

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 2

Session of  
1987

INTRODUCED BY SWEET, IRVIS, MANDERINO, PIEVSKY, F. TAYLOR,  
O'DONNELL, D. R. WRIGHT, ITKIN, DOMBROWSKI, MICHLOVIC,  
COWELL, VEON, STEWART, KUKOVICH, CARN, OLIVER, KOSINSKI,  
PRESTON, ACOSTA, TRUMAN, ROEBUCK, FEE, STUBAN, SALOOM,  
DeLUCA, CAPPABIANCA, BALDWIN, SHOWERS, COHEN, FATTAH, LINTON,  
WIGGINS, JOSEPHS, DEAL, GRUITZA, COLAFELLA, PISTELLA, RUDY,  
COY, PRESSMANN, HARPER, LESCOVITZ, LIVENGOD AND MORRIS,  
MARCH 18, 1987

AS REPORTED FROM COMMITTEE ON BUSINESS AND COMMERCE, HOUSE OF  
REPRESENTATIVES, AS AMENDED, MAY 26, 1987

## AN ACT

1 Amending the act of August 23, 1967 (P.L.251, No.102), entitled,  
2 as amended, "An act providing for the incorporation as public  
3 instrumentalities of the Commonwealth and as bodies corporate  
4 and politic of industrial and commercial development  
5 authorities for municipalities, counties and townships;  
6 prescribing the rights, powers and duties of such authorities  
7 hereafter incorporated; authorizing such authorities to  
8 acquire, by gift or purchase, to construct, improve and  
9 maintain industrial, specialized, or commercial development  
10 projects including projects for the elimination or prevention  
11 of blight and the control of air and water pollution, and to  
12 borrow money and issue bonds therefor; providing for the  
13 payment of such bonds and giving security therefor, and  
14 prescribing the rights of the holders of such bonds;  
15 authorizing the lease or sale of industrial, specialized, or  
16 commercial development projects to industrial, specialized,  
17 or commercial enterprises; authorizing any county,  
18 municipality or township to transfer or convey to such  
19 authorities, any facilities or property available for  
20 industrial, specialized, or commercial development projects;  
21 exempting the property and securities of such authorities  
22 from taxation; authorizing such authorities to enter into  
23 contracts with and to accept grants from the Federal  
24 Government or any agency thereof; and providing for approval  
25 by the Secretary of Commerce of the proceedings relating to  
26 industrial, specialized, or commercial development projects  
27 of such authorities," ~~authorizing industrial development~~

&lt;—

~~authorities to enter into agreements for the issuance of pool  
bonds to finance a series of small projects. CREATING THE  
ECONOMIC DEVELOPMENT FINANCING AUTHORITY AS A BODY CORPORATE  
AND POLITIC WITH POWER TO BORROW MONEY AND ISSUE BONDS AND  
OTHER EVIDENCES OF INDEBTEDNESS; AND PROVIDING FOR POWERS AND  
DUTIES OF THE ECONOMIC DEVELOPMENT FINANCING AUTHORITY.~~

<—

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

~~Section 1. Section 3 of the act of August 23, 1967 (P.L.251,  
No.102), known as the Industrial and Commercial Development  
Authority Law, is amended by adding a definition to read:~~

<—

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

~~\* \* \*~~

~~"Pool bond." A bond issued by two or more authorities  
incorporated pursuant to this act for the purpose of financing a  
series of projects. A "pool bond" may be either a taxable issue  
or a tax exempt issue. Whenever the pool bond is a tax exempt  
issue, it shall combine projects which are eligible for the  
small issues tax exemption authorized under the Internal Revenue  
Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.).~~

~~\* \* \*~~

~~Section 2. Section 6(b) of the act is amended by adding a  
clause to read:~~

~~Section 6. Purposes and Powers; General. \* \* \*~~

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

~~\* \* \*~~

~~(17) To enter into agreements with any other authority  
incorporated pursuant to this act to issue pool bonds subject to~~

1 ~~the conditions and limitations in section 7.~~

2       ~~\* \* \*~~

3       ~~Section 3. Section 7 of the act is amended by adding a~~  
4 ~~subsection to read:~~

5       ~~Section 7. Purposes and Powers; Bonds. \* \* \*~~

6       ~~(f.1) In addition to any other requirements of this section,~~  
7 ~~any authority, which enters into a cooperative agreement for the~~  
8 ~~issuance of a pool bond, shall comply with the following~~  
9 ~~requirements:~~

10       ~~(1) Projects eligible for financing from the proceeds of the~~  
11 ~~pool bond shall submit funding requests of not less than three~~  
12 ~~hundred thousand dollars (\$300,000), nor more than one million~~  
13 ~~five hundred thousand dollars (\$1,500,000).~~

14       ~~(2) All revenues derived by the authority from projects~~  
15 ~~financed by a pool bond shall be used to pay interest and~~  
16 ~~principal on such pool bond.~~

17       ~~(3) To the extent that a project financed from a pool bond~~  
18 ~~is eligible for tax exempt status under the Internal Revenue~~  
19 ~~Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.), that~~  
20 ~~project shall be counted against the county or municipal~~  
21 ~~allocation of tax exempt bonds.~~

22       ~~(4) Authority liability for a pool bond issue shall not~~  
23 ~~exceed the amount of the issue allocated to that authority plus~~  
24 ~~the amount of interest on that allocated sum.~~

25       ~~\* \* \*~~

26       ~~Section 4. This act shall take effect July 1, 1987, or~~  
27 ~~immediately, whichever is later.~~

28       SECTION 1. THE DEFINITIONS OF "AUTHORITY," "BOARD" AND  
29 "BONDS" IN SECTION 3 OF THE ACT OF AUGUST 23, 1967 (P.L.251,  
30 NO.102), KNOWN AS THE INDUSTRIAL AND COMMERCIAL DEVELOPMENT

<—

1 AUTHORITY LAW, AMENDED DECEMBER 19, 1975 (P.L.576, NO.165), ARE  
2 AMENDED AND THE SECTION IS AMENDED BY ADDING DEFINITIONS TO  
3 READ:

4 SECTION 3. DEFINITIONS.--AS USED IN THIS ACT:

5 \* \* \*

6 "AUTHORITY" OR "INDUSTRIAL AND COMMERCIAL DEVELOPMENT  
7 AUTHORITY" MEANS A PUBLIC INSTRUMENTALITY OF THE COMMONWEALTH  
8 AND A BODY POLITIC AND CORPORATE, CREATED PURSUANT TO SECTION 4  
9 OF THIS ACT.

10 "BOARD" MEANS THE GOVERNING BODY OF AN AUTHORITY CREATED  
11 PURSUANT TO SECTION 4 OF THIS ACT.

12 "BONDS" MEANS AND INCLUDES THE NOTES, BONDS, REFUNDING NOTES  
13 AND BONDS AND OTHER EVIDENCE OF INDEBTEDNESS OR OBLIGATIONS  
14 WHICH EACH AUTHORITY IS AUTHORIZED TO ISSUE PURSUANT TO SECTION  
15 6(B)(10) OF THIS ACT OR WHICH THE FINANCING AUTHORITY IS  
16 AUTHORIZED TO ISSUE PURSUANT TO SECTION 6.3 OF THIS ACT.

17 \* \* \*

18 "FINANCING AUTHORITY" MEANS THE ECONOMIC DEVELOPMENT  
19 FINANCING AUTHORITY CREATED BY SECTION 6.1 OF THIS ACT.

