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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 661 Session of  
2019

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INTRODUCED BY J. WARD, VOGEL, STEFANO, AUMENT, K. WARD, BAKER  
AND BROWNE, MAY 17, 2019

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REFERRED TO AGRICULTURE AND RURAL AFFAIRS, MAY 17, 2019

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AN ACT

1 Amending Title 3 (Agriculture) of the Pennsylvania Consolidated  
2 Statutes, providing for the Commonwealth Specialty Crop Block  
3 Grant Program and establishing the Commonwealth Specialty  
4 Crop Block Grant Fund.

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

7 Section 1. Title 3 of the Pennsylvania Consolidated Statutes  
8 is amended by adding a part to read:

9 PART IX

10 GRANT PROGRAMS

11 Chapter

12 101. (Reserved)

13 103. (Reserved)

14 105. Commonwealth Specialty Crop Block Grant Program

15 CHAPTER 101

16 (Reserved)

17 CHAPTER 103

18 (Reserved)

19 CHAPTER 105

1 COMMONWEALTH SPECIALTY CROP BLOCK GRANT PROGRAM

2 Sec.

3 10501. Declaration of purpose.

4 10502. Definitions.

5 10503. Authority.

6 10504. Eligible applicants and projects.

7 10505. Allocation of funds.

8 10506. Use of grant funds by approved applicants.

9 10507. Entry onto premises.

10 10508. Audit and recordkeeping.

11 10509. Enforcement and penalties.

12 10510. Civil remedy.

13 10511. Commonwealth Specialty Crop Block Grant Fund.

14 10512. Applicability.

15 § 10501. Declaration of purpose.

16 The purpose of this chapter is to enhance, but not replace,  
17 the Federal Specialty Crop Block Grant Program by establishing  
18 an annual Commonwealth Specialty Crop Block Grant Program for  
19 horticultural specialty crops that are not currently eligible  
20 for grant payments under the Federal Specialty Crop Block Grant  
21 Program administered under the provisions of the Federal  
22 Agricultural Improvement Act of 2018 (Public Law 115-334).  
23 Assured annual funding will assist the growth, certification of  
24 seed and marketing of high priority horticultural specialty  
25 crops, as defined by the secretary under this chapter.

26 § 10502. Definitions.

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

30 "Crop." Plants that are cultivated for sale, production,

1 processing or subsistence. The term does not include wild  
2 plants.

3 "Eligible specialty crop." A horticultural crop not  
4 currently eligible for funding under the Federal Specialty Crop  
5 Block Grant Program and any future amendment thereto, or a plant  
6 cultivated and utilized for fiber or biofuel purposes, which is  
7 not currently eligible for funding under the Federal Specialty  
8 Crop Block Grant Program, and designated as a high-priority  
9 specialty crop by the secretary.

10 "Federal Specialty Crop Block Grant Program." The Specialty  
11 Crops Competitiveness Act of 2004 (Public Law 108-465, 118 Stat.  
12 3882).

13 "General evaluation criteria." The evaluation criteria  
14 established by the department and utilized for the Federal  
15 Specialty Crop Block Grant Program.

16 "Horticulture." The branch of agriculture concerned with  
17 growing plants that are used by people for food, medicinal  
18 purposes and aesthetic gratification.

19 "Specialty crops." The term includes fruits and vegetables,  
20 tree nuts, dried fruits and horticulture and nursery crops,  
21 including floriculture and crops used for fiber or biofuel  
22 purposes.

23 § 10503. Authority.

24 (a) Duties of department--The department shall have the  
25 following duties:

26 (1) To administer this chapter in a manner consistent  
27 with the general evaluation criteria, including the  
28 application, evaluation and reporting processes required and  
29 employed under the annual Federal Specialty Crop Block Grant  
30 Program.

1           (2) To develop all necessary documents and transmit a  
2 notice of all parameters of the Commonwealth Specialty Crop  
3 Block Grant Program, including eligible specialty crops,  
4 evaluation criteria, submittal dates, application and  
5 reporting forms and requirements and template grant  
6 agreements to the Legislative Reference Bureau for  
7 publication in the Pennsylvania Bulletin and on the  
8 department's publicly available Internet website.

