management-level authority employee.” The counsel employed by the authority, the executive director of the authority and any authority employee with discretionary powers which may affect the outcome of the authority’s decision in relation to a private corporation or business or any employee who by virtue of his job function could influence the outcome of such a decision.

“Party officer.” The following members or officers of any political party:

- (1) a member of a national committee;
- (2) a chairman, vice chairman, secretary, treasurer or counsel of a State committee or member of the executive committee of a State committee;
- (3) a county chairman, vice chairman, counsel, secretary or treasurer of a county committee; or
- (4) a city chairman, vice chairman, counsel, secretary or treasurer of a city committee.

“Person.” A business, individual, corporation, union, association, firm, partnership, committee, club or other organization or group of persons.

“Public employee.” An individual employed by the Commonwealth or a political subdivision who is responsible for taking or recommending official action of a nonministerial nature with regard to:

- (1) contracting or procurement;
- (2) administering or monitoring grants or subsidies;
- (3) planning or zoning;
- (4) inspecting, licensing, regulating or auditing any person; or
- (5) any other activity where the official action has an economic impact of greater than a de minimis nature on the interest of any person. A public employee shall not include individuals who are employed by the State or any political subdivision in teaching as distinguished from administrative duties.

“Public officer.” A person elected to any public office of the Commonwealth or any political subdivision.

“Public official.” An elected or appointed official in the executive, legislative or judicial branch of the State or any political subdivision. The term does not include members of advisory boards who have no authority to expend public funds other than reimbursement for personal expense or to otherwise exercise the power of the State or any political subdivision. The term does not include any appointed official who receives no compensation other than reimbursement for actual expenses.

§ 6018. Sovereign immunity.

It is declared to be the intent of the General Assembly that the authority created pursuant to this chapter and its members, officers, officials and employees shall enjoy sovereign and official immunity as provided in 1

Pa.C.S. § 2310 (relating to sovereign immunity reaffirmed; specific waiver) and shall remain immune from suit except as provided by and subject to the provisions of 42 Pa.C.S. Ch. 85 Subch. B (relating to actions against Commonwealth parties). Notwithstanding the provisions of 42 Pa.C.S. § 8525 (relating to legal assistance), the authority through its counsel shall defend actions brought against the authority and its officers and employees when acting within the scope of their official duties.

§ 6019. Use and operation of convention center.

The use and operation of the convention center and any parts of a convention center and the operation of the business of the authority shall be subject to the rules and regulations adopted by the authority. The authority shall not be authorized to do anything which will impair the security of the obligees of the authority or violate any agreements with them or for their benefit or violate any contracts, leases or other agreements awarded, made or entered into by the authority.

§ 6020. Convention center performance audits; annual performance reports.

(a) Convention center performance audits.—The board shall cause periodic performance audits of the convention center to be conducted and completed at least 90 days after the end of every third fiscal year beginning with the fiscal year ending in 2004, six months prior to the termination of any agreement with any labor organization of which the authority is signatory if the labor agreement terminates more than 18 months after the submission of the previous performance audit and at such additional times as the board shall determine. Performance audits shall be conducted in accordance with all of the following:

(1) The performance audit shall be performed by an independent auditing or consulting firm with recognized experience in the convention industry and shall examine and report on all of the following:

(i) Customer satisfaction at the convention center.

(ii) Labor costs at the convention center, which shall include a comparison of labor costs at the convention center with labor costs at convention centers in this Commonwealth and in other states.

(iii) Rebooking rates of events at the convention center categorized by size and hotel room nights, which shall include a comparison of rebooking rates of previous years at the convention center and rebooking rates of events at convention centers in this Commonwealth and in other states.

(iv) Booking rates of events at the convention center categorized by size and hotel room nights, which shall include a comparison of booking rates of previous years at the convention center and booking rates of events at convention centers in this Commonwealth and in other states.

(v) Hotel booking rates in the Philadelphia Metropolitan Statistical Area related to the convention center industry, which shall include a

comparison of hotel booking rates in the Philadelphia Metropolitan Statistical Area during previous years.

(vi) Compliance with the code of conduct and other work rules at the convention center and enforcement of the code of conduct and other work rules at the convention center by the authority and its designees.

(vii) Any other items proposed by the board.

(2) No later than 30 days after the completion of the performance audit, the board shall submit the results of the performance audit to the Governor, the Secretary of Community and Economic Development, the President pro tempore of the Senate, the Majority Leader of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, the Majority Leader of the House of Representatives, the Minority Leader of the House of Representatives, the chairperson and minority chairperson of the Appropriations Committee of the Senate, the chairperson and minority chairperson of the Appropriations Committee of the House of Representatives, the chief executive officer of the city in which the convention center is located and the council president of the city in which the convention center is located.