20 "FINANCING BOARD" MEANS THE GOVERNING BODY OF THE FINANCING  
21 AUTHORITY.

22 \* \* \*

23 SECTION 2. SECTION 6(A) AND (D) OF THE ACT, AMENDED DECEMBER  
24 19, 1975 (P.L.576, NO.165), ARE AMENDED TO READ:

25 SECTION 6. PURPOSES AND POWERS; GENERAL.--(A) EVERY  
26 INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY INCORPORATED  
27 UNDER THIS ACT SHALL BE A PUBLIC INSTRUMENTALITY OF THE  
28 COMMONWEALTH AND A PUBLIC BODY CORPORATE AND POLITIC, AND SHALL  
29 BE FOR THE PURPOSE OF ACQUIRING, HOLDING, CONSTRUCTING,  
30 IMPROVING, MAINTAINING, OWNING, FINANCING AND LEASING, EITHER IN

1 THE CAPACITY OF LESSOR OR LESSEE, INDUSTRIAL, SPECIALIZED OR  
2 COMMERCIAL DEVELOPMENT PROJECTS. IN THE EVENT OF DEFAULT BY AN  
3 OCCUPANT, AN AUTHORITY MAY, IN ITS DISCRETION, DO ANY AND ALL  
4 ACTS NECESSARY OR CONVENIENT TO PROTECT THE HOLDERS OF ANY BONDS  
5 ISSUED TO ESTABLISH SUCH PROJECT OR TO MAINTAIN AND PRESERVE THE  
6 PROJECT PENDING THE REMEDYING OF SUCH DEFAULT OR DEFAULTS OR THE  
7 OBTAINING OF A NEW OCCUPANT.

8 \* \* \*

9 (D) AN AUTHORITY CREATED [HEREUNDER] UNDER THIS SECTION  
10 SHALL HAVE NO POWER TO:

11 (1) CONSTRUCT OR FINANCE OR AID IN THE CONSTRUCTION OR  
12 FINANCING OF AN INDUSTRIAL, SPECIALIZED, OR COMMERCIAL  
13 DEVELOPMENT PROJECT WHICH SHALL CAUSE THE REMOVAL OF A  
14 MANUFACTURING, INDUSTRIAL, SPECIALIZED, COMMERCIAL ENTERPRISE,  
15 PLANT, FACILITY OR ESTABLISHMENT FROM ONE AREA OF THE  
16 COMMONWEALTH OF PENNSYLVANIA TO ANOTHER AREA OF THE  
17 COMMONWEALTH.

18 (2) ACQUIRE EXISTING INDUSTRIAL, SPECIALIZED, OR COMMERCIAL  
19 DEVELOPMENT PROJECTS UNDER CIRCUMSTANCES WHICH WOULD BE  
20 PRIMARILY FOR THE PURPOSE OF DIRECTLY OR INDIRECTLY REFINANCING  
21 THE OBLIGATIONS OF OR PROVIDING WORKING CAPITAL OR OTHER FUNDS  
22 FOR ANY INDUSTRIAL, SPECIALIZED, OR COMMERCIAL ENTERPRISE OR ANY  
23 PARENT, SUBSIDIARY, AFFILIATE OR SHAREHOLDER THEREOF, WHICH  
24 ENTERPRISE, OR ANY PARENT, SUBSIDIARY, AFFILIATE OR SHAREHOLDER  
25 THEREOF, WOULD THEREAFTER CONTINUE TO OCCUPY OR UTILIZE SAID  
26 PROJECT; HOWEVER, THIS LIMITATION SHALL NOT APPLY TO REFINANCING  
27 IN ORDER TO IMPROVE AN EXISTING PROJECT NOW FINANCED BY THE  
28 AUTHORITY OR BY ANY AUTHORITY OR NONPROFIT CORPORATION  
29 HERETOFORE RECOGNIZED AS AGENCY OR AN INSTRUMENTALITY OF THE  
30 COMMONWEALTH OR ANY MUNICIPALITY THEREOF.

1 (3) ENTER INTO ANY AGREEMENT TO FINANCE THE ACQUISITION OR  
2 CONSTRUCTION OF AN INDUSTRIAL DEVELOPMENT PROJECT IN EXCESS OF  
3 THE COST OF THE PROJECT.

4 (4) FINANCE MACHINERY OR EQUIPMENT EXCEPT IN CONJUNCTION  
5 WITH THE CONSTRUCTION OF A NEW, OR THE IMPROVEMENT OF AN  
6 EXISTING INDUSTRIAL, SPECIALIZED, OR COMMERCIAL DEVELOPMENT  
7 PROJECT, BUT SUCH PROHIBITION SHALL NOT RELATE TO THE FINANCING  
8 OF POLLUTION CONTROL FACILITIES; OR

9 (5) ENGAGE IN BUSINESS, TRADE OR COMMERCE FOR A PROFIT AS  
10 LESSEE OF A PROJECT, OR OTHERWISE.

11 SECTION 3. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

12 SECTION 6.1. ECONOMIC DEVELOPMENT FINANCING AUTHORITY; BOARD  
13 OF DIRECTORS.--(A) THERE IS HEREBY CREATED A BODY CORPORATE AND  
14 POLITIC, WITH CORPORATE SUCCESSION, TO BE KNOWN AS THE "ECONOMIC  
15 DEVELOPMENT FINANCING AUTHORITY."

16 (B) THE FINANCING AUTHORITY SHALL BE GOVERNED AND ALL OF ITS  
17 CORPORATE POWERS EXERCISED BY A BOARD OF DIRECTORS WHICH SHALL  
18 BE COMPOSED OF THE FOLLOWING INDIVIDUALS:

19 (1) SEVEN MEMBERS TO BE APPOINTED BY THE GOVERNOR, WITH THE  
20 ADVICE AND CONSENT OF THE SENATE, WHO SHALL REPRESENT THE  
21 GENERAL PUBLIC AND THE PUBLIC INTEREST. THE MEMBERS INITIALLY  
22 APPOINTED SHALL SERVE FOR TERMS OF TWO, THREE AND FOUR YEARS,  
23 RESPECTIVELY, FROM THE DATE OF THEIR APPOINTMENT AND UNTIL THEIR  
24 RESPECTIVE SUCCESSORS SHALL BE DULY APPOINTED AND QUALIFIED, THE  
25 TERM OF EACH APPOINTED MEMBER TO BE DESIGNATED BY THE GOVERNOR  
26 AT THE TIME OF HIS APPOINTMENT. INITIALLY THREE MEMBERS SHALL BE  
27 APPOINTED FOR TERMS OF FOUR YEARS; TWO MEMBERS SHALL BE  
28 APPOINTED FOR TERMS OF THREE YEARS; AND TWO MEMBERS SHALL BE  
29 APPOINTED FOR TERMS OF TWO YEARS. THE TERMS OF ALL OF THEIR  
30 SUCCESSORS SHALL BE FOUR YEARS EACH, EXCEPT THAT ANY PERSON

1 APPOINTED TO FILL A VACANCY SHALL SERVE ONLY FOR THE UNEXPIRED  
2 TERM, AND ANY APPOINTED MEMBER SHALL BE ELIGIBLE FOR  
3 REAPPOINTMENT.

4 (2) THE SECRETARY OF COMMERCE, OR ITS SUCCESSOR AGENCY, WHO  
5 WILL SERVE AS CHAIRMAN, OR HIS DESIGNEE.

