

SUPPLEMENTAL WORLD WAR II VETERANS' COMPENSATION BOND ACT

Act of Jun. 21, 1961, P.L. 494, No. 254

Cl. 51

AN ACT

Authorizing the issue and sale of bonds by the Commonwealth of Pennsylvania for the payment of compensation to certain veterans; defining the powers and duties of the Governor, the Auditor General, the State Treasurer, and the Board of Finance and Revenue in relation thereto; and providing for the payment of interest on and the redemption of such bonds; and making an appropriation.

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

Section 1. Short Title.--This act shall be known and may be cited as the "Supplemental World War II Veterans' Compensation Bond Act."

Section 2. Constitutional Amendment; Authorization of Issue and Sale of Bonds.--(a) An amendment to article nine of the Constitution of Pennsylvania which reads as follows, "Section 22. In addition to the purposes stated in article nine, section four of this Constitution, the Commonwealth may be authorized by law to create debt and to issue bonds to the amount of \$500,000,000 for the payment of compensation to certain persons from this Commonwealth who shall have served in the armed forces of the United States or of any of her allies during World War II, between the seventh day of December, one thousand nine hundred forty-one and the second day of September, one thousand nine hundred forty-five, for the service of such persons to their country whether or not they be living when distribution shall be made, and if such persons shall be deceased when distribution shall be made, such deceased person's compensation shall be paid to his spouse, child, children or parents," was adopted by the people of the Commonwealth of Pennsylvania at the election of November 8, 1949.

(b) In implementation thereof the General Assembly enacted the act of May 18, 1949 (P.L.1451) and bonds of the Commonwealth of Pennsylvania in aggregate principal amount \$440,000,000 were authorized and issued.

(c) Funds not in excess of \$1,000,000 are presently needed to accomplish fully such purposes.

(d) Therefore, the Governor, the Auditor General and the State Treasurer, in accordance with the provisions of the constitutional amendment set forth herein in section 2, subsection (a), are hereby authorized and directed to borrow,

on the credit of the Commonwealth of Pennsylvania, such sum or sums of money not exceeding in the aggregate, at any one time, the sum of one million dollars (\$1,000,000), as may be found necessary to carry out the purposes of such amendment and statutes passed in conformity therewith.

Section 3. Bonds, Issue, Maturity, Interest, Et Cetera.--(a) As evidence of the indebtedness herein authorized, bonds of the Commonwealth of Pennsylvania shall be issued from time to time for such total amounts, in such form, in such denominations, and subject to such terms and conditions of issue, redemption and maturity, rate of interest not to exceed four and one-half per centum (4 1/2%) per annum, and time of payment of interest, as the Governor, Auditor General and State Treasurer shall direct.

(b) All bonds issued under the authority of this act shall bear facsimile signatures of the Governor, Auditor General and State Treasurer, and a facsimile of the great seal of the Commonwealth of Pennsylvania, and shall be countersigned by two duly authorized officers of the duly authorized loan and transfer agents of the Commonwealth.

(c) The principal and interest of such bonds shall be payable in lawful money of the United States. All bonds issued under the provisions of this act shall be exempt from taxation for State and local purposes.

(d) Such bonds may be issued with or without interest coupons attached. If interest coupons are attached, they shall contain facsimile signatures of the State Treasurer and the Auditor General.

(e) The Governor, the Auditor General and the State Treasurer shall proceed to have the necessary bonds prepared and printed. The bonds, as soon as they are prepared and printed, shall be forthwith deposited with the duly authorized loan and transfer agent of the Commonwealth, there to remain until sold in accordance with the provisions of this act.

Section 4. Sale of Bonds.--Whenever bonds are so issued they shall be offered for sale at not less than par and accrued interest and shall be sold by the Governor, the Auditor General and State Treasurer at public or private sale on such terms and conditions as the Governor, Auditor General and State Treasurer shall direct.

Section 5. Disposition and Use of Proceeds.--The proceeds realized from the sale of bonds under the provisions of this act shall be paid into a special fund in the State Treasury, known as the World War II Veterans' Compensation Fund, and shall be used for the payment of compensation to certain veterans as provided for in the constitutional amendment hereinbefore cited and in the act of June 11, 1947 (P.L.565), passed in conformity therewith.