(b) Annual performance reports.—The board shall complete a performance report no later than 90 days after the end of each fiscal year beginning with the first fiscal year ending after the effective date of this section except in years in which the board completes and submits a performance audit as provided for in subsection (a). Performance reports shall comply with all of the following:

(1) The performance report shall include a summary of the following:

(i) Customer satisfaction at the convention center.

(ii) Violations of the code of conduct or other work rules at the convention center, which shall include the identity of any organization whose members or representatives violate the code of conduct or other work rules, a description of each violation and the number of such violations.

(iii) Actions taken by the authority or its designee to enforce the code of conduct and other work rules at the convention center.

(iv) Complaints of customers and visitors at the convention center, if any, and the response of the authority or its designee to such complaints.

(v) A variance of more than 5% in any line item of the authority's approved operating budget for the fiscal year covered by the performance report and the reason for such variance.

(vi) Any deficit in the authority's operating budget for the fiscal year covered by the performance report and the reason for such deficit.

(vii) Any deficit, estimated deficit or projected year-end deficit in the adopted operating budget for the fiscal year immediately following

the fiscal year covered in the performance report and the reason for such deficit.

(viii) Booking and rebooking rates of events at the convention center categorized by size and hotel room nights.

(ix) Hotel booking rates in the Philadelphia Metropolitan Statistical Area related to the convention center industry.

(x) Any other items as the authority shall determine.

(2) No later than 120 days after the end of each fiscal year, the board shall submit the performance report to the Governor, the Secretary of Community and Economic Development, the President pro tempore of the Senate, the Majority Leader of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, the Majority Leader of the House of Representatives, the Minority Leader of the House of Representatives, the chairperson and minority chairperson of the Appropriations Committee of the Senate, the chairperson and minority chairperson of the Appropriations Committee of the House of Representatives, the chief executive officer of the city in which the convention center is located and the council president of the city in which the convention center is located.

§ 6021. Limitation of powers.

(a) Commonwealth pledge.—The Commonwealth pledges to and agrees with any person, the city, political subdivision or Federal agency subscribing to or acquiring the bonds to be issued by the authority for the construction or improvement of a convention center or parts of a convention center that the Commonwealth will not limit or alter the rights and powers vested in the authority by this chapter or otherwise created by this chapter in any manner inconsistent with the obligations to the bondholders until all bonds, together with the interest on the bonds, are fully paid and discharged. The Commonwealth further pledges to and agrees with any Federal agency that, in the event any Federal agency shall construct or contribute any funds for the construction or improvement of a convention center or parts of a convention center, the Commonwealth will not alter or limit the rights and powers of the authority in any manner which would be inconsistent with the due performance of any agreements between the authority and the Federal agency.

(b) Additional Commonwealth pledge.—The Commonwealth pledges to and agrees with any person that, as owner of a convention center, leases or subleases a convention center or parts of a convention center to or from an authority created or continued pursuant to this chapter that the Commonwealth will not limit or alter the rights and powers vested by this chapter in the authority or otherwise created by this chapter in any manner which impairs the obligations of the authority until all obligations of the authority under the lease or sublease are fully met and discharged.

§ 6022. Exemption from taxation.

The effectuation of the authorized purposes of an authority created under this chapter shall be in all respects for the benefit of the people of this Commonwealth, for the increase of their commerce and prosperity and for the improvement of their health and living conditions. The authority will, as a public instrumentality of the Commonwealth, be performing essential governmental functions. In effectuating such purposes, the authority shall not be required to pay any taxes or assessments upon a convention center or part of a convention center or upon property acquired or used or permitted to be used by an authority for such purposes. Bonds issued by an authority and the transfer of and income from bonds, including profit made on the sale of bonds, shall be free from State and local taxation within this Commonwealth. This exemption shall not extend to gift, estate, succession or inheritance taxes or any other taxes not levied directly on the bonds, the transfer of bonds, the income from bonds or the realization of profits on the sale of bonds.

§ 6023. Lease by authority.

A convention center or part of a convention center established or continued under this chapter may be leased or subleased by the authority to and from the city. The city is empowered to enter into leases, subleases or both. A lease or sublease may be made for a specified or unlimited time and on any terms and conditions approved by the city and agreed to by the authority in conformity with its contracts with the holders of any bonds.

§ 6024. Cooperation.