6 (3) THE SECRETARY OF LABOR AND INDUSTRY OR HIS DESIGNEE.

7 (4) THE SECRETARY OF COMMUNITY AFFAIRS OR HIS DESIGNEE.

8 (5) THE SECRETARY OF AGRICULTURE OR HIS DESIGNEE.

9 (6) THE SECRETARY OF BANKING OR HIS DESIGNEE.

10 (C) THE MEMBERS OF THE FINANCING BOARD SHALL BE ENTITLED TO  
11 NO COMPENSATION FOR THEIR SERVICES AS MEMBERS BUT SHALL BE  
12 ENTITLED TO REIMBURSEMENT FOR ALL NECESSARY EXPENSES INCURRED IN  
13 CONNECTION WITH THE PERFORMANCE OF THEIR DUTIES AS MEMBERS.

14 (D) THE FINANCING BOARD SHALL PROVIDE FOR THE HOLDING OF  
15 REGULAR AND SPECIAL MEETINGS. A MAJORITY OF THE MEMBERS OF THE  
16 FINANCING BOARD SHALL CONSTITUTE A QUORUM FOR THE TRANSACTION OF  
17 ANY FINANCING AUTHORITY BUSINESS. NO VACANCY ON THE FINANCING  
18 BOARD SHALL IMPAIR THE RIGHT OF A QUORUM OF THE MEMBERS OF THE  
19 FINANCING BOARD TO EXERCISE THE POWERS AND PERFORM THE DUTIES OF  
20 THE FINANCING AUTHORITY.

21 (E) ALL APPLICABLE STATE DEPARTMENTS AND AGENCIES SHALL  
22 COOPERATE WITH AND PROVIDE ASSISTANCE TO THE FINANCING BOARD  
23 WITHOUT FINANCIAL REIMBURSEMENT.

24 (F) THE FINANCING AUTHORITY MAY BE DISSOLVED BY LAW PROVIDED  
25 THAT THE FINANCING AUTHORITY HAS NO BONDS OR OTHER DEBTS OR  
26 OBLIGATIONS OUTSTANDING OR THAT PROVISION HAS BEEN MADE FOR THE  
27 PAYMENT OR RETIREMENT OF ALL SUCH BONDS, DEBTS AND OBLIGATIONS.  
28 UPON THE DISSOLUTION OF THE FINANCING AUTHORITY, ALL PROPERTY,  
29 FUNDS AND ASSETS OF THE FINANCING AUTHORITY SHALL BE VESTED IN  
30 THE COMMONWEALTH.

1     SECTION 6.2.   POWERS OF THE FINANCING AUTHORITY; GENERAL.--  
2     THE FINANCING AUTHORITY, AS A PUBLIC CORPORATION AND  
3     GOVERNMENTAL INSTRUMENTALITY EXERCISING PUBLIC POWERS OF THE  
4     COMMONWEALTH, IS HEREBY GRANTED AND SHALL HAVE AND MAY EXERCISE  
5     ALL POWERS NECESSARY OR APPROPRIATE TO CARRY OUT AND EFFECTUATE  
6     THE PURPOSES OF THIS ACT, INCLUDING, BUT NOT LIMITED TO, THE  
7     FOLLOWING POWERS:

8         (1)   TO HAVE EXISTENCE UNTIL ITS EXISTENCE SHALL BE  
9         TERMINATED BY LAW.

10        (2)   TO SUE AND BE SUED, IMPLEAD AND BE IMPLEADED, COMPLAIN  
11        AND DEFEND IN ALL COURTS.

12        (3)   TO ADOPT, USE AND ALTER AT WILL A CORPORATE SEAL.

13        (4)   TO MAKE BYLAWS FOR THE MANAGEMENT AND REGULATIONS OF ITS  
14        INTERNAL AFFAIRS, AND SUBJECT TO AGREEMENTS WITH HOLDERS OF ITS  
15        BONDS, TO MAKE RULES AND REGULATIONS WITH RESPECT TO ITS  
16        OPERATIONS, PROPERTIES AND FACILITIES.

17        (5)   TO APPOINT AN EXECUTIVE DIRECTOR AND ANY OTHER OFFICERS,  
18        AGENTS, AND EMPLOYEES AS IT MAY REQUIRE FOR THE PERFORMANCE OF  
19        ITS DUTIES, AND TO PRESCRIBE THEIR DUTIES, FIX THEIR  
20        COMPENSATION, PROMOTE AND DISCHARGE THEM WITHIN THE LIMITATIONS  
21        PROVIDED BY LAW.

22        (6)   TO MAKE CONTRACTS OF EVERY NAME AND NATURE AND TO  
23        EXECUTE ALL INSTRUMENTS NECESSARY OR CONVENIENT FOR THE CARRYING  
24        ON OF ITS BUSINESS.

25        (7)   TO BORROW MONEY AND ISSUE BONDS AND OTHER EVIDENCES OF  
26        INDEBTEDNESS CREATED THEREBY, TO SECURE THE PAYMENT OF SUCH  
27        BONDS OR OTHER EVIDENCES OF THE INDEBTEDNESS OR ANY PART THEREOF  
28        BY PLEDGE OR ASSIGNMENT OF ALL OR ANY OF THE MORTGAGES OF THE  
29        FINANCING AUTHORITY, ITS REVENUES AND RECEIPTS THEREFROM OR ITS  
30        REVENUES GENERALLY, AND TO PROVIDE FOR THE RIGHTS OF THE LENDERS



1 AND HOLDERS THEREOF IN ACCORDANCE WITH THE PROVISIONS OF THIS  
2 ACT.

3 (8) TO SELL MORTGAGES AND SECURITY INTERESTS AT PUBLIC OR  
4 PRIVATE SALE, TO NEGOTIATE MODIFICATIONS OR ALTERATIONS IN  
5 MORTGAGE AND SECURITY INTERESTS, TO FORECLOSE ON ANY MORTGAGE OR  
6 SECURITY INTEREST IN DEFAULT OR COMMENCE ANY ACTION TO PROTECT  
7 OR ENFORCE ANY RIGHT CONFERRED UPON IT BY ANY LAW, MORTGAGE,  
8 SECURITY AGREEMENT, CONTRACT OR OTHER AGREEMENT, TO BID FOR AND  
9 PURCHASE PROPERTY WHICH WAS THE SUBJECT OF SUCH MORTGAGE OR  
10 SECURITY INTEREST AT ANY FORECLOSURE OR AT ANY OTHER SALE, TO  
11 ACQUIRE OR TAKE POSSESSION OF ANY SUCH PROPERTY, AND TO EXERCISE  
12 ANY AND ALL RIGHTS AS PROVIDED BY LAW FOR THE BENEFIT OR  
13 PROTECTION OF THE FINANCING AUTHORITY OR MORTGAGE HOLDERS.

14 (9) TO COLLECT FEES AND CHARGES IN CONNECTION WITH ITS LOAN  
15 COMMITMENTS AND SERVICING, INCLUDING, BUT NOT LIMITED TO,  
16 REIMBURSEMENT OF COSTS OF FINANCING AS THE FINANCING AUTHORITY  
17 SHALL DETERMINE TO BE REASONABLE AND AS SHALL BE APPROVED BY THE  
18 FINANCING AUTHORITY.

