

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 661 Session of 2019

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

SENATOR VOGEL, AGRICULTURE AND RURAL AFFAIRS, AS AMENDED, JUNE 12, 2019

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)

1 CHAPTER 105

2 COMMONWEALTH SPECIALTY CROP BLOCK GRANT PROGRAM

3 Sec.

4 10501. Declaration of purpose.

5 10502. Definitions.

6 10502.1. ESTABLISHMENT OF PROGRAM. <--

7 10503. Authority.

8 10504. Eligible applicants and projects.

9 10505. Allocation of ~~funds~~ MONEY. <--

10 10506. Use of grant ~~funds~~ MONEY by approved applicants. <--

11 ~~10507. Entry onto premises.~~ <--

12 ~~10508~~ 10507. Audit and recordkeeping. <--

13 ~~10509. Enforcement and penalties.~~ <--

14 ~~10510. Civil remedy.~~

15 ~~10511~~ 10508. Commonwealth Specialty Crop Block Grant Fund. <--

16 ~~10512~~ 10509. Applicability. <--

17 § 10501. Declaration of purpose.

18 The purpose of this chapter is to enhance, but not replace,

19 the Federal Specialty Crop Block Grant Program by establishing

20 ~~an annual~~ A Commonwealth Specialty Crop Block Grant Program for <--

21 ~~horticultural~~ specialty crops that are not currently eligible <--

22 for grant payments under the Federal Specialty Crop Block Grant

23 Program administered under the provisions of the Federal <--

24 ~~Agricultural Improvement Act of 2018 (Public Law 115-334).~~

25 ~~Assured annual funding.~~ FUNDING will assist the growth, <--

26 certification of seed and marketing of ~~high priority~~ <--

27 ~~horticultural~~ HIGH-PRIORITY specialty crops, as defined by the <--

28 secretary under this chapter.

29 § 10502. Definitions.

30 The following words and phrases when used in this chapter

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 "Crop." Plants that are cultivated for sale, production,
4 processing or subsistence. The term does not include wild
5 plants.

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

13 "ELIGIBLE SPECIALTY CROP." A SPECIALTY CROP DESIGNATED AS A <--
14 HIGH-PRIORITY SPECIALTY CROP BY THE SECRETARY, WITH PRIORITY
15 GIVEN TO CROPS, PLANTS AND PRODUCTS THAT ARE NOT CURRENTLY
16 ELIGIBLE FOR FUNDING UNDER THE FEDERAL SPECIALTY CROP BLOCK
17 GRANT PROGRAM.

18 "Federal Specialty Crop Block Grant Program." The Specialty
19 Crops Competitiveness Act of 2004 (Public Law 108-465, 118 Stat.
20 3882).

21 "General evaluation criteria." The evaluation criteria
22 established by the department and utilized for the Federal
23 Specialty Crop Block Grant Program.

24 "Horticulture." The branch of agriculture concerned with <--
25 growing plants that are used by people for food, medicinal
26 purposes and aesthetic gratification.

27 "Specialty crops." The term includes fruits and vegetables,
28 tree nuts, dried fruits and horticulture and nursery crops,
29 including floriculture and crops used for fiber or biofuel
30 purposes.

<--

1 "HORTICULTURAL CROPS." A CROP THAT IS USED BY PEOPLE FOR
2 FOOD, MEDICINAL PURPOSES AND AESTHETIC GRATIFICATION.

3 "POPULATION DENSITY." THE TOTAL POPULATION OF THIS
4 COMMONWEALTH AS DETERMINED BY THE MOST RECENT FEDERAL DECENNIAL
5 CENSUS, DIVIDED BY THE TOTAL AREA OF THIS COMMONWEALTH IN SQUARE
6 MILES.

7 "PROGRAM." THE COMMONWEALTH SPECIALTY CROP BLOCK GRANT
8 PROGRAM ESTABLISHED UNDER SECTION 10502.1 (RELATING TO
9 ESTABLISHMENT OF PROGRAM).

10 "RURAL MUNICIPALITY." A MUNICIPALITY OF THIS COMMONWEALTH
11 WITH A POPULATION DENSITY LESS THAN THE STATEWIDE AVERAGE
12 POPULATION DENSITY OR A TOTAL POPULATION LESS THAN 2,500, UNLESS
13 MORE THAN 50% OF THE POPULATION LIVES IN AN URBANIZED AREA, AS
14 DEFINED BY THE UNITED STATES CENSUS BUREAU.

15 "SILVICULTURAL PRODUCT." A PRODUCT OF A FOREST OR WOODLAND,
16 INCLUDING, BUT NOT LIMITED TO, TIMBER.

17 "SPECIALTY CROP." A HORTICULTURAL CROP OR SILVICULTURAL
18 PRODUCT, A PLANT CULTIVATED AND UTILIZED FOR FIBER OR BIOFUEL
19 PURPOSES OR AN APIARY PRODUCT.

20 "URBAN MUNICIPALITY." A MUNICIPALITY OF THIS COMMONWEALTH
21 NOT DEFINED AS A RURAL MUNICIPALITY.

22 § 10503. Authority.

