
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1877 Session of
1999

INTRODUCED BY LESCOVITZ, LEDERER, COY, MANDERINO, SURRA,
GORDNER, LAUGHLIN, CAPPABIANCA, McCALL, WALKO, GRUCELA,
BELARDI, STABACK, WILT, CALTAGIRONE, DeWEESE, DALEY, VEON,
VAN HORNE, TRAVAGLIO, PISTELLA, PETRARCA, BATTISTO, SEYFERT,
M. COHEN, CAWLEY, EVANS, COLAFELLA, BELFANTI, STEELMAN,
HERMAN, RAMOS, FREEMAN, MELIO, DeLUCA, JOSEPHS AND TRELLO,
SEPTEMBER 29, 1999

REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS,
SEPTEMBER 29, 1999

AN ACT

1 Providing for loans to assist farmers in their efforts to
2 purchase or update farm technology or equipment to enhance
3 farm productivity; establishing the Farm Technology Loan
4 Fund; providing for powers and duties of the Department of
5 Agriculture; and making an appropriation.

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

8 Section 1. Short title.

9 This act shall be known and may be cited as the Farm
10 Technology Loan Act.

11 Section 2. Declaration of policy.

12 The General Assembly finds and declares as follows:

13 (1) Agriculture is the leading industry in Pennsylvania.

14 (2) Since the average age of the Pennsylvania farmer is
15 55, farm technology and equipment need to be updated.

16 (3) The Commonwealth should provide loan assistance to

farmers to purchase or update their farm technology or equipment to enhance farm productivity.

Section 3. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Department." The Department of Agriculture of the Commonwealth.

"Eligible applicant." A person whose primary occupation and source of income is derived from farming.

Section 4. Loans authorized.

(a) Authority of department.--The department may, on application of any eligible applicant, make a loan under this act to an eligible applicant for the purpose of purchasing or updating farm technology or equipment.

(b) Terms.--The loan will be for a period of not more than ten years and shall be subject to repayment of interest at no more than 2%.

Section 5. Farm Technology Loan Fund.

(a) Fund established.--There is established a special fund in the State Treasury to be known as the Farm Technology Loan Fund to which shall be credited all appropriations made by the General Assembly for the purposes of this act and repayments of principal on loans made under this act.

(b) Repayments.--

(1) Upon approval of a loan under this act, the department shall routinely requisition from the fund the amount to be allocated by the department for loans to eligible applicants.

(2) When and as the amounts so allocated by the

1 department as loans to eligible applicants are repaid to the
2 department in accordance with the terms of the agreements
3 made and entered into with the department, the department
4 shall pay those amounts into the fund. All payments of
5 interest on the loans shall be deposited by the department in
6 the fund.

7 (3) The fund shall operate as a revolving fund whereby
8 appropriations and payments to the fund may be applied and
9 reapplied to the fund.

10 Section 6. Regulations.

11 The department shall administer this act and shall promulgate
12 regulations for its proper enforcement and administration.

13 Section 7. Appropriation.

14 The sum of \$10,000,000, or as much thereof as may be
15 necessary, is hereby appropriated to the Farm Loan Recovery Fund
16 for the fiscal year July 1, 1999, to June 30, 2000, to provide
17 loans to eligible applicants under this act.

18 Section 8. Effective date.

19 This act shall take effect immediately.