19 (10) TO MAKE AND EXECUTE CONTRACTS FOR THE SERVICING OF  
20 MORTGAGES ACQUIRED BY THE FINANCING AUTHORITY PURSUANT TO THIS  
21 ACT, AND TO PAY THE REASONABLE VALUE OF SERVICES RENDERED TO THE  
22 FINANCING AUTHORITY PURSUANT TO THOSE CONTRACTS.

23 (11) TO ACCEPT GIFTS, GRANTS, LOANS AND OTHER AID FROM THE  
24 FEDERAL GOVERNMENT, THE COMMONWEALTH OR ANY POLITICAL  
25 SUBDIVISION OF THE COMMONWEALTH, OR ANY PERSON OR CORPORATION,  
26 FOUNDATION OR LEGAL ENTITY, AND TO AGREE TO AND COMPLY WITH ANY  
27 CONDITIONS ATTACHED TO FEDERAL AND STATE FINANCIAL ASSISTANCE  
28 NOT INCONSISTENT WITH THE PROVISIONS OF THIS ACT.

29 (12) TO INVEST MONEYS OF THE FINANCING AUTHORITY NOT  
30 REQUIRED FOR IMMEDIATE USE, INCLUDING PROCEEDS FROM THE SALE OF

1 ANY BONDS, IN SUCH MANNER AS THE FINANCING BOARD SHALL  
2 DETERMINE, SUBJECT TO ANY AGREEMENT WITH BONDHOLDERS STATED IN  
3 THE AUTHORIZING RESOLUTION PROVIDING FOR THE ISSUANCE OF BONDS.

4 (13) TO PROCURE INSURANCE AGAINST ANY LOSS IN CONNECTION  
5 WITH ITS PROGRAMS, PROPERTY AND OTHER ASSETS.

6 (14) TO ENGAGE THE SERVICES OF ATTORNEYS, ACCOUNTANTS AND  
7 FINANCIAL EXPERTS AND ANY OTHER ADVISORS, CONSULTANTS AND AGENTS  
8 AS MAY BE NECESSARY IN ITS JUDGMENT, AND TO FIX THEIR  
9 COMPENSATION.

10 (15) SUBJECT TO ANY AGREEMENT WITH HOLDERS OF ITS BONDS, TO  
11 OBTAIN AS SECURITY FOR PAYMENT OF ALL OR ANY PART OF THE  
12 PRINCIPAL OF AND INTEREST AND PREMIUM ON THE BONDS, LINES OF  
13 CREDIT AND LETTERS OF CREDIT IN ANY AMOUNTS AND UPON ANY TERMS  
14 AS THE BANK MAY DETERMINE, AND TO PAY ANY FEES AND EXPENSES  
15 REQUIRED IN CONNECTION THEREWITH.

16 (16) TO ADOPT RULES AND REGULATIONS CONTAINING SUCH  
17 RESTRICTIONS AS IT MAY DEEM NECESSARY OR APPROPRIATE TO  
18 EFFECTUATE THE PUBLIC PURPOSES OF THIS ACT.

19 (17) TO DO ANY ACT NECESSARY OR CONVENIENT TO THE EXERCISE  
20 OF THE FOREGOING POWERS OR REASONABLY IMPLIED THEREFROM.

21 SECTION 6.3. FINANCING AUTHORITY INDEBTEDNESS.--(A) THE  
22 FINANCING AUTHORITY SHALL HAVE THE POWER AND IS HEREBY  
23 AUTHORIZED TO ISSUE ITS LIMITED OBLIGATION REVENUE BONDS AS IN  
24 THE JUDGMENT OF THE FINANCING AUTHORITY SHALL BE NECESSARY TO  
25 PROVIDE SUFFICIENT FUNDS FOR ANY SERIES OF RELATED OR UNRELATED  
26 PROJECTS AUTHORIZED BY AN INDUSTRIAL AND COMMERCIAL DEVELOPMENT  
27 AUTHORITY OR A GROUP OF INDUSTRIAL AND COMMERCIAL DEVELOPMENT  
28 AUTHORITIES FOR QUALIFIED INDUSTRIAL DEVELOPMENT PROJECTS. THE  
29 FINANCING AUTHORITY IS AUTHORIZED AND EMPOWERED TO USE THE  
30 PROCEEDS OF ANY BONDS ISSUED FOR THE MAKING OF LOANS, PURCHASING

1 MORTGAGES, SECURITY INTERESTS, OR LOAN PARTICIPATIONS AND PAYING  
2 ALL INCIDENTAL EXPENSES IN CONNECTION THEREWITH, PAYING EXPENSES  
3 OF AUTHORIZING AND ISSUING THE BONDS, PAYING INTEREST ON THE  
4 BONDS UNTIL REVENUES THEREOF ARE AVAILABLE IN SUFFICIENT  
5 AMOUNTS, AND FUNDING SUCH RESERVES AS THE FINANCING AUTHORITY  
6 DEEMS NECESSARY AND DESIRABLE. IT IS THE INTENTION OF THIS  
7 SECTION TO PROVIDE AN ALTERNATIVE SOURCE OF FINANCING FOR  
8 INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITIES.

9 (B) THE FINANCING AUTHORITY, WHENEVER IT DEEMS IT EXPEDIENT,  
10 SHALL HAVE THE POWER TO REFUND OR RENEW ANY BONDS BY THE  
11 ISSUANCE OF NEW BONDS WHETHER THE BONDS TO BE REFUNDED OR  
12 RENEWED HAVE OR HAVE NOT MATURED. REFUNDING BONDS SHALL BE SOLD  
13 AND THE PROCEEDS APPLIED TO THE PURCHASE, REDEMPTION OR PAYMENT  
14 OF THE BONDS TO BE REFUNDED, THE ESTABLISHMENT OR INCREASE IN  
15 RESERVES TO SECURE OR TO PAY THE BONDS OR INTEREST THEREON AND  
16 ALL OTHER COSTS OR EXPENSES OF THE FINANCING AUTHORITY INCIDENT  
17 TO AND NECESSARY TO CARRY OUT THE REFUNDING OR RENEWING OF  
18 BONDS.

19 (C) BONDS ISSUED UNDER THIS SECTION SHALL NOT BE A DEBT OR  
20 LIABILITY OF THE COMMONWEALTH OF PENNSYLVANIA OR OF ANY OF ITS  
21 POLITICAL SUBDIVISIONS OTHER THAN THE FINANCING AUTHORITY AND  
22 SHALL NOT CREATE OR CONSTITUTE ANY INDEBTEDNESS, LIABILITY OR  
23 OBLIGATION OF THE COMMONWEALTH OR OF ANY POLITICAL SUBDIVISION,  
24 BUT ALL BONDS SHALL BE PAYABLE SOLELY FROM REVENUES OR FUNDS  
25 PLEDGED OR AVAILABLE FOR THEIR PAYMENT AS AUTHORIZED IN THIS  
26 SECTION, INCLUDING THE PROCEEDS OF ANY ISSUE OF BONDS. EACH BOND  
27 SHALL CONTAIN ON ITS FACE A STATEMENT TO THE EFFECT THAT THE  
28 FINANCING AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL THEREOF OR  
29 THE INTEREST THEREON ONLY FROM ITS REVENUES, RECEIPTS OR FUNDS  
30 PLEDGED OR AVAILABLE FOR THEIR PAYMENT AS AUTHORIZED IN THIS ACT

1 AND THAT NEITHER THE COMMONWEALTH NOR ANY POLITICAL SUBDIVISIONS  
2 ARE OBLIGATED TO PAY THE PRINCIPAL OR INTEREST AND THAT NEITHER  
3 THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH  
4 NOR ANY POLITICAL SUBDIVISION IS PLEDGED TO THE PAYMENT OF THE  
5 PRINCIPAL OF OR THE INTEREST ON THE BONDS.

