

STATE MAY BORROW MONEY
Act of Jul. 11, 1917, P.L. 775, No. 291
AN ACT

Cl. 72

Authorizing the borrowing of money by the State for the purpose of repelling invasions, suppressing insurrections, and defending the State in war; designating the persons authorized to expend the money so borrowed; prescribing the manner in which such money may be drawn from the State Treasury; and making certain appropriations.

Section 1. Be it enacted, &c., That the Governor and the Commissioners of the Sinking-Fund are hereby authorized to borrow, on the faith of the Commonwealth, at such time and in such amounts and with such notice as they may deem for the best interests of the Commonwealth, any sum of money not exceeding five million dollars.

Section 2. For the purpose of obtaining such loan the Governor may issue certificates of loan or bonds of the Commonwealth. Such certificates or bonds shall bear interest at not more than four per centum per annum, which shall be payable in lawful money of the United States, semiannually, at the office of the State Treasury at Harrisburg, on the first day of February and the first day of August.

The certificates of loan or bonds, issued under the authority of this act, shall be payable at any time after the expiration of ten years, and within twenty-five years from the date of issue. Such bonds or certificates shall not be subject to taxation for any purpose whatsoever.

Section 3. Bids for such loan shall be received by the Governor, and shall be opened in the presence of the Governor and the commissioners of the Sinking-Fund. The loan shall be awarded by the Governor and the Commissioners of the Sinking-Fund to the highest bidder: Provided, That no certificate of loan or bond, issued under the authority of this act, shall be negotiated for less than par.

No bid shall be considered unless it be accompanied with a deposit of five per cent, on the amount bid for.

Section 4. The bonds or certificates of loan, issued under the provisions of this act, shall be signed by the Governor and the State Treasurer, and countersigned by the Auditor General. Such bonds or certificates shall be transferable on the books of the Commonwealth at the Auditor General's Department in Harrisburg.

Section 5. A correct registry of bonds and certificates of loan, issued under the authority of this act, shall be kept in a book to be provided for that purpose in the office of the Auditor General, who shall make a report thereof to the Legislature at its biennial session.

Section 6. The money received from the loan hereby authorized shall be exclusively used, and is hereby specifically appropriated, for the purpose of repelling invasions, suppressing insurrections, and defending the State in war.

Section 7. The Governor is hereby authorized to draw warrants on the State Treasurer for such sums of money as may be necessary to pay the proper expenses incident to the negotiations of such loan, the preparation of the bonds or certificates of loan authorized to be issued by this act. Such warrants shall be paid out of moneys in the State Treasury.

Section 8. The Governor, Lieutenant Governor, and State Treasurer are hereby empowered to expend the money, received from the loan hereby authorized, for the purpose of repelling invasions, suppressing insurrections, and defending the State in war, in such manner as they may jointly determine. Such money shall be paid by the State Treasurer on warrant signed by the Governor.

Vouchers in detail for such expenditures shall be filed with the Auditor General.