

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 313 Session of  
1997

INTRODUCED BY HABAY, PETTIT, SEMMEL, MILLER, ALLEN AND GEIST,  
FEBRUARY 5, 1997

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,  
FEBRUARY 5, 1997

AN ACT

1 Providing for abandoned mine subsidence emergency assistance;  
2 establishing a mine subsidence revolving loan fund; and  
3 making an appropriation.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Abandoned  
8 Mine Subsidence Assistance Act.

9 Section 2. Purpose of act.

10 By this act, the General Assembly of the Commonwealth of  
11 Pennsylvania recognizes that the existence of abandoned mine  
12 cavities beneath large and populated areas of this Commonwealth  
13 poses a continued threat to the health and welfare of the  
14 residents of those areas and further recognizes that subsidence  
15 over such abandoned mines damages property, jeopardizes public  
16 safety and causes economic hardship to property owners.  
17 Accordingly, it is the purpose of this act to authorize  
18 financial assistance, in the form of grants and loans, to

1 homeowners whose dwellings have been damaged by subsidence over  
2 abandoned mine cavities.

3 Section 3. Definitions.

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

7 "Department." The Department of Environmental Protection of  
8 the Commonwealth.

9 "Dwelling." A structure whose primary use is residential.

10 "Mine subsidence damage." Damage to a dwelling caused by the  
11 vertical or lateral movement of the earth as the result of the  
12 collapse of an abandoned mine cavity.

13 "Mine subsidence emergency." A condition in which a dwelling  
14 sustains mine subsidence damage sufficient to render the  
15 structure unsafe for human occupancy.

16 Section 4. Mine Subsidence Assistance Program.

17 (a) Financial assistance.--Whenever a homeowner believes  
18 that his dwelling has sustained mine subsidence damage, the  
19 homeowner may apply to the department for mine subsidence  
20 assistance. The application shall be on a form prepared by the  
21 department and shall provide for inspection of the dwelling to  
22 determine the nature and extent of the damage. Upon a  
23 determination by the department that a dwelling has sustained  
24 mine subsidence damage, the department shall, to the extent  
25 funds are made available, grant assistance, as follows:

26 (1) Grants may be awarded only to those homeowners whose  
27 dwellings are unsafe for occupancy as a result of a mine  
28 subsidence emergency as defined herein and may be awarded to  
29 move persons whose dwellings are destroyed or endangered  
30 until the homes are repaired, until there is no further

1 danger of subsidence or until a new permanent residence is  
2 found.

3 (2) Loans may be approved at interest rates not to  
4 exceed 3% for the repair or replacement of dwellings damaged  
5 by mine subsidence. Loans shall be awarded on a priority  
6 basis according to severity of damages sustained, provided  
7 that a dwelling need not be rendered unsafe for human  
8 occupancy as a result of a mine subsidence emergency as  
9 defined herein to qualify for a loan under this subsection.  
10 The loan shall be in an amount sufficient to cover the cost  
11 of repairing the structural damage to the dwelling, but in no  
12 event shall be greater than the replacement cost of the  
13 dwelling as determined by an appraiser, as provided for in  
14 regulations promulgated pursuant hereto. Loans shall be  
15 administered by the department and shall be secured by a lien  
16 upon the dwelling being repaired or replaced.

17 (3) In addition to repairing or replacing structural  
18 damage to a dwelling, loans under this act may also be made  
19 to repair or replace foundations, driveways, septic tanks,  
20 sidewalks, fences, sewer laterals, water lines, gas lines,  
21 wells and inground pools located on the property on which the  
22 dwelling is located. Such loans shall only be made for the  
23 amount not covered by other insurance or sources of  
24 remuneration against a loss which are in effect for the  
25 dwelling at the time of the loss.

26 (b) Insurance required.--Persons receiving assistance under  
27 this section shall be required to purchase mine subsidence  
28 insurance at such time as the structural damage for which  
29 assistance was granted has been repaired if it is deemed by the  
30 department that said dwelling is in danger of further damage

1 from mine subsidence.

2 (c) Prohibition.--The provisions of subsection (a)(1) and  
3 (2) are not applicable to homeowners if they are holders of mine  
4 subsidence insurance policies pursuant to the act of August 23,  
5 1961 (P.L.1068, No.484), entitled, "An act to provide for the  
6 creation and administration of a Coal and Clay Mine Subsidence  
7 Insurance Fund within the Department of Environmental Resources  
8 for the insurance of compensation for damages to subscribers  
9 thereto; declaring false oaths by the subscribers to be  
10 misdemeanors; providing penalties for the violation thereof; and  
11 making an appropriation."

12 Section 5. Rulemaking.

13 The Environmental Quality Board may promulgate regulations  
14 which it deems necessary to carry out the provisions and  
15 purposes of this act.

16 Section 6. Public notice.

17 Following the effective date of this act, the department  
18 shall undertake appropriate measures to notify the public of the  
19 availability of and need for mine subsidence insurance as  
20 provided for by the act of August 23, 1961 (P.L.1068, No.484),  
21 entitled, "An act to provide for the creation and administration  
22 of a Coal and Clay Mine Subsidence Insurance Fund within the  
23 Department of Environmental Resources for the insurance of  
24 compensation for damages to subscribers thereto; declaring false  
25 oaths by the subscribers to be misdemeanors; providing penalties  
26 for the violation thereof; and making an appropriation."

27 Section 7. Revolving fund.

28 The Department of Environmental Protection shall establish a  
29 mine subsidence revolving loan fund. All appropriations and any  
30 repayments of loans together with any interest paid thereon,

1 made pursuant to this act, shall be deposited to this revolving  
2 loan fund for the purposes provided under this act.

3 Section 8. Appropriation.

4 The sum of \$250,000 is hereby appropriated to the Department  
5 of Environmental Protection for the fiscal period beginning July  
6 1, 1997, through June 20, 2001. This appropriation shall be  
7 deposited in the revolving loan fund established in section 7.

8 Section 9. Retroactivity.

9 This act shall be retroactive to November 1, 1994.

10 Section 10. Effective date.

11 This act shall take effect immediately.