6 (D) IF THE BONDS ISSUED BY THE FINANCING AUTHORITY ARE  
7 EXEMPT FROM FEDERAL INCOME TAXES UNDER FEDERAL LAW, THE  
8 DEPARTMENT OF COMMERCE SHALL ISSUE AN ALLOCATION CHARGING SUCH  
9 SMALL ISSUE PROJECT'S PRO RATA SHARE OF THE ISSUE TO THE COUNTY  
10 IN WHICH SAID PROJECT IS TO BE LOCATED.

11 (E) WHEN GUBERNATORIAL APPROVAL IS REQUIRED BY THE  
12 PROVISIONS OF FEDERAL OR STATE LAW, THE GOVERNOR OF THE  
13 COMMONWEALTH IS HEREBY AUTHORIZED TO APPROVE THE ISSUANCE OF  
14 BONDS BY THE FINANCING AUTHORITY UPON RECEIPT OF WRITTEN REQUEST  
15 FOR APPROVAL FROM THE FINANCING BOARD. SUCH WRITTEN REQUEST  
16 SHALL STATE THAT THE FINANCING AUTHORITY HAS CONDUCTED A PUBLIC  
17 HEARING, PURSUANT TO APPROPRIATE PUBLIC NOTICE, CONCERNING THE  
18 PURPOSES FOR WHICH THE BONDS ARE TO BE ISSUED, SHALL CONTAIN A  
19 DESCRIPTION OF THE PROJECT OR PROJECTS, AND SHALL DESCRIBE THE  
20 METHOD OF FINANCING THE PROJECT OR PROJECTS. THE WRITTEN REQUEST  
21 SHALL ALSO SUMMARIZE THE COMMENTS MADE AND QUESTIONS POSED AT  
22 THE PUBLIC HEARING.

23 (F) NEITHER THE MEMBERS OF THE BOARD OF THE FINANCING  
24 AUTHORITY NOR ANY PERSON EXECUTING THE BONDS SHALL BE LIABLE  
25 PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY  
26 OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF.

27 (G) (1) BONDS ISSUED IN ACCORDANCE HERewith SHALL BE  
28 AUTHORIZED BY RESOLUTION OF THE FINANCING AUTHORITY. THE BONDS  
29 SHALL BE OF SUCH SERIES, BEAR ANY DATE OR DATES, MATURE AT SUCH  
30 TIME OR TIMES, NOT EXCEEDING THIRTY YEARS FROM THEIR RESPECTIVE

DATES, BEAR INTEREST AT ANY RATE OR RATES OR AT VARIABLE RATES,  
BE OF ANY DENOMINATION OR DENOMINATIONS, BE IN ANY FORM, EITHER  
COUPON OR REGISTERED, CARRY ANY CONVERSION OR REGISTRATION  
PRIVILEGES, HAVE ANY RANK OR PRIORITY, BE EXECUTED IN ANY  
MANNER, BE PAYABLE FROM SUCH SOURCES IN ANY MEDIUM OF PAYMENT AT  
ANY PLACE OR PLACES WITHIN OR WITHOUT THIS COMMONWEALTH, AND BE  
SUBJECT TO ANY TERMS OF REDEMPTION, PURCHASE OR TENDER BY THE  
FINANCING AUTHORITY OR THE HOLDERS THEREOF, WITH OR WITHOUT  
PREMIUM, AS THE RESOLUTION OR RESOLUTIONS MAY PROVIDE.

(2) THE BONDS SHALL BE SIGNED BY OR SHALL BEAR THE FACSIMILE  
SIGNATURE OF SUCH OFFICERS AS THE FINANCING AUTHORITY SHALL  
DETERMINE AND COUPON BONDS SHALL HAVE ATTACHED THERETO IN  
INTEREST COUPONS BEARING THE FACSIMILE SIGNATURE OF THE CHAIRMAN  
OF THE FINANCING AUTHORITY, ALL AS MAY BE PRESCRIBED IN SUCH  
RESOLUTION OR RESOLUTIONS.

(3) BONDS MAY BE ISSUED AND DELIVERED, NOTWITHSTANDING THAT  
ONE OR MORE OF THE OFFICERS SIGNING SUCH BONDS SHALL HAVE CEASED  
TO BE SUCH OFFICER OR OFFICERS AT THE TIME WHEN SUCH BONDS SHALL  
ACTUALLY BE DELIVERED.

(4) BONDS MAY BE SOLD AT PUBLIC OR PRIVATE SALES FOR SUCH  
PRICE OR PRICES AS THE FINANCING AUTHORITY SHALL DETERMINE.  
PENDING THE PREPARATION OF THE DEFINITIVE BONDS, INTERIM  
RECEIPTS MAY BE ISSUED TO THE PURCHASER OR PURCHASERS THEREOF  
AND MAY CONTAIN SUCH TERMS AND CONDITIONS AS THE FINANCING  
AUTHORITY MAY DETERMINE.

(5) ANY BOND RECITING IN SUBSTANCE THAT IT HAS BEEN ISSUED  
BY THE FINANCING AUTHORITY TO AID IN THE FINANCING OF ONE OR  
MORE PROJECTS TO ACCOMPLISH THE PUBLIC PURPOSES OF THIS ACT  
SHALL BE CONCLUSIVELY DEEMED IN PROCEEDINGS INVOLVING THE  
VALIDITY OR ENFORCEABILITY OF SUCH BOND OR SECURITY THEREFOR, TO

1 HAVE BEEN ISSUED FOR SUCH PURPOSE.

2 (H) ANY RESOLUTION OR RESOLUTIONS AUTHORIZING ANY BONDS MAY  
3 CONTAIN PROVISIONS WHICH SHALL BE PART OF THE CONTRACT WITH  
4 HOLDERS THEREOF, AS TO:

5 (1) SECURE THE BONDS.

6 (2) MAKE COVENANTS AGAINST PLEDGING ALL OR PART OF ITS  
7 REVENUES OR RECEIPTS TO OTHER PARTIES.

8 (3) MAKE COVENANTS LIMITING ITS RIGHT TO SELL, PLEDGE OR  
9 OTHERWISE DISPOSE OF NOTES AND BONDS OF GOVERNMENTAL UNITS, LOAN  
10 AGREEMENTS OF PUBLIC OR PRIVATE PERSONS OR ENTITIES OR OTHER  
11 PROPERTY OF ANY KIND.

12 (4) MAKE COVENANTS AS TO ADDITIONAL BONDS TO BE ISSUED, THE  
13 LIMITATIONS THEREON, THE TERMS AND CONDITIONS THEREOF AND THE  
14 CUSTODY, APPLICATION, INVESTMENT AND DISPOSITION OF THE PROCEEDS  
15 THEREOF.

16 (5) MAKE COVENANTS AS TO THE INCURRING OF OTHER DEBTS BY IT.

