

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1597 Session of
2009

INTRODUCED BY MIRABITO, DALEY, HESS, BRADFORD, CALTAGIRONE,
CARROLL, GIBBONS, HOUGHTON, JOSEPHS, LONGIETTI, SIPTROTH AND
STURLA, JUNE 3, 2009

REFERRED TO COMMITTEE ON COMMERCE, JUNE 3, 2009

AN ACT

1 Amending Title 64 (Public Authorities and Quasi-Public
2 Corporations) of the Pennsylvania Consolidated Statutes,
3 further providing for indebtedness and for the Second Stage
4 Loan Program.

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

7 Section 1. Sections 1543(b)(7) and (8) and 1553(e)(1)(ii)
8 and (f) of Title 64 of the Pennsylvania Consolidated Statutes
9 are amended to read:

10 § 1543. Indebtedness.

11 * * *

12 (b) Program limitations.--Indebtedness incurred by the
13 authority under subsection (a) shall not, in aggregate, exceed
14 any of the following:

15 * * *

16 (7) [\$100,000,000] \$50,000,000 for the program
17 established in section 1556 (relating to Tax Increment
18 Financing Guarantee Program).

(8) [\$50,000,000] \$100,000,000 for the program established in section 1553 (relating to Second Stage Loan Program).

* * *

§ 1553. Second Stage Loan Program.

* * *

(e) Application review.--

(1) The board shall review the application to determine all of the following:

* * *

(ii) That the borrower's business has been in existence for at least two years [but no more than seven years] at the time of application.

* * *

(f) Limitations.--

(1) During [the first two years of] the term of a loan for which a guarantee certificate has been issued, the guarantee may not exceed 50% of the outstanding principal amount of the loan. [From the end of year two through either the end of year seven or the end of the term of the loan, whichever occurs first, the guarantee may not exceed 25% of the outstanding principal amount of the loan.] The guarantee will terminate at the end of seven years.

(2) At no time may a guarantee exceed [\$1,000,000] \$5,000,000 for any one loan.

Section 2. This act shall take effect immediately.