

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 720 Session of 2009

INTRODUCED BY GORDNER, ALLOWAY, BOSCOLA, COSTA, EARLL, KITCHEN,
LOGAN, MUSTO, O'PAKE, RAFFERTY, ROBBINS, SMUCKER,
TARTAGLIONE, WASHINGTON, WAUGH, WILLIAMS AND WOZNIAK,
APRIL 1, 2009

REFERRED TO EDUCATION, APRIL 1, 2009

AN ACT

1 Amending the act of December 20, 2001 (P.L.969, No.116),
2 entitled "An act providing for a program to assist public and
3 private institutions of higher education to install sprinkler
4 systems in dormitories," further providing for the sprinkler
5 system program.

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

8 Section 1. Section 3 of the act of December 20, 2001
9 (P.L.969, No.116), known as the Dormitory Sprinkler System Act,
10 is amended to read:

11 Section 3. Sprinkler system program.

12 (a) Powers.--In addition to its other powers, the authority
13 is authorized to finance projects to retrofit existing college
14 dormitories and housing units with sprinklers by making loans to
15 colleges. If the authority finances a project under this
16 subsection, it shall finance all costs associated with the
17 sprinkler installation, including costs of modifying water
18 supply sources and plumbing necessary for the sprinklers, costs

of renovation work necessary for installation, costs of asbestos abatement necessary as a result of the installation and costs of integrated smoke detection and fire alarm systems.

(b) Reimbursement.--For any authority bond issued under subsection (a), the authority shall reimburse the college each fiscal year for the cost of interest paid by the college during the fiscal year on the bond in excess of an interest rate of 3%, using funds from appropriations to the department for such purpose or from any other funds available to the department for such use. The department shall deposit any funds appropriated for this purpose into a restricted account to be used to pay to the authority the interest reimbursements when due.

(c) Bonds.--The bonds of the authority issued to pay the cost of a project under this act shall be authorized by resolution of the board thereof or by the terms of a trust indenture authorized by such board and shall be of such series, shall bear such date or dates, shall mature at such time or times not exceeding 20 years from their respective dates, shall bear interest at such rate or rates, shall be in such denominations, shall be in such form, either coupon or fully registered without coupons, shall carry such registration, exchangeability and interchangeability privileges, shall be payable in such medium of payment and at such place or places, shall be subject to such terms of redemption not exceeding 105% of the principal amount thereof and shall be entitled to such priorities in the revenues, rentals or receipts of the authority as such trust, indenture, resolution or resolutions may provide. The bonds shall be signed by such officers, either manually or by facsimile, as the authority shall determine, and coupon bonds shall have attached thereto interest coupons bearing the

1 facsimile signature of the treasurer of the authority, all as
2 may be prescribed in such resolution or resolutions. Bonds may
3 be issued and delivered notwithstanding that one or more of the
4 officers signing such bonds or the treasurer whose facsimile
5 signature shall be upon the coupons or any thereof shall have
6 ceased to be such officer or officers at the time when such
7 bonds actually shall be delivered. Such bonds may be sold at
8 public or private sale for such price or prices as the authority
9 shall determine, with the approval of the college for whose use
10 the project is being constructed.

11 Section 2. The amendment of section 3 of the act shall apply
12 only to those projects for which bonds are issued on or after
13 the effective date of this section.

14 Section 3. This act shall take effect in 60 days.