(a) State public bodies and political subdivisions may cooperate.—For the purpose of aiding and cooperating with the authority and in the planning, acquisition, clearance, relocation, development, design, construction, rehabilitation, leasing, subleasing, alteration, expansion, financing, improvement, management or operation of a convention center or parts of a convention center, any State public body, political subdivision or the city may, upon terms with or without consideration as it determines, do any of the following:

(1) Dedicate, sell, convey, lease or otherwise transfer any of its property or any interest in its property, real, personal or mixed, tangible or intangible, to the authority.

(2) Cause parking, recreational or community facilities or any other works which it is otherwise empowered to undertake to be furnished in or adjacent to any area selected for a convention center or parts of a convention center.

(3) Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places which it is otherwise empowered so to do.

(4) Enter into agreements extending over any period with the authority or with the Federal Government.

(5) Do all things necessary or convenient to aid and cooperate in the development, acquisition, design, construction, improvement, maintenance, management, operation, furnishing, fixturing, equipping,

repairing, financing, owning, leasing and subleasing of a convention center or parts of convention center.

(6) In connection with any public improvements made by any State public body, political subdivision or the city, in exercising the powers granted in this subsection, to incur the entire expense of the improvement.

(b) Documents.—The Secretary of General Services is authorized, with the approval of the Governor and Attorney General, to execute and deliver on behalf of the Commonwealth conveyances, deeds and leases authorized under this chapter or under the former provisions of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59 (relating to Pennsylvania Convention Center Authority).

(c) City may contract with authority.—In connection with a convention center or parts of a convention center, the city may contract with the authority or the Federal Government with respect to any sums which the authority or the Federal Government may agree to pay during any year or period of years to the city for the improvements, services and facilities to be provided by it for the benefit of the authority, convention center or parts of a convention center or the persons occupying such area. The absence of a contract for such payments shall not relieve the city from the duty to furnish for the benefit of the authority, convention center or parts of a convention center or the persons occupying the area customary improvements and services and facilities as the city usually furnishes without a service fee.

(d) State and city may designate authority as its agent.—The State or the city may, by written agreement, designate the authority as its agent within the authority's field of operation to perform any specified activity or to administer any specified program which the State or the city is authorized by law to do. Any such activities or programs must be in furtherance of the public purposes specified in this chapter. Such activities include development, acquisition, design, construction, improvement, maintenance, leasing, management or operation of a convention center or parts of a convention center.

(e) Powers in addition to other powers.—The powers conferred by this section shall be in addition and supplemental to the powers conferred by any other law.

§ 6025. Hotel room rental tax; continuation of existing tax.

(a) Imposition of tax.—The council of the city in which the convention center is located is authorized to impose or continue to impose an excise tax on the consideration received by each operator of a hotel within the city from each transaction of renting a room or rooms to accommodate transients. The tax shall be collected by the operator from the patron of the room and paid over to the city pursuant to subsection (e) and shall be known as the hotel room rental tax.

(b) Rate of tax.—



(1) The rate of tax imposed under this section by the council of the city in which the convention center is located shall not exceed 6%.

(2) The total rate of tax imposed pursuant to this section and section 202 of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, shall not exceed 12%. In the event the rate of tax imposed pursuant to section 202 of the Tax Reform Code of 1971 exceeds 6% and the rate of tax imposed pursuant to this section has reached 6%, the rate of tax imposed pursuant to this section shall be reduced in order that the aggregate tax rate not exceed 12%.

(c) Distribution of tax revenue.—Tax revenues shall be annually deposited in a special fund established pursuant to subsection (d) for the use of tourist promotion agencies for tourist promotion agency activities in accordance with all of the following:

(1) Thirty-three and one-third percent of the revenue received pursuant to this section for the fiscal year of the city commencing on or after July 1, 1999, and each fiscal year thereafter ending prior to July 1, 2010.

(2) Twenty-nine and one hundred and sixty-six one thousandths percent of the revenue received pursuant to this section for the fiscal year of the city commencing on or after July 1, 2010, and each fiscal year thereafter ending prior to July 1, 2015.

(3) Twenty-five percent of the revenue received pursuant to this section for the fiscal year of the city commencing July 1, 2015, and thereafter. The balance of revenue to be received from taxes imposed pursuant to this section shall be deposited annually in a special fund established pursuant to subsection (d) for the use of the authority for convention center purposes.

(d) Deposit.—The tax collector of each city electing to impose the tax authorized under this section or the tax collector of each city imposing the tax on the effective date of this chapter as authorized under the former provisions of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59 (relating to Pennsylvania Convention Center Authority), is directed to collect the tax and to deposit the revenue received from the tax in special funds established for purposes set forth in this section. Interest on money deposited in the funds shall accrue proportionately to the respective funds as provided in this section. The tax collector is authorized to establish, maintain and amend already existing rules and regulations concerning the collection of the tax.