17 (6) MAKE COVENANTS AS TO THE PAYMENT OF PRINCIPAL OF OR  
18 INTEREST ON BONDS, THE SOURCES AND METHODS OF THE PAYMENT, THE  
19 RANK OR PRIORITY OF BONDS WITH RESPECT TO LIENS OR SECURITY  
20 INTERESTS OR THE ACCELERATION OF MATURITY OF BONDS.

21 (7) PROVIDE FOR REPLACEMENT OF LOST, STOLEN, DESTROYED OR  
22 MUTILATED BONDS.

23 (8) MAKE COVENANTS AS TO THE REDEMPTION, PURCHASE OR TENDER  
24 OF BONDS BY THE FINANCING AUTHORITY OR THE HOLDERS THEREOF AND  
25 THE PRIVILEGES OF EXCHANGING THEM FOR OTHER BONDS.

26 (9) MAKE COVENANTS TO CREATE OR AUTHORIZE THE CREATION OF  
27 SPECIAL FUNDS OR ACCOUNTS TO BE HELD IN TRUST OR OTHERWISE FOR  
28 THE BENEFIT OF HOLDERS OF BONDS, OR OF RESERVES FOR OTHER  
29 PURPOSES AND AS TO THE USE, INVESTMENT AND DISPOSITION OF MONEYS  
30 HELD IN THOSE FUNDS, ACCOUNTS OR RESERVES.

1     (10) PROVIDE FOR THE RIGHTS, LIABILITIES, POWERS AND DUTIES  
2 ARISING UPON THE BREACH OF A COVENANT, CONDITION OR OBLIGATION  
3 AND PRESCRIBE THE EVENTS OF DEFAULT AND THE TERMS AND CONDITIONS  
4 UPON WHICH ANY OR ALL OF THE BONDS SHALL BECOME OR MAY BE  
5 DECLARED DUE AND PAYABLE BEFORE MATURITY AND THE TERMS AND  
6 CONDITIONS UPON WHICH THE DECLARATION AND ITS CONSEQUENCES MAY  
7 BE WAIVED.

8     (11) VEST IN A TRUSTEE OR TRUSTEES WITHIN OR WITHOUT THIS  
9 COMMONWEALTH IN TRUST ANY PROPERTY, RIGHTS, POWERS AND DUTIES AS  
10 THE FINANCING AUTHORITY MAY DETERMINE. THESE MAY INCLUDE ANY OR  
11 ALL OF THE RIGHTS, POWERS AND DUTIES OF ANY TRUSTEE APPOINTED BY  
12 THE HOLDERS OF BONDS OR NOTES, INCLUDING RIGHTS WITH RESPECT TO  
13 THE SALE OR OTHER DISPOSITION OF NOTES AND BONDS OF GOVERNMENTAL  
14 UNITS AND OTHER INSTRUMENTS AND SECURITY PLEDGED PURSUANT TO A  
15 RESOLUTION OR TRUST INDENTURE FOR THE BENEFIT OF THE HOLDERS OF  
16 BONDS AND THE RIGHT BY SUIT OR ACTION TO FORECLOSE ANY MORTGAGE  
17 PLEDGED PURSUANT TO THE RESOLUTION OF TRUST INDENTURE FOR THE  
18 BENEFIT OF THE HOLDERS OF THE BONDS, NOTES OR OTHER OBLIGATIONS,  
19 AND TO LIMIT THE RIGHT OF THE HOLDERS OF ANY BONDS TO APPOINT A  
20 TRUSTEE UNDER THIS ACT, AND TO LIMIT THE RIGHTS, POWERS AND  
21 DUTIES OF THE TRUSTEE.

22     (12) PAY THE COSTS OR EXPENSES INCIDENT TO THE ENFORCEMENT  
23 OF THE BONDS OR OF THE PROVISIONS OF THE RESOLUTION AUTHORIZING  
24 THE ISSUANCE OF THOSE BONDS, OR THE TRUST INDENTURE SECURING THE  
25 BONDS OR OF ANY COVENANT OR AGREEMENT OF THE FINANCING AUTHORITY  
26 WITH THE HOLDERS OF THE BONDS, NOTES OR OTHER OBLIGATIONS.

27     (13) LIMIT THE RIGHTS OF THE HOLDERS OF ANY BONDS TO ENFORCE  
28 ANY PLEDGE OR COVENANT SECURING BONDS.

29     (14) MAKE COVENANTS OTHER THAN OR IN ADDITION TO THE  
30 COVENANTS AUTHORIZED BY THIS ACT OF LIKE OR DIFFERENT CHARACTER,

1 AND MAKE COVENANTS TO DO OR REFRAIN FROM DOING ANY ACTS AND  
2 THINGS AS MAY BE NECESSARY, OR CONVENIENT AND DESIRABLE, IN  
3 ORDER TO BETTER SECURE BONDS OR WHICH, IN THE ABSOLUTE  
4 DISCRETION OF THE FINANCING AUTHORITY, WILL TEND TO MAKE BONDS  
5 MORE MARKETABLE, NOTWITHSTANDING THAT THE COVENANTS, ACTS OR  
6 THINGS MAY NOT BE ENUMERATED HEREIN.

7 (I) A PLEDGE OF REVENUES, RECEIPTS, MONEYS, FUNDS OR OTHER  
8 PROPERTY OR INSTRUMENTS MADE BY THE FINANCING AUTHORITY SHALL BE  
9 VALID AND BINDING FROM THE TIME WHEN THE PLEDGE IS MADE. THE  
10 REVENUES, RECEIPTS, MONEYS, FUNDS OR OTHER PROPERTY PLEDGED AND  
11 THEREAFTER RECEIVED BY THE FINANCING AUTHORITY SHALL BE  
12 IMMEDIATELY SUBJECT TO THE LIEN OF THE PLEDGE WITHOUT ITS  
13 PHYSICAL DELIVERY OR FURTHER ACT, AND THE LIEN OF ANY PLEDGE  
14 SHALL BE VALID AND BINDING AS AGAINST ALL PARTIES HAVING CLAIMS  
15 OF ANY KIND IN TORT, CONTRACT OR OTHERWISE AGAINST THE FINANCING  
16 AUTHORITY IRRESPECTIVE OF WHETHER THE PARTIES HAVE NOTICE OF THE  
17 LIEN. NEITHER THE RESOLUTION NOR ANY OTHER INSTRUMENT BY WHICH A  
18 PLEDGE UNDER THIS SECTION IS CREATED OR EVIDENCE NEED BE FILED  
19 OR RECORDED EXCEPT IN THE RECORDS OF THE FINANCING AUTHORITY.

20 (J) WHETHER OR NOT THE BONDS ARE OF A FORM AND CHARACTER AS  
21 TO BE NEGOTIABLE INSTRUMENTS UNDER THE TERMS OF TITLE 13 OF THE  
22 PENNSYLVANIA CONSOLIDATED STATUTES (RELATING TO COMMERCIAL  
23 CODE), THE BONDS ARE MADE NEGOTIABLE INSTRUMENTS WITHIN THE  
24 MEANING OF AND FOR THE PURPOSES OF TITLE 13, SUBJECT ONLY TO THE  
25 PROVISIONS OF THE BONDS FOR REGISTRATION.

