
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2933 Session of
1994

INTRODUCED BY SURRA, LESCOVITZ, FLEAGLE AND B. SMITH,
JUNE 16, 1994

REFERRED TO COMMITTEE ON APPROPRIATIONS, JUNE 16, 1994

AN ACT

1 Appropriating money from the Sunny Day Fund to the Department of
2 Commerce for various projects throughout this Commonwealth
3 for fiscal year 1994-1995.

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

6 Section 1. The sums set forth in this act, or as much
7 thereof as may be necessary, are hereby specifically
8 appropriated from the Sunny Day Fund to the Department of
9 Commerce for the fiscal year July 1, 1994, to June 30, 1995, for
10 the projects listed to enhance economic development and the
11 creation of jobs in this Commonwealth in accordance with the
12 provisions of Chapter 1 of the act of July 1, 1985 (P.L.120,
13 No.32), known as the Sunny Day Fund Act.

14 Section 2. The following amounts are appropriated to the
15 Department of Commerce to induce companies to locate large
16 industrial, manufacturing or research and development
17 enterprises within this Commonwealth.

18 (1) For the purpose of making a

1 loan to J & L Specialty Steel, Inc.,
2 to purchase machinery and equipment
3 for a facility located in Beaver
4 County. The total project cost is
5 approximately \$67,000,000. It is
6 estimated that this project will
7 create 120 new jobs within five years
8 of operation.

9 State appropriation..... 2,500,000

10 (2) For the purpose of making a
11 loan to Starbucks Coffee Company,
12 Inc., to construct a facility to be
13 located in Antrim Township, Franklin
14 County, or East Manchester Township,
15 York County. The total project cost is
16 approximately \$20,000,000. It is
17 estimated that this project will
18 create 275 new jobs within three years
19 of operation.

20 State appropriation..... 5,000,000

21 (3) For the purpose of making a
22 loan to Mascotech Sintered Components,
23 Inc., to purchase machinery and
24 equipment for its facility located in
25 Ridgway, Elk County. The total project
26 cost is approximately \$10,900,000. It
27 is estimated that this project will
28 create 110 new jobs within three years
29 of operation.

30 State appropriation..... 2,500,000

1 Section 3. It is the intent of the General Assembly that the
2 appropriations in section 2 shall be loaned at an annual
3 interest rate that in no case shall be less than the
4 Pennsylvania Industrial Development Authority's rate for the
5 area in which the project is located and for a term that shall
6 be the same as the term for an equivalent Pennsylvania
7 Industrial Development Authority project. Private companies
8 which receive Sunny Day Fund assistance but fail to make the
9 investment in the enterprise development as specified in section
10 2 shall be liable for the repayment of all Sunny Day Fund
11 moneys, including any accrued interest thereon and any penalties
12 set by the Secretary of Commerce. Private companies which
13 receive Sunny Day Fund assistance but fail to create the number
14 of jobs specified in the approved loan or other agreements with
15 the Commonwealth shall be liable for a penalty equal to an
16 increase in the interest charged to 2% greater than the current
17 prime interest rate for the remainder of the loan, unless the
18 penalty is waived by the Secretary of Commerce because the
19 failure is due to circumstances outside the control of the
20 private company. The Secretary of Commerce shall consult with
21 the chairman of the Appropriations Committee of the Senate and
22 the chairman of the Appropriations Committee of the House of
23 Representatives prior to the establishment of waiver of
24 penalties.

25 Section 4. For a period equal to the term of assistance
26 provided each project approved under this act, the Department of
27 Commerce shall provide a written report on the status of each
28 project to the Secretary of the Senate and the Chief Clerk of
29 the House of Representatives by June 30 of each year. This
30 report shall contain, at a minimum, information pertaining to

1 the specific use of the Sunny Day Fund money, the interest rate
2 and term of the Sunny Day Fund loan, the amount of principal
3 outstanding and interest due on the loan and the number of jobs
4 created by the project. All recipients of funds under this act
5 shall be required to provide any and all information required by
6 the Department of Commerce for the purposes of this act.

7 Section 5. No funds under this act shall be awarded by the
8 Department of Commerce after June 30, 1996. Any funds from this
9 appropriation remaining unexpended or unencumbered on June 30,
10 1996, shall automatically lapse into the Sunny Day Fund.

11 Section 6. This act shall take effect immediately.