Section 6. Registration of Bonds.--The Auditor General shall prepare the necessary registry book to be kept in the office of the duly authorized loan and transfer agent of the Commonwealth for the registration of any bonds, at the request of owners thereof, according to the terms and conditions of issue directed by the Governor, the Auditor General and the State Treasurer, under section 3, subsection (a) hereof. All bonds which are issued without interest coupons attached shall be registered in the registry books kept by the duly authorized loan and transfer agent of the Commonwealth.

Section 7. Information to General Assembly.--It shall be the duty of the Governor to include in every annual budget submitted to the General Assembly, full information relating to the issuance of bonds under the provisions of this act, and

the status of the sinking fund of the Commonwealth for the payment of the interest on said bonds and the principal thereof at maturity.

Section 8. Special Fund; Investments; Redemption of Bonds.--All bonds issued under the authority of this act shall be redeemed at maturity and all interest due from time to time on such bonds shall be paid from the World War II Veterans' Compensation Sinking Fund. For specific purpose of redeeming said bonds at maturity and paying all interest thereon in accordance with the information received from the Governor, the General Assembly shall appropriate, annually, the moneys necessary for the payment of the interest on said bonds and the principal thereof at maturity. All moneys so appropriated shall be paid into the World War II Veterans' Compensation Sinking Fund by the State Treasurer, and all of such moneys not necessary to pay accruing interest shall be invested by the Board of Finance and Revenue in such securities as are provided by law for the investment of the sinking funds of the Commonwealth.

The Board of Finance and Revenue is authorized at any time to use any of the moneys in the World War II Veterans' Compensation Fund not necessary for the payment of compensation to veterans in accordance with the provisions of the constitutional amendment hereinbefore cited and the legislation passed in conformity therewith, for the purchase and retirement of all or any part of the bonds issued under the authority of this act. In the event that all or any part of said bonds shall be purchased by the Board of Finance and Revenue, they shall be canceled and returned to the State Treasurer as canceled and paid bonds and thereafter all payments of interest thereon shall cease, and the canceled bonds and coupons shall be destroyed within two (2) years after cancellation in the presence of the Governor, the Auditor General and the State Treasurer, or their respective nominees, and a certificate evidencing the destruction, satisfactory to the duly authorized loan and transfer agent of the Commonwealth shall be furnished to it. All canceled bonds and coupons shall be so marked as to make the canceled bonds and coupons non-negotiable.

Section 9. Quorum.--Whenever in this act any action is to be taken or decision made by the Governor, the Auditor General and the State Treasurer, and the three officers shall not be able, unanimously, to agree, the action or decision of the Governor and either the Auditor General or State Treasurer shall be binding and final, except it shall be the mandatory duty of the Governor, the Auditor General and the State Treasurer to issue bonds in accordance with the constitutional amendment quoted in the second section of this act in such time that payment of compensation to veterans, as provided for in said constitutional amendment and legislation passed in conformity therewith, may be made upon the establishment of the qualifications of those entitled thereto.

Section 10. Interest Computations.--The Governor, the Auditor General and the State Treasurer shall determine the amount of money necessary for the payment of interest on the bonds and the principal thereof, if any, and the times of such payments.

Section 11. Appropriations.--The Board of Finance and Revenue shall determine the amount of money necessary for the payment of interest on the bonds and the principal thereof, if any, for the fiscal period beginning June 1, 1961, and ending June 30, 1962, and the times and amounts of such payments and the amount so determined shall be transferred from the General

Fund to the World War II Veterans' Compensation Sinking Fund, and for such purpose as much of the money as may be necessary is hereby appropriated from the General Fund.

For the purpose of providing for the bonds, for the payment of the cost of advertising the same, for payment of the compensation of the loan and transfer agent for the fiscal period commencing June 1, 1961, and ending June 30, 1962, for all other costs and expenses in connection with the issue of and sale and registration of said bonds, there is hereby appropriated from the World War II Veterans' Compensation Fund to the State Treasurer the sum of \$25,000. Payments from the appropriation to be made by requisition of the State Treasurer after approval of voucher by the Governor, the Auditor General and the State Treasurer.

Section 12. Effective Date.--This act shall take effect immediately.