26 (K) THE RIGHTS AND REMEDIES HEREIN CONFERRED UPON OR GRANTED  
27 TO THE BONDHOLDERS, SHALL BE IN ADDITION TO AND NOT IN  
28 LIMITATION OF ANY RIGHTS AND REMEDIES LAWFULLY GRANTED TO SUCH  
29 BONDHOLDERS BY THE RESOLUTION OR RESOLUTIONS PROVIDING FOR THE  
30 ISSUANCE OF BONDS OR BY ANY INDENTURE OR OTHER AGREEMENT UNDER



1 WHICH THE SAME MAY BE ISSUED.

2 SECTION 6.4. FINANCING AUTHORITY LOANS.--(A) NO LOAN SHALL  
3 BE MADE BY THE FINANCING AUTHORITY UNLESS:

4 (1) THE INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY HAS  
5 OBTAINED FIRM COMMITMENTS SATISFACTORY TO THE FINANCING  
6 AUTHORITY FROM RESPONSIBLE FINANCIAL SOURCES, WHICH MAY INCLUDE  
7 A FEDERAL AGENCY, BENEFICIAL OWNER OR THE PROJECT OCCUPANT, FOR  
8 THE PORTION OF PROJECT COSTS IN EXCESS OF ANY LOAN REQUESTED  
9 FROM THE FINANCING AUTHORITY;

10 (2) THE INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY HAS  
11 OBTAINED A FIRM COMMITMENT SATISFACTORY TO THE FINANCING  
12 AUTHORITY FROM THE PROJECT OCCUPANT OR BENEFICIAL OWNER TO LEASE  
13 OR USE THE PROJECT AFTER CONSTRUCTION, ACQUISITION,  
14 REHABILITATION OR IMPROVEMENT IS COMPLETED;

15 (3) THE FINANCING AUTHORITY APPROVES THE TERMS OF SUCH LEASE  
16 OR USE AND IS SATISFIED THAT THE PROJECT OCCUPANT OR A BUSINESS  
17 ENTERPRISE MAY REASONABLY BE EXPECTED TO COMPLY WITH THE TERMS  
18 THEREOF; AND

19 (4) THE PROJECT HAS RECEIVED ALL APPROVALS REQUIRED UNDER  
20 THIS ACT.

21 (B) IN ADDITION TO OTHER PROVISIONS OF THIS SECTION LIMITING  
22 THE POWER OF THE FINANCING AUTHORITY TO MAKE LOANS TO INDUSTRIAL  
23 AND COMMERCIAL DEVELOPMENT AUTHORITIES, IN RESPECT TO A  
24 PARTICULAR PROJECT, THE FOLLOWING RESTRICTIONS SHALL ALSO APPLY:

25 (1) NO FUNDS OF THE FINANCING AUTHORITY SHALL BE USED IN  
26 RESPECT OF ANY PROJECT IF THE FINANCING AUTHORITY WOULD BE  
27 REQUIRED TO OPERATE, SERVICE OR MAINTAIN THE PROJECT PURSUANT TO  
28 ANY LEASE OR OTHER AGREEMENT EXCEPT UPON FORECLOSURE OR EXCEPT  
29 UPON THE OCCURRENCE OF A DEFAULT IN THE PAYMENT OR TERMS OF ANY  
30 LOAN MADE. NOTHING SHALL PREVENT THE FINANCING AUTHORITY FROM

1 TRANSFERRING SUCH PROPERTY TO THE PROJECT OCCUPANT OR ITS  
2 DESIGNEE AT THE END OF THE TERM OF SUCH FINANCING.

3 (2) NO PROVISIONS OF THIS ACT SHALL PREVENT THE INCLUSION IN  
4 A MORTGAGE, LEASE OR OTHER AGREEMENT RELATING TO AN ASSISTED  
5 PROJECT OF A PROVISION GRANTING THE PROJECT OCCUPANT THE RIGHT  
6 TO PURCHASE SUCH PROJECT UPON SUCH TERMS AND CONDITIONS AS THE  
7 FINANCING AUTHORITY MAY APPROVE.

8 SECTION 6.5. INDUSTRIAL AND COMMERCIAL DEVELOPMENT  
9 AUTHORITIES.--TO BE ELIGIBLE FOR LOANS FROM THE FINANCING  
10 AUTHORITY, AN INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY  
11 SHALL MEET THE FOLLOWING REQUIREMENTS IN ADDITION TO ANY OTHERS  
12 IMPOSED BY THE PROVISIONS OF THIS ACT:

13 (1) THE INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY  
14 SHALL BE INCORPORATED.

15 (2) THE INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY  
16 SHALL AGREE TO BE BOUND BY THE RULES AND REGULATIONS OF THE  
17 FINANCING AUTHORITY RELATING TO ASSISTED PROJECTS AND THE  
18 OPERATIONS OF INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITIES  
19 AND SHALL SUBMIT TO EXAMINATION OF ITS BOOKS OF ACCOUNTS AND  
20 CORPORATE RECORDS BY THE FINANCING AUTHORITY AT SUCH TIMES AS  
21 THE FINANCING AUTHORITY MAY REQUIRE DURING THE TERM OF ANY LOAN  
22 MADE TO IT BY THE FINANCING AUTHORITY.

23 (3) THE PROVISIONS OF THE ACT OF DECEMBER 20, 1985 (P.L.483,  
24 NO.113), KNOWN AS THE "TAX-EXEMPT BOND ALLOCATION ACT," SHALL  
25 NOT APPLY TO RESTRICT THE POWERS OF THE FINANCING AUTHORITY  
26 UNDER SECTION 6.2 OF THIS ACT OR THE POWERS OF ANY LOCAL  
27 INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY OR THE SECRETARY  
28 OF COMMERCE UNDER THIS ACT WITH RESPECT TO ANY ECONOMIC  
29 DEVELOPMENT PROJECT BEING FINANCED OUT THE PROCEEDS OF  
30 OBLIGATIONS WHICH ARE NOT EXEMPT FROM FEDERAL INCOME TAXATION.

1     SECTION 6.6. APPLICATIONS FOR FINANCING AUTHORITY LOANS.--AN  
2     INDUSTRIAL AND COMMERCIAL DEVELOPMENT AUTHORITY MAY REQUEST A  
3     LOAN FROM THE FINANCING AUTHORITY PURSUANT TO THE PROVISIONS OF  
4     THIS ACT BY FILING AN APPLICATION THEREFOR, WHICH SHALL BE  
5     VERIFIED BY AN OFFICER OF THE INDUSTRIAL OR COMMERCIAL  
6     DEVELOPMENT AUTHORITY DULY AUTHORIZED SO TO DO, IN SUCH FORM AND  
7     WITH SUCH EXHIBITS AND SUPPORTING DATA AS THE FINANCING  
8     AUTHORITY MAY PRESCRIBE AND BY PAYING THE FEES OR CHARGES, IF  
9     ANY, ESTABLISHED BY THE FINANCING AUTHORITY TO DEFRAY THE COST  
10    OF INVESTIGATING AND PROCESSING APPLICATIONS FOR LOANS.

11    SECTION 6.7. AUDIT.--THE ACCOUNTS AND BOOKS OF THE FINANCING  
12    AUTHORITY, INCLUDING ITS RECEIPTS, DISBURSEMENTS, CONTRACTS,  
13    MORTGAGES, INVESTMENTS AND OTHER MATTERS RELATING TO ITS  
14    FINANCES, OPERATION AND AFFAIRS, SHALL BE EXAMINED AND AUDITED  
15    EVERY YEAR BY A RECOGNIZED INDEPENDENT CERTIFIED PUBLIC  
16    ACCOUNTING FIRM.

