

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1

Special Session No. 2 of
1995-1996

INTRODUCED BY JUBELIRER, FUMO, LEMMOND, MELLOW, ANDREZESKI,
DELP, BELAN, PUNT, BODACK, WENGER, HUGHES, FISHER, KASUNIC,
SALVATORE, LAVALLE, LOEPER, CORMAN, MUSTO, MADIGAN,
PORTERFIELD, GERLACH, STAPLETON, MOWERY, STEWART, PICCOLA,
STOUT, THOMPSON, TARTAGLIONE, PETERSON, HELFRICK, TOMLINSON,
O'PAKE AND AFFLERBACH, MARCH 12, 1996

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
JUNE 10, 1996

AN ACT

1 Implementing the provisions of clause (1) of subsection (a) of
2 section 7 of Article VIII of the Constitution of the
3 Commonwealth of Pennsylvania authorizing the incurring of
4 debt for the rehabilitation of areas affected by the blizzard
5 of January 1996 or the resulting flood emergency; imposing
6 duties upon the Governor, the Auditor General and State
7 Treasurer; prescribing the procedures for the issuance, sale
8 and payment of general obligations bonds, the funding of debt
9 and refunding of bonds; exempting said bonds from State and
10 local taxation; creating certain funds; providing for
11 ALLOCATION OF PROCEEDS AND FOR a legislative disaster
12 oversight committee; and making appropriations. <—

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. Borrowing of money authorized.

16 Pursuant to the provisions of clause (1) of subsection (a) of
17 section 7 of Article VIII of the Constitution of Pennsylvania,
18 the Commonwealth is hereby authorized and directed to borrow,
19 from time to time, money not exceeding in the aggregate the sum
20 of \$100,000,000, not including money borrowed to refund

1 outstanding bonds, notes or replacement notes, as may be found
2 necessary to carry out the rehabilitation of areas affected by
3 the blizzard of January 1996 or the resulting flood emergency.

4 Section 2. General obligation bonds authorized.

5 The indebtedness herein authorized shall be incurred from
6 time to time and shall be evidenced by one or more series of
7 general obligation bonds or notes of the Commonwealth in such
8 aggregate principal amount for each series as the Governor,
9 Auditor General and State Treasurer shall determine, but the
10 latest stated maturity date shall not exceed 20 years from the
11 date of the bond first issued for each such series.

12 Section 3. Disposition and use of proceeds.

13 (a) Deposit.--The proceeds from the sale of bonds and notes,
14 except refunding bonds and replacement notes, issued pursuant to
15 the provisions of this act shall be paid to the State Treasurer
16 and be held in a separate fund to be known as the Disaster
17 Relief Fund.

18 (b) Dedication of funds.--The moneys in the Disaster Relief
19 Fund are hereby specifically dedicated to meeting the costs of
20 the rehabilitation of areas affected by the blizzard of January
21 1996 or the resulting flood emergency, including, but not
22 limited to, public assistance and disaster mitigation as defined
23 in or authorized by The Robert T. Stafford Disaster Relief and
24 Emergency Assistance Act (Public Law 93-288, 88 Stat. 143) and
25 paying the costs and expenses of issuing bonds and notes.

26 (c) Interest earnings.--Pending their application to the
27 purposes authorized, moneys held or deposited by the State
28 Treasurer may be invested and reinvested as are other funds in
29 the custody of the State Treasurer in the manner provided by
30 law. All earnings received from the investment or deposit of

1 such funds shall be paid into the State Treasury to the credit
2 of the Disaster Relief Fund.

3 (d) Allocation of proceeds.--Subject to the total limit of
4 \$100,000,000, the funds authorized to be borrowed by section 1
5 shall be allocated as follows:

6 (1) No more than \$95,000,000 of the funds authorized to
7 be borrowed under this act shall be used to provide for the
8 State's share of all public assistance costs ~~other than costs~~ <—
9 ~~for highways and bridges~~, INCLUDING COSTS FOR HIGHWAYS AND <—
10 BRIDGES, EXCEPT STATE-DESIGNATED HIGHWAYS AND BRIDGES, and
11 disaster mitigation costs provided by the Federal Government
12 under The Robert T. Stafford Disaster Relief and Emergency
13 Assistance Act (Public Law 93-288, 88 Stat. 143).