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

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

30 (2) To develop all necessary documents and transmit a

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

8 (b) Funds available basis. The Commonwealth Specialty Crop <--
9 Block Grant Program SPECIFIC ALLOCATION AND NONLIABILITY.--THE <--
10 PROGRAM shall only be administered in years in which funds are <--
11 MONEY IS specifically allocated or received and made available <--
12 to the department under this chapter for that purpose. THE <--
13 DEPARTMENT SHALL NOT BE LIABLE FOR ANY COMMITMENT OR FOR
14 COMPLETION OF A PARTIALLY COMPLETED OR PARTIALLY FUNDED PROJECT
15 WHICH CANNOT BE COMPLETED DUE TO THE UNAVAILABILITY OF
16 COMMONWEALTH MONEY OR FUTURE COMMONWEALTH APPROPRIATIONS.

17 § 10504. Eligible applicants and projects.

18 The following eligibility criteria shall apply to applicants
19 and grant projects:

20 (1) State and local organizations, producer
21 associations, academia, community-based organizations and
22 other eligible specialty crops stakeholders are eligible to
23 apply.

24 (2) Projects shall enhance the competitiveness of
25 eligible specialty crops and benefit the eligible specialty
26 crop industry as a whole and may include, but are not limited
27 to, projects such as:

28 (i) Increasing child and adult nutrition knowledge
29 and consumption of specialty crops.

30 (ii) Participation of industry representatives at

1 meetings of international standard setting bodies in
2 which the Federal Government participates.

3 (iii) Improving efficiency and reducing costs of
4 distribution systems.

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

11 (v) Investing in specialty crop research, including
12 organic research to focus on conservation and
13 environmental outcomes and enhancing food safety.

14 (vi) Developing new and improved seed varieties and
15 specialty crops.

16 (vii) Pest and disease control.

17 (viii) Sustainability.

18 (3) To be considered an eligible specialty crop,
19 ~~eligible plants must be cultivated or managed and used by~~ <--
20 ~~people for food, medicinal purposes or aesthetic~~
21 ~~gratification or other~~ A SPECIALTY CROP MUST MEET THE <--
22 parameters established by the secretary. Processed products
23 shall consist of greater than 50% of the eligible specialty
24 crop by weight, exclusive of added water.

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

28 (5) Grants may be awarded to ~~eligible~~ APPROVED <--
29 applicants and projects for up to two years.

30 \$ 10505. Allocation of ~~funds~~ MONEY. <--

1 ~~The funds which the department is allocated or receives under~~ <--
2 ~~section 10511~~ MONEY THAT IS ALLOCATED TO OR RECEIVED BY THE <--
3 DEPARTMENT UNDER SECTION 10508 (relating to Commonwealth
4 Specialty Crop Block Grant Fund) shall be allocated for
5 administration of this chapter in accordance with the following
6 formula:

7 (1) An amount of up to 8% of the ~~funds~~ MONEY may be used <--
8 by the department for administrative costs.

9 (2) AN AMOUNT EQUAL TO 6.2% OF THE MONEY SHALL BE <--
10 ALLOCATED TO APPROVED APPLICANTS AND PROJECTS LOCATED IN
11 RURAL MUNICIPALITIES WHERE AT LEAST 20% OF THE POPULATION HAS
12 BEEN BELOW THE FEDERAL POVERTY LINE SINCE 1990 BASED ON
13 CENSUS DATA.

14 (3) AN AMOUNT EQUAL TO 3.8% OF THE MONEY SHALL BE
15 ALLOCATED TO APPROVED APPLICANTS AND PROJECTS LOCATED IN
16 URBAN MUNICIPALITIES WHERE AT LEAST 20% OF THE POPULATION HAS
17 BEEN BELOW THE FEDERAL POVERTY LINE SINCE 1990 BASED ON
18 CENSUS DATA.

19 ~~(2)~~ (4) The balance of the ~~funds which remain after~~ <--
20 ~~subtracting the administrative costs of the department~~ MONEY <--
21 REMAINING AFTER MAKING ALLOCATIONS UNDER PARAGRAPHS (1), (2)
22 AND (3) shall be allocated to ~~eligible~~ APPROVED applicants <--
23 and projects in a manner which seeks to distribute the ~~funds~~ <--
24 MONEY evenly among TYPES OF eligible specialty crops and, <--
25 where practicable, in a manner that distributes the ~~funds~~ <--
26 MONEY across this Commonwealth. <--

27 § 10506. Use of grant ~~funds~~ MONEY by approved applicants. <--

28 ~~(a) Approved applicant. The funds that are allocated to~~ <--
29 ~~approved applicants by the department, in accordance with this~~
30 ~~chapter, shall be used only for approved, eligible activities~~

1 ~~which are permitted in accordance with this chapter, the~~
2 ~~Commonwealth Specialty Crops Block Grant parameters and the~~
3 ~~grant agreement.~~

4 (A) APPLICANTS.--MONEY THAT IS ALLOCATED TO APPROVED <--
5 APPLICANTS BY THE DEPARTMENT SHALL BE USED ONLY FOR APPROVED
6 PROJECTS IN ACCORDANCE WITH THIS CHAPTER, PROGRAM PARAMETERS AND
7 GRANT AGREEMENTS.

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

- 10 (1) the terms or provisions of this chapter;
11 (2) the program parameters developed under this chapter;
12 or
13 (3) a signed grant agreement established under this
14 chapter.

15 § 10507. Entry onto premises. <--

16 The department, in the performance of duties required to
17 enforce and assure compliance with this chapter, may, during
18 normal business hours, enter onto the premises of an approved
19 block grant applicant or recipient. Failure to grant access
20 shall be a violation of this chapter.

21 § 10508. Audit and recordkeeping.

22 (a) Requirements.--The department shall establish and
23 enforce the audit and recordkeeping requirements as established
24 under the annual Federal Specialty Crop Block Grant Program and
25 publish the requirements on the department's publicly accessible
26 Internet website. The department shall transmit notice of the
27 audit and recordkeeping requirements to the Legislative
28 Reference Bureau for publication in the Pennsylvania Bulletin.

29 (b) Authority to investigate.--The department may
30 investigate the records of an approved applicant under this

1 chapter. The approved applicant shall provide the applicant's
2 records upon the department's request. The department shall <--
3 conduct AN APPROVED APPLICANT SHALL ALLOW THE DEPARTMENT TO <--
4 CONDUCT ON-SITE inspections as necessary to assure compliance
5 with this chapter, the program parameters developed under this
6 chapter or a signed grant agreement established under this
7 chapter.

8 § 10509. Enforcement and penalties. <--

9 (a) Revocation, denial and reimbursement. For a violation
10 of the terms or provisions of this chapter, the program
11 parameters developed under this chapter or a signed grant
12 agreement established under this chapter, the department may:

13 (1) Revoke the approved block grant and recover any
14 grant funds already allocated. Failure of a person to repay
15 all or a portion of the grant funds already allocated shall
16 allow the department to refer the matter to the Office of
17 Attorney General, which shall recover the amount by action in
18 the appropriate court.

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

21 (b) Civil penalties. The following shall apply:

22 (1) In addition to proceeding under any other remedy
23 available at law or in equity for a violation of this
24 chapter, a rule adopted under this chapter or an order issued
25 or agreement entered into under this chapter, the department
26 may assess a civil penalty of not more than the amount of the
27 block grant and cost of prosecution upon an individual or
28 business for each offense.

29 (2) No civil penalty shall be assessed unless the person
30 charged has been given notice and opportunity for a hearing

1 ~~on the charge in accordance with law.~~

2 ~~(3) In determining the amount of the penalty, the~~
3 ~~department shall consider the gravity of the violation. The~~
4 ~~department may issue a warning in lieu of assessing a~~
5 ~~penalty.~~

6 ~~(4) In cases of inability to collect the civil penalty~~
7 ~~or failure of a person to pay all or a portion of the~~
8 ~~penalty, as the department may determine, the department may~~
9 ~~refer the matter to the Office of Attorney General, which~~
10 ~~shall recover such amount by action in the appropriate court.~~

11 ~~§ 10510. Civil remedy.~~

12 ~~In addition to any other remedies provided for in this~~
13 ~~chapter, the Attorney General, at the request of the department,~~
14 ~~may initiate, in the Commonwealth Court or the court of common~~
15 ~~pleas of the county in which the defendant resides or has a~~
16 ~~place of business, an action in equity for an injunction to~~
17 ~~restrain any and all violations of this chapter or the rules~~
18 ~~promulgated under this chapter or any order issued or agreement~~
19 ~~entered into under this chapter from which no timely appeal has~~
20 ~~been taken or which has been sustained on appeal. In a~~
21 ~~proceeding, the court shall, upon motion of the Commonwealth,~~
22 ~~issue a preliminary injunction if the court finds that the~~
23 ~~defendant is engaging in conduct that is unlawful under this~~
24 ~~chapter or is engaging in conduct which is causing immediate or~~
25 ~~irreparable harm to the public. The Commonwealth shall not be~~
26 ~~required to furnish bond or other security in connection with~~
27 ~~the proceedings. In addition to an injunction, the court in the~~
28 ~~equity proceedings may levy civil penalties under section 2383~~
29 ~~(relating to enforcement and penalties).~~

30 ~~§ 10511~~ § 10508. Commonwealth Specialty Crop Block Grant Fund. <--

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

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

12 (1) State funds MONEY appropriated to the department. <--

13 (2) Federal funds MONEY appropriated to the department. <--

14 (3) Gifts and other contributions from public and
15 private sources.

16 § ~~10512~~ 10509. Applicability. <--

17 This chapter shall apply to the distribution of money of the
18 Commonwealth Specialty Crop Block Grant Fund allocated ~~or made~~ <--
19 available to the department beginning with fiscal year 2019-2020
20 and thereafter. The department shall not be liable for any
21 commitment or for completion of a partially completed or
22 partially funded project which cannot be completed due to the
23 unavailability of Commonwealth funds or future Commonwealth
24 appropriations. OR RECEIVED BY THE DEPARTMENT BEGINNING WITH THE <--
25 FISCAL YEAR 2019-2020 AND THEREAFTER.

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