17    SECTION 6.8. MONEYS OF THE FINANCING AUTHORITY.--SUBJECT TO  
18    THE PROVISIONS OF SECTION 6.3 AND SUBJECT TO THE PROVISIONS OF  
19    ANY AGREEMENTS TO THE CONTRARY ENTERED INTO WITH LENDERS OR  
20    TRUSTEES PURSUANT TO THE AUTHORITY GRANTED IN SECTION 6.3, ALL  
21    MONEYS OF THE FINANCING AUTHORITY FROM WHATEVER SOURCE DERIVED  
22    SHALL BE PAID TO THE TREASURER OF THE FINANCING AUTHORITY. SAID  
23    MONEYS SHALL BE DEPOSITED IN THE FIRST INSTANCE BY THE TREASURER  
24    IN ONE OR MORE BANKS OR BANK AND TRUST COMPANIES, IN ONE OR MORE  
25    SPECIAL ACCOUNTS OR UNDER SAVINGS CONTRACTS IN SAVINGS  
26    ASSOCIATIONS IN ONE OR MORE SPECIAL ACCOUNTS, AND EACH OF SUCH  
27    SPECIAL ACCOUNTS TO THE EXTENT THE SAME IS NOT INSURED SHALL BE  
28    CONTINUOUSLY SECURED BY A PLEDGE OF DIRECT OBLIGATIONS OF THE  
29    UNITED STATES OF AMERICA OR OF THE COMMONWEALTH, HAVING AN  
30    AGGREGATE MARKET VALUE, EXCLUSIVE OF ACCRUED INTEREST, AT ALL

1 TIMES AT LEAST EQUAL TO THE BALANCE ON DEPOSIT IN SUCH ACCOUNT.  
2 SUCH SECURITIES SHALL EITHER BE DEPOSITED WITH THE TREASURER OR  
3 BE HELD BY A TRUSTEE OR AGENT SATISFACTORY TO THE FINANCING  
4 AUTHORITY. ALL BANKS, BANK AND TRUST COMPANIES AND SAVING  
5 ASSOCIATIONS ARE AUTHORIZED TO GIVE SUCH SECURITY FOR SUCH  
6 DEPOSITS. THE MONEYS IN SAID ACCOUNTS SHALL BE PAID OUT ON THE  
7 WARRANT OR OTHER ORDER OF THE TREASURER OF THE FINANCING  
8 AUTHORITY, OR OF SUCH OTHER PERSON OR PERSONS AS THE FINANCING  
9 AUTHORITY MAY AUTHORIZE TO EXECUTE SUCH WARRANTS OR ORDERS.

10 SECTION 4. SECTION 13 OF THE ACT IS AMENDED TO READ:

11 SECTION 13. LIMITATION OF POWERS.--THE COMMONWEALTH DOES  
12 HEREBY PLEDGE TO AND AGREE WITH ANY PERSON, FIRM OR CORPORATION,  
13 OR FEDERAL AGENCY SUBSCRIBING TO OR ACQUIRING THE BONDS TO BE  
14 ISSUED BY THE AUTHORITY OR THE FINANCING AUTHORITY FOR THE  
15 CONSTRUCTION, EXTENSION, IMPROVEMENT OR ENLARGEMENT OF ANY  
16 PROJECT OR PART THEREOF, THAT THE COMMONWEALTH WILL NOT LIMIT OR  
17 ALTER THE RIGHTS HEREBY VESTED IN THE AUTHORITY OR THE FINANCING  
18 AUTHORITY UNTIL ALL BONDS AT ANY TIME ISSUED, TOGETHER WITH THE  
19 INTEREST THEREON ARE FULLY MET AND DISCHARGED. THE COMMONWEALTH  
20 OF PENNSYLVANIA DOES FURTHER PLEDGE TO AND AGREE WITH THE UNITED  
21 STATES AND ANY OTHER FEDERAL AGENCY THAT, IN THE EVENT THAT ANY  
22 FEDERAL AGENCY SHALL CONSTRUCT OR CONTRIBUTE ANY FUNDS FOR THE  
23 CONSTRUCTION, EXTENSION, IMPROVEMENT OR ENLARGEMENT OF ANY  
24 PROJECT OR ANY PORTION THEREOF, THE COMMONWEALTH WILL NOT ALTER  
25 OR LIMIT THE RIGHTS AND POWERS OF THE AUTHORITY OR THE FINANCING  
26 AUTHORITY IN ANY MANNER WHICH WOULD BE INCONSISTENT WITH THE  
27 CONTINUED MAINTENANCE AND OPERATION OF THE PROJECT, OR THE  
28 IMPROVEMENT THEREOF, OR WHICH WOULD BE INCONSISTENT WITH THE DUE  
29 PERFORMANCE OF ANY AGREEMENTS BETWEEN THE AUTHORITY OR THE  
30 FINANCING AUTHORITY AND ANY SUCH FEDERAL AGENCY, AND THE

1 AUTHORITY OR THE FINANCING AUTHORITY SHALL CONTINUE TO HAVE AND  
2 MAY EXERCISE ALL POWERS HEREIN GRANTED, SO LONG AS THE SAME  
3 SHALL BE NECESSARY OR DESIRABLE FOR THE CARRYING OUT OF THE  
4 PURPOSES OF THIS ACT AND THE PURPOSES OF THE UNITED STATES IN  
5 THE CONSTRUCTION OR IMPROVEMENT OR ENLARGEMENT OF THE PROJECT OR  
6 SUCH PORTION THEREOF.

7 SECTION 5. SECTION 15 OF THE ACT, AMENDED APRIL 7, 1976  
8 (P.L.81, NO.34), IS AMENDED TO READ:

9 SECTION 15. EXEMPTION FROM TAXATION.--THE EFFECTUATION OF  
10 THE AUTHORIZED PURPOSE OF AUTHORITIES CREATED UNDER SECTION 4 OF  
11 THIS ACT AND THE FINANCING AUTHORITY CREATED UNDER SECTION 6.1  
12 OF THIS ACT SHALL AND WILL BE IN ALL RESPECTS FOR THE BENEFIT OF  
13 THE PEOPLE OF THE COMMONWEALTH OF PENNSYLVANIA, FOR THE INCREASE  
14 OF THEIR COMMERCE AND PROSPERITY, AND FOR THE IMPROVEMENT OF  
15 THEIR HEALTH AND LIVING CONDITIONS; AND, SINCE THEY WILL AS  
16 PUBLIC INSTRUMENTALITIES OF THE COMMONWEALTH BE PERFORMING  
17 ESSENTIAL GOVERNMENTAL FUNCTIONS IN EFFECTUATING SUCH PURPOSES,  
18 AUTHORITIES AND THE FINANCING AUTHORITY SHALL NOT BE REQUIRED TO  
19 PAY ANY TAXES OR ASSESSMENTS UPON ANY PROPERTY ACQUIRED OR USED  
20 BY THEM FOR SUCH PURPOSES, AND THE BONDS ISSUED BY ANY AUTHORITY  
21 OR BY THE FINANCING AUTHORITY, THEIR TRANSFER AND THE INCOME  
22 THEREFROM, (INCLUDING ANY PROFITS MADE ON THE SALE THEREOF)  
23 SHALL AT ALL TIMES BE FREE FROM TAXATION WITHIN THE COMMONWEALTH  
24 OF PENNSYLVANIA.

25 SECTION 6. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.