14 ~~(2) (i) No more than 5% of the funds borrowed under this~~ <—
15 ~~act shall be used to provide for public assistance~~
16 ~~projects and other projects which the Federal Government~~
17 ~~determines shall not be funded or are funded at an~~
18 ~~inadequate level pursuant to the disaster proclamation~~
19 ~~relating to the blizzard of January 1996 or the resulting~~
20 ~~flood emergency to include projects in counties which~~
21 ~~were not declared as disaster areas by the Federal~~
22 ~~Government.~~

23 ~~(ii) Twenty five percent of any~~

24 (2) (I) NO MORE THAN 5% OF THE FUNDS BORROWED UNDER <—
25 THIS ACT SHALL BE USED FOR THE COST OF THE FOLLOWING
26 PROJECTS PURSUANT TO THE DISASTER PROCLAMATION:

27 (A) PUBLIC ASSISTANCE PROJECTS FOR THE
28 REHABILITATION, CONSTRUCTION, RECONSTRUCTION, REPAIR,
29 OTHER THAN NORMAL MAINTENANCE, OR THE REPLACEMENT OF
30 ANY PUBLIC FACILITY OF A POLITICAL SUBDIVISION IN

1 COUNTIES DECLARED AS DISASTER AREAS WHICH ARE NOT
2 FUNDED BY THE FEDERAL GOVERNMENT OR WHICH ARE FUNDED
3 BY THE FEDERAL GOVERNMENT AT A LEVEL INSUFFICIENT TO
4 MEET CURRENT CODES AND STANDARDS.

5 (B) PUBLIC ASSISTANCE PROJECTS FOR THE
6 REHABILITATION, CONSTRUCTION, RECONSTRUCTION, REPAIR,
7 OTHER THAN NORMAL MAINTENANCE, OR THE REPLACEMENT OF
8 ANY NONPROFIT FACILITY OWNED AND OPERATED BY A
9 NONPROFIT ORGANIZATION IN COUNTIES DECLARED AS
10 DISASTER AREAS WHICH ARE NOT FUNDED BY THE FEDERAL
11 GOVERNMENT OR WHICH ARE FUNDED AT A LEVEL
12 INSUFFICIENT TO MEET CURRENT CODES AND STANDARDS.

13 (C) PUBLIC ASSISTANCE PROJECTS FOR THE
14 REHABILITATION, CONSTRUCTION, RECONSTRUCTION, REPAIR,
15 OTHER THAN NORMAL MAINTENANCE, OR THE REPLACEMENT OF
16 A PUBLIC FACILITY OR NONPROFIT FACILITY IN COUNTIES
17 NOT DECLARED AS DISASTER AREAS BY THE FEDERAL
18 GOVERNMENT.

19 (D) HAZARD MITIGATION PROJECTS IN COUNTIES NOT
20 DECLARED AS DISASTER AREAS BY THE FEDERAL GOVERNMENT.

21 (II) IF THE FUNDING FOR PROJECTS UNDER THIS
22 PARAGRAPH IS INSUFFICIENT TO PROVIDE ASSISTANCE FOR ALL
23 ELIGIBLE PROJECTS, THE COMMONWEALTH SHALL PRIORITIZE
24 PROJECTS BY CONSIDERING THE FOLLOWING FACTORS:

25 (A) THE SEVERITY OF DISASTER-RELATED DAMAGES TO
26 BE RECTIFIED BY THE PROJECT.

27 (B) WHETHER THE PROJECT WILL IMPROVE THE HEALTH,
28 SAFETY AND WELFARE OF THE AFFECTED POPULATION.

29 (C) WHETHER THE PROJECT WILL LEAD TO AN
30 EFFECTIVE SOLUTION TO THE PROBLEM TO BE ADDRESSED.

1 (D) THE CONSISTENCY OF THE PROJECT WITH OTHER
2 STATE AND REGIONAL RESOURCE MANAGEMENT AND ECONOMIC
3 DEVELOPMENT PLANS.

4 (E) THE FINANCIAL CONDITION OF THE APPLICANT,
5 INCLUDING REVENUES, EXPENSES, DEBT STRUCTURE, EQUITY
6 POSITION AND AVAILABLE COLLATERAL.

7 (F) THE ECONOMIC AND FINANCIAL CONDITION OF THE
8 COMMUNITY TO BE SERVED, INCLUDING THE TAX BASE,
9 ANNUAL BUDGET, AND PERCENTAGE OF LOW-INCOME AND
10 MODERATE-INCOME RESIDENTS.

11 (G) THE INABILITY OF THE APPLICANT TO SECURE
12 FUNDING FROM OTHER SOURCES.

13 (III) ANY remaining funds under this paragraph shall
14 be transferred to the Pennsylvania Infrastructure
15 Investment Authority established under the act of March
16 1, 1988 (P.L.82, No.16), known as the Pennsylvania
17 Infrastructure Investment Authority Act to provide funds
18 for authority projects which were damaged by the blizzard
19 of January 1996 or the resulting flood emergency.

20 (IV) NO PROJECT SHALL RECEIVE MORE THAN \$100,000 OF <—
21 THE TOTAL FUNDS AVAILABLE UNDER THIS PARAGRAPH, EXCEPT AS
22 DEFINED IN SECTION 14(B)(2).

23 (V) NO PROJECT SHALL BE FUNDED UNDER SUBPARAGRAPH
24 (I)(A) OR (B) UNLESS THE COMMONWEALTH DETERMINES THAT
25 THERE WAS AN ADEQUATE APPEAL OF THE DENIAL OF FEDERAL
26 FUNDING OR OF THE INADEQUATE LEVEL OF FEDERAL FUNDING.

27 (e) