

(e) No person shall be rendered ineligible for public assistance solely by reason of his living in a foster home.

APPROVED—The 17th day of September, A. D. 1959.

DAVID L. LAWRENCE

No. 363

AN ACT

Amending the act of June 23, 1931 (P. L. 932), entitled "An act relating to cities of the third class; and amending, revising, and consolidating the law relating thereto," providing an additional procedure for creating cities, authorizing elections and permitting selection of a form of city government in such cases from among several optional plans and conferring powers and imposing duties on courts of quarter sessions, county boards of elections and corporate authorities of towns, townships and boroughs.

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

The Third Class City Code.

Section 1. The act of June 23, 1931 (P. L. 932), known as "The Third Class City Code," reenacted and amended June 28, 1951 (P. L. 662), is amended by adding, after article II., a new article to read:

Act of June 23, 1931, P. L. 932, reenacted and amended June 28, 1951, P. L. 662, amended by adding a new article II-A.

ARTICLE II-A

ALTERNATIVE PROCEDURE FOR INCORPORATION

Section 250. Appointment of Charter Commission.—The corporate authorities of any town, township, or borough or of any combination of contiguous towns, townships or boroughs may and, upon petition of two hundred or more qualified electors thereof, shall petition the court of quarter sessions of the county in which such towns, townships or boroughs are situate, for the appointment of a charter commission to study and make recommendations on the adoption of a form of city government for such towns, townships or boroughs. Whenever any such towns, townships or boroughs, or combination thereof, are situate in more than one county, the petition shall be brought to the court of quarter sessions of the county in which the larger percentage of the population thereof are resident.

The charter commission so appointed shall consist of not less than nine nor more than fifteen members who shall be qualified electors of the town, township or borough, and if the petition is brought on behalf of more than one town, township or borough, the charter commission shall be appointed from among qualified electors of each of such towns, townships or boroughs.

In every case, at least three members of the charter commission shall be appointed from among the members of the governing bodies of the towns, townships or boroughs bringing a petition, and when two or more towns,

Section 253. Return of Election; Effect of Vote.—
(a) The county board of elections shall make return of the vote cast on the question as provided by law. If it appears that a majority of the votes cast in each such town, township or borough on the question shall be in favor of creating a city, the city shall be incorporated as provided in this act.

(b) If, at such election, the electors have voted in favor of adopting the commission form of government provided in this act, the city officers shall be elected and the city shall be organized and governed under the provisions of this act, the same as though the election had been held under the provisions of article II. of this act.

(c) If, at such election, the electors have voted in favor of adopting one of the optional forms of government provided in the Optional Third Class City Charter Law, the city shall be governed under the applicable provisions of the Optional Third Class City Charter Law, but the first city officers shall be elected in accordance with the provisions of this subsection.

At the first municipal election occurring at least ninety days after the date of the letters patent issued by the Governor incorporating such city, the qualified electors of such city shall elect the city officers appropriate to such optional form of government. Except in the case of the first city council, such officers shall be elected for the terms provided in the Optional Third Class City Charter Law. The first councilmen elected in such city shall be divided into two groups. One group shall equal one more than one-half of all the councilmen and its members shall serve for terms of four years. The second group shall equal one less than one-half of all the councilmen and its members shall serve for terms of two years. The members of the first group shall be those councilmen receiving the greatest number of votes at their election, and the members of the second group shall be those councilmen receiving the next greatest number of votes at their election. If two or more councilmen received the same number of votes and one or more but not all of them will be included in the first group, they shall draw lots to determine which of them shall be included in the first group. Thereafter, all councilmen shall be elected for the terms provided in the Optional Third Class City Charter Law.

The governments of the towns, townships and boroughs, comprising a city which elects its first officers under the provisions of this subsection, shall continue in full force and operation until the first Monday of January next succeeding such election, at which time the officers of such city shall enter upon their respective terms and the city government shall be duly organized under the Optional Third Class City Charter Law.

(d) Whenever by the returns of the election in any town, township or borough, it shall appear that in any one there is a majority against the city charter and the form of city government recommended by the charter commission, no further proceedings shall be had and it shall not be unlawful to hold another election upon the same question in such town, township or borough during the period of four years following such election, but the provisions of this subsection shall not affect any proceedings under article II. of this act nor any subsequent proceedings under the Optional Third Class City Charter Law.

Section 254. Proceedings are Additional.—The proceedings authorized by this article are in addition to, and not in substitution of, those proceedings authorized by article II. of this act, but it shall not be lawful to institute proceedings under either article while any proceedings under the other article are unconcluded.

*Section 255. Abandonment of Optional Form of Government.—Whenever, under the provisions of this article, the electors of any towns, townships or boroughs elect to incorporate a city with one of the optional forms of government provided in the Optional Third Class City Charter Law, and later, at an election held for that purpose under the Optional Third Class City Charter Law, elect to abandon such optional form of government, the city shall cease to be governed by the provisions of such charter plan and the Optional Third Class City Charter Law on the first Monday of January following the next succeeding municipal election, and shall thereafter be governed under the provisions of this act. The reversion to the form of government provided by this act shall take effect as provided in article VI. of the Optional Third Class City Charter Law for transition to an optional form of government in so far as applicable, and in addition any city *offices which are elective under this act but are not **elective under such optional form of government, shall be filled at such municipal election.*

Purpose.

Section 2. The purpose of this amending act is to provide a procedure for electors voting on the question of becoming a third class city to select, at the same election, a form of government from among those forms available to third class cities. Cities created, pursuant to an election held under the provisions of this amendment, shall occupy the same status as other third class

* "officers" in original.
 ** "effective" in original.

cities and any such city which adopts as its first form of government one of the optional plans provided in the Optional Third Class City Charter Law shall occupy the same status as any other city which adopts the same optional plan.

APPROVED—The 17th day of September, A. D. 1959.

DAVID L. LAWRENCE

No. 364

AN ACT

Amending the act of April 25, 1929 (P. L. 723), entitled "An act regulating the investment of funds by administrative departments, boards, commissions, and officers of the State Government," increasing the investment powers.

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

Investments.

Section 1. Clause (14) of section 1. act of April 25, 1929 (P. L. 723), entitled "An act regulating the investment of funds by administrative departments, boards, commissions, and officers of the State Government," amended February 28, 1956 (P. L. 1180), is amended to read:

Clause (14), section 1, act of April 25, 1929, P. L. 723, amended February 28, 1956, P. L. 1180, further amended.

Section 1. Be it enacted, &c., That any administrative department, board, commission, or officer of the State Government, authorized by law to make investments of funds in the custody or under the control of such department, board, commission or officer, excepting only the moneys in the State Sinking Fund, may *lawfully invest such funds in any of the following securities:

* * * * *

(14) Other First Mortgages and Bonds or *Other Obligations*. Mortgages on or bonds of individuals secured by mortgages on Pennsylvania real estate and also mortgages or bonds of individuals or corporations secured by insurance of the Veterans Administration under the provisions of the Servicemen's Readjustment Act of one thousand nine hundred forty-four, as amended, and the Federal Housing Administration under the provisions of the Housing Administration Act, approved the twenty-seventh day of June, one thousand nine hundred thirty-four, as amended, and also bonds or other obligations in connection with which the obligor

* "lawfully," in original.