

**STATE COLLEGES PERMITTED TO REFUND INDEBTEDNESS**

**Act of May 22, 1901, P.L. 290, No. 190**

**Cl. 24**

AN ACT

Authorizing the trustees of any State Normal School of the State of Pennsylvania to refund its bonded indebtedness at a lower rate of interest, and to include in the reissue of bonds a limited amount of additional indebtedness, contracted prior to the passage of this act, for the erection of buildings or the making of other improvements.

Section 1. Be it enacted, &c., That the several Normal Schools of the State of Pennsylvania, by their trustees, be and they are hereby authorized and empowered to replace, upon the buildings and grounds of any of said schools or any part of the same, any mortgage that is or shall become due on or after the passage of this act, at a lower rate of interest, not to exceed five per centum per annum; and to increase said mortgage to a sum not, in any event, to exceed fifty thousand dollars, for the payment of debts contracted by the trustees of such Normal School prior to the time of the passage of this act: Provided, Said increase is for the purpose of paying loans and indebtedness heretofore contracted by said trustees for the erection of buildings and making of improvements to buildings and grounds: And provided, also, That an itemized and certified statement of the expenditures of said buildings and improvements be first submitted to the Auditor General, and be approved by him.

Section 2. That the bonds and mortgages of such school, hereby authorized, shall be signed by the president and attested by the secretary of the board of trustees, under the seal of the school, by the direction of the board of trustees, and shall be payable at such time as they may fix; and the said bonds and mortgages, to be so placed, shall be prior liens to all mortgages and liens of the Commonwealth of Pennsylvania for money heretofore appropriated to the said schools by the State of Pennsylvania; and that said bonds and mortgages shall be and hereby are exempt from all taxes.