(e) Expenditures.—Expenditures from the funds established pursuant to subsection (d) for the tourist promotion agency shall be used by the designated tourist promotion agency for any of the following:

(1) Advertising and publicizing tourist attractions in the area served by the agency.

(2) Promoting and attracting conventions, exhibitions and other functions to utilize facilities in the area served by the agency.

(3) Promoting and otherwise encouraging the use of the facilities in the area served by the agency by the public as a whole.

(4) Costs associated with the development and operation of the convention center.

(f) Expenditures for convention center purposes.—Expenditures from a special fund established pursuant to subsection (d) for the authority shall be used by the authority for any of the following uses:

(1) Projected annual debt service or lease payments of the convention center authority.

(2) Costs associated with financing, constructing, improving, maintaining, furnishing, fixturing and equipping the convention center.

(3) Costs associated with the development of the convention center, including design, engineering and feasibility costs.

(4) Costs associated with the operation and management of the convention center.

(5) Costs associated with promoting, marketing and otherwise encouraging use of the convention center.

(6) General purposes of the convention center.

(g) Pledge to bondholders.—If and to the extent that the authority pledges its share of the proceeds of the tax authorized by this section as security for the payment of bonds issued by the authority for convention center purposes, the Commonwealth pledges to and agrees with any person, firm or corporation subscribing to or acquiring bonds to be issued by the authority for convention center purposes that the Commonwealth itself will not, except to the extent provided in subsection (b), authorize<sup>1</sup> any city to reduce the rate of tax imposed for convention center purposes until all bonds secured by the pledge of the authority, together with the interest on the bonds, are fully met and discharged.

(h) Tax year.—Each tax year for any tax imposed hereunder shall run concurrently with the city's fiscal year.

(i) Continuation of current tax.—The former provisions of section 23 of the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59, are continued by this chapter, and any tax imposition under the former provisions of section 23 of the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59, is specifically continued and is not repealed or modified in any way by the enactment of this chapter.

(j) Definitions.—In addition to the definitions provided by section 6003 (relating to definitions), the following words and phrases when used in this section shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

“Consideration.” Receipts, fees, charges, rentals, leases, cash, credits, property of any kind or nature, or other payment, received by operators in

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<sup>1</sup> “(b), nor will it authorize” in enrolled bill.

exchange for or in consideration of the use or occupancy by a transient of a room or rooms in a hotel for any temporary period.

“Hotel.” As follows:

(1) Any hotel, motel, inn, guesthouse or other building located within the city which holds itself out by any means, including advertising, license, registration with any innkeeper’s group, convention listing association, travel publication or similar association or with any government agency, as being available to provide overnight lodging or use of facility space for consideration to individuals seeking temporary accommodation.

(2) Any place which advertises to the public at large or any segment of the public that it will provide beds, sanitary facilities or other space for a temporary period to members of the public at large.

(3) Any place recognized as a hostelry.

The term does not include a portion of a facility which is devoted to individuals who have established permanent residence.

“Occupancy.” The use or possession or the right to the use or possession by any person other than a permanent resident of any room in a hotel for any purpose or the right to the use or possession of the furnishings or to the services accompanying the use and possession of the room.

“Operator.” Any individual, partnership, nonprofit or profit-making association or corporation or other person or group of persons that maintains, operates, manages, owns, has custody of or otherwise possesses the right to rent or lease overnight accommodations in a hotel to the public for consideration.

“Patron.” A person that pays the consideration for the occupancy of a room or rooms in a hotel.

“Permanent resident.” Any person who has occupied or has the right to occupy any room or rooms in a hotel as a patron or otherwise for a period exceeding 30 consecutive days.

“Room.” A space in a hotel set aside for use and occupancy by patrons, or otherwise, for consideration, having at least one bed or other sleeping accommodations provided in the space.

“Temporary.” A period of time not exceeding 30 consecutive days.

“Tourist promotion agency.” The agency designated by the council of the city in which the convention center is located to be eligible for grants from the Department of Community and Economic Development pursuant to the act of April 28, 1961 (P.L.111, No.50), known as the Tourist Promotion Law.

“Transaction.” The activity involving the obtaining by a transient or patron of the use or occupancy of a hotel room from which consideration emanates to the operator under an express or an implied contract.

“Transient.” An individual who obtains an accommodation in a hotel for the individual by means of registering at the facility for the temporary

occupancy of any room for the personal use of that individual by paying to the operator of the facility a fee in consideration for the use.