9           (b) Funds available basis.--The Commonwealth Specialty Crop  
10 Block Grant Program shall only be administered in years in which  
11 funds are specifically allocated or received and made available  
12 to the department under this chapter for that purpose.

13 § 10504. Eligible applicants and projects.

14           The following eligibility criteria shall apply to applicants  
15 and grant projects:

16           (1) State and local organizations, producer  
17 associations, academia, community-based organizations and  
18 other eligible specialty crops stakeholders are eligible to  
19 apply.

20           (2) Projects shall enhance the competitiveness of  
21 eligible specialty crops and benefit the eligible specialty  
22 crop industry as a whole and may include, but are not limited  
23 to, projects such as:

24           (i) Increasing child and adult nutrition knowledge  
25 and consumption of specialty crops.

26           (ii) Participation of industry representatives at  
27 meetings of international standard setting bodies in  
28 which the Federal Government participates.

29           (iii) Improving efficiency and reducing costs of  
30 distribution systems.

1           (iv) Assisting all entities in the specialty crop  
2 distribution chains in developing good agricultural  
3 practices, good handling practices, good manufacturing  
4 practices and in cost-share arrangements for funding  
5 audits of such systems for small farmers, packers and  
6 processors.

7           (v) Investing in specialty crop research, including  
8 organic research to focus on conservation and  
9 environmental outcomes and enhancing food safety.

10          (vi) Developing new and improved seed varieties and  
11 specialty crops.

12          (vii) Pest and disease control.

13          (viii) Sustainability.

14          (3) To be considered an eligible specialty crop,  
15 eligible plants must be cultivated or managed and used by  
16 people for food, medicinal purposes or aesthetic  
17 gratification or other parameters established by the  
18 secretary. Processed products shall consist of greater than  
19 50% of the eligible specialty crop by weight, exclusive of  
20 added water.

21          (4) Grants may not be awarded to projects that directly  
22 benefit a particular commercial product or provide a profit  
23 to a single organization, institution or individual.

24          (5) Grants may be awarded to eligible applicants and  
25 projects for up to two years.

26 § 10505. Allocation of funds.

27          The funds which the department is allocated or receives under  
28 section 10511 (relating to Commonwealth Specialty Crop Block  
29 Grant Fund) shall be allocated for administration of this  
30 chapter in accordance with the following formula:

1           (1) An amount of up to 8% of the funds may be used by  
2 the department for administrative costs.

3           (2) The balance of the funds which remain after  
4 subtracting the administrative costs of the department shall  
5 be allocated to eligible applicants and projects in a manner  
6 which seeks to distribute the funds evenly among eligible  
7 specialty crops and, where practicable, in a manner that  
8 distributes the funds across this Commonwealth.

9 § 10506. Use of grant funds by approved applicants.

10          (a) Approved applicant.--The funds that are allocated to  
11 approved applicants by the department, in accordance with this  
12 chapter, shall be used only for approved, eligible activities  
13 which are permitted in accordance with this chapter, the  
14 Commonwealth Specialty Crops Block Grant parameters and the  
15 grant agreement.

16          (b) Violations.--It shall be unlawful for a person to  
17 violate:

18           (1) the terms or provisions of this chapter;

19           (2) the program parameters developed under this chapter;

20          or

21           (3) a signed grant agreement established under this  
22 chapter.

23 § 10507. Entry onto premises.

24          The department, in the performance of duties required to  
25 enforce and assure compliance with this chapter, may, during  
26 normal business hours, enter onto the premises of an approved  
27 block grant applicant or recipient. Failure to grant access  
28 shall be a violation of this chapter.

29 § 10508. Audit and recordkeeping.

30          (a) Requirements.--The department shall establish and

1 enforce the audit and recordkeeping requirements as established  
2 under the annual Federal Specialty Crop Block Grant Program and  
3 publish the requirements on the department's publicly accessible  
4 Internet website. The department shall transmit notice of the  
5 audit and recordkeeping requirements to the Legislative  
6 Reference Bureau for publication in the Pennsylvania Bulletin.

