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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1485 Session of  
1983

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INTRODUCED BY SAURMAN, ITKIN, J. L. WRIGHT, CIMINI, BOWSER,  
MORRIS, PETRONE, HERMAN, HAGARTY, OLASZ, WOGAN, LASHINGER,  
SIRIANNI AND HALUSKA, SEPTEMBER 28, 1983

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REFERRED TO COMMITTEE ON HEALTH AND WELFARE, SEPTEMBER 28, 1983

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AN ACT

1 Providing for a loan program for senior citizens; establishing  
2 the Senior Citizens Revolving Relief Fund; providing further  
3 duties of the Department of Aging; and making an  
4 appropriation from the Lottery Fund.

5 This act shall provide a funding source for certain eligible  
6 senior citizens to receive loans for the purpose of making home  
7 improvements and certain necessary financial expenditures. In  
8 recognition of the severe economic plight of certain senior  
9 citizens, widows and widowers, the General Assembly considers it  
10 to be a matter of sound public policy to make special provisions  
11 to assist these persons to meet rising costs of utilities, food,  
12 transportation, property taxes, home rehabilitation expenses,  
13 rental expense, medical and dental care, prescriptions,  
14 eyeglasses and all other general and special needs. In  
15 recognition of the individual differences and unique needs of  
16 these persons, the General Assembly deems it appropriate public  
17 policy to provide a revolving relief fund in order to assist  
18 these persons in meeting their particular economic needs.

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

3       Section 1.   Short title.

4       This act shall be known and may be cited as the Senior  
5 Citizens Revolving Relief Fund Act.

6       Section 2.   Definitions.

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

10       "Department."   The Department of Aging.

11       "Fund."   The Senior Citizens Revolving Relief Fund.

12       Section 3.   Loan program.

13       (a)   Eligibility.--All persons who are currently  
14 participating in the property tax or rent rebate program as  
15 authorized by the act of March 11, 1971 (P.L.104, No.3), known  
16 as the Senior Citizens Rebate and Assistance Act, shall be  
17 eligible for a loan from the fund. Application for the loans  
18 shall be made in the manner and on the forms as are prescribed  
19 by the department.

20       (b)   Limits on loans.--The department, following its review  
21 of each loan application, may approve any loan sought solely for  
22 the benefit of an eligible senior citizen or other eligible  
23 person. No loan shall be approved which would exceed the amount  
24 of property tax or rent rebate the applicant is expected to  
25 receive in that year.

26       (c)   Interest and repayment period.--All loans approved by  
27 the department under this section shall bear interest at a rate  
28 substantially equal to the department's cost of administering  
29 this act and shall be repaid at the time as the borrower repays  
30 it or not later than the date on which the department determines

1 that the estate and inheritance tax has been settled.

2 (d) Lien.--The department, prior to its approval of any loan  
3 application, will require that the applicant enter into an  
4 agreement which would provide for a lien upon the property until  
5 such time as the loan, together with interest, has been repaid.  
6 The department shall record the lien provided for under this  
7 section with the office of the prothonotary of the county  
8 wherein the eligible applicant resides and the lien shall be  
9 given a priority exceeded only by claims of the Federal  
10 Government insofar as the laws of the United States may give a  
11 prior claim to the Federal Government. When an applicant repays  
12 to the Commonwealth the amount of the loan, together with  
13 interest, the department shall release the lien.

14 Section 4. Fund.

15 There is hereby established a separate account in the State  
16 Treasury to be known as the Senior Citizens Revolving Relief  
17 Fund.

18 Section 5. Rules and regulations.

19 The department may, in the manner provided by law, promulgate  
20 the rules, regulations and forms necessary to carry out this  
21 act.

22 Section 6. Appropriation.

23 (a) General rule.--Notwithstanding section 12 of the act of  
24 August 26, 1971 (P.L.351, No.91), known as the State Lottery  
25 Law, all funds from the annual lottery surplus are hereby  
26 appropriated out of the Lottery Fund to the Senior Citizens  
27 Revolving Relief Fund on a continuing basis.

28 (b) Balance reports.--On or before June 1, the State  
29 Treasurer shall notify the Department of Aging the amount of  
30 moneys collected in the Senior Citizens Revolving Relief Fund

1 Restricted Account.

2 (c) Definition.--As used in this section "annual lottery  
3 surplus" shall mean the balance of funds remaining in the  
4 Lottery Fund on June 30 of each year after having subtracted  
5 from the annual gross revenue derived from the operation of the  
6 State Lottery all prizes, program costs, other than the costs  
7 for the payment of loans, and administration expenses accrued as  
8 of said date.

9 Section 7. Effective date.

10 This act shall take effect in 60 days.