§ 6026. Pennsylvania Convention Center Assistance Fund.

There is established a special fund to be known as the Pennsylvania Convention Center Assistance Fund. The State Treasurer shall be custodian of the Pennsylvania Convention Center Assistance Fund, which shall be subject to the provisions of law applicable to funds listed in section 302 of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code. Any money designated for the Pennsylvania Convention Center Assistance Fund shall be credited to the Pennsylvania Convention Center Assistance Fund. All moneys and investments on deposit in or credited to the Pennsylvania Convention Center Assistance Fund shall be at all times property of the authority. The State Treasurer shall disburse money in the Pennsylvania Convention Center Assistance Fund to the authority or upon order of the authority for use in accordance with the provisions of this chapter.

Section 3. The following shall apply:

(1) The authority established under the former provisions of section 4 of the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. § 5904, shall be deemed for all purposes to be the authority created and continued in 64 Pa.C.S. § 6004 and shall exercise those powers, functions and duties and be governed by the provisions applicable to the authority created under 64 Pa.C.S. § 6004. Nothing in 64 Pa.C.S. Ch. 60 shall be construed to alter or modify in any respect any contract, bond or other obligation of the authority entered into prior to the effective date of this chapter.

(2) The authority created or existing under 64 Pa.C.S. Ch. 60, including the authority established under the former provisions of section 4 of the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. § 5904, shall, without the necessity of action or assignment by it or any other person:

(i) continue in the rights and responsibilities of the authority existing under the former provisions of the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59, for all purposes, including, but not limited to, receipt of all grants, gifts, appropriations, subsidies or other payments;

(ii) continue to be the owner, lessor or lessee of any real or personal property and enjoy and be subject to any and all rights and responsibilities appurtenant thereto of the authority existing under the former provisions of the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59, including, but not limited to, all assets, property, real and personal, tangible and intangible, all leases, easements and all evidences of ownership or other interest, in part or in whole, and all records and other evidences pertaining thereto; and

(iii) continue to be obligated with respect to all debt, labor agreements and all other contractual obligations of the authority existing under the former provisions of the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59, which debt, labor agreements and other contractual obligations are hereby ratified and shall be valid, binding and enforceable under 64 Pa.C.S. Ch. 60.

(3) It is hereby declared to be the intent of the General Assembly that the authority created and continuing under 64 Pa.C.S. Ch. 60, including the authority established under the former provisions of section 4 of the Pennsylvania Convention Center Authority Act, formerly codified at 53 Pa.C.S. Ch. 59, and the members, officers, officials and employees of any of them, shall continue to enjoy sovereign and official immunity as provided in 1 Pa.C.S. § 2310 and shall remain immune from suit except as provided by and subject to the provision of 42 Pa.C.S. Ch. 85 Subch. B. Section 4. The following shall apply:

(1) The members of the governing board created and continued under 64 Pa.C.S. § 6004 appointed pursuant to the former provisions of 53 Pa.C.S. § 5911(a)(1) through (6) as of February 4, 2004, are hereby ratified and confirmed and shall be all of the following:

- (i) Deemed to have been appointed under 64 Pa.C.S. § 6005(a).
- (ii) Entitled to serve the terms of office prescribed by the former provisions of 53 Pa.C.S. Ch. 59.
- (iii) Considered valid members of the board for all purposes.

(2) Nothing in this section shall be construed to increase the total number of appointments to the board which an appointing authority is entitled to make under 64 Pa.C.S. § 6005(a).

Section 5. (a) The following acts and parts of acts are repealed:

(1) Act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act.

(2) 64 Pa.C.S. § 6005(k).

(b) All other acts and parts of acts are repealed insofar as they are inconsistent with this act.

Section 6. When State funds are made available to the Pennsylvania Convention Center Authority, the authority shall transmit a notice of the availability to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin.

Section 7. This act shall take effect as follows:

(1) The addition of 64 Pa.C.S. § 6026 shall take effect upon publication of the notice under section 6 of this act.

(2) The following provisions shall take effect after December 31, 2005:

- (i) The addition of 64 Pa.C.S. § 6005(i).
- (ii) Section 5(a)(2) of this act.

(3) The remainder of this act shall take effect as follows:

(i) If this act is enacted before February 6, 2004, the remainder of this act shall take effect February 5, 2004.

(ii) If this act is enacted after February 5, 2004, notwithstanding 1 Pa.C.S. § 1701(b)(2), the remainder of this act shall take effect retroactively on February 5, 2004.

APPROVED—The 5th day of February, A.D. 2004.

EDWARD G. RENDELL