7 (b) Authority to investigate.--The department may  
8 investigate the records of an approved applicant under this  
9 chapter. The approved applicant shall provide the applicant's  
10 records upon the department's request. The department shall  
11 conduct inspections as necessary to assure compliance with this  
12 chapter, the program parameters developed under this chapter or  
13 a signed grant agreement established under this chapter.

14 § 10509. Enforcement and penalties.

15 (a) Revocation, denial and reimbursement.--For a violation  
16 of the terms or provisions of this chapter, the program  
17 parameters developed under this chapter or a signed grant  
18 agreement established under this chapter, the department may:

19 (1) Revoke the approved block grant and recover any  
20 grant funds already allocated. Failure of a person to repay  
21 all or a portion of the grant funds already allocated shall  
22 allow the department to refer the matter to the Office of  
23 Attorney General, which shall recover the amount by action in  
24 the appropriate court.

25 (2) Deny an application filed by the person for a  
26 current, future or joint project block grant.

27 (b) Civil penalties.--The following shall apply:

28 (1) In addition to proceeding under any other remedy  
29 available at law or in equity for a violation of this  
30 chapter, a rule adopted under this chapter or an order issued

1 or agreement entered into under this chapter, the department  
2 may assess a civil penalty of not more than the amount of the  
3 block grant and cost of prosecution upon an individual or  
4 business for each offense.

5 (2) No civil penalty shall be assessed unless the person  
6 charged has been given notice and opportunity for a hearing  
7 on the charge in accordance with law.

8 (3) In determining the amount of the penalty, the  
9 department shall consider the gravity of the violation. The  
10 department may issue a warning in lieu of assessing a  
11 penalty.

12 (4) In cases of inability to collect the civil penalty  
13 or failure of a person to pay all or a portion of the  
14 penalty, as the department may determine, the department may  
15 refer the matter to the Office of Attorney General, which  
16 shall recover such amount by action in the appropriate court.

17 § 10510. Civil remedy.

18 In addition to any other remedies provided for in this  
19 chapter, the Attorney General, at the request of the department,  
20 may initiate, in the Commonwealth Court or the court of common  
21 pleas of the county in which the defendant resides or has a  
22 place of business, an action in equity for an injunction to  
23 restrain any and all violations of this chapter or the rules  
24 promulgated under this chapter or any order issued or agreement  
25 entered into under this chapter from which no timely appeal has  
26 been taken or which has been sustained on appeal. In a  
27 proceeding, the court shall, upon motion of the Commonwealth,  
28 issue a preliminary injunction if the court finds that the  
29 defendant is engaging in conduct that is unlawful under this  
30 chapter or is engaging in conduct which is causing immediate or

1 irreparable harm to the public. The Commonwealth shall not be  
2 required to furnish bond or other security in connection with  
3 the proceedings. In addition to an injunction, the court in the  
4 equity proceedings may levy civil penalties under section 2383  
5 (relating to enforcement and penalties).

6 § 10511. Commonwealth Specialty Crop Block Grant Fund.

7 (a) Establishment.--The Commonwealth Specialty Crop Block  
8 Grant Fund is established as a special nonlapsing fund in the  
9 State Treasury. All money derived from fines and civil  
10 penalties, judgments and interest collected or imposed under  
11 this chapter shall be paid into the fund. All money placed into  
12 the fund and the interest the fund accrues are hereby  
13 appropriated to the department on a continuing basis for any  
14 activities necessary to meet the requirements of this chapter.

15 (b) Supplements to fund.--The Commonwealth Specialty Crop  
16 Block Grant Fund may be supplemented by money received from the  
17 following sources:

- 18 (1) State funds appropriated to the department.  
19 (2) Federal funds appropriated to the department.  
20 (3) Gifts and other contributions from public and  
21 private sources.

22 § 10512. Applicability.

23 This chapter shall apply to the distribution of money of the  
24 Commonwealth Specialty Crop Block Grant Fund allocated or made  
25 available to the department beginning with fiscal year 2019-2020  
26 and thereafter. The department shall not be liable for any  
27 commitment or for completion of a partially completed or  
28 partially funded project which cannot be completed due to the  
29 unavailability of Commonwealth funds or future Commonwealth  
30 appropriations.

1 Section 2. This act shall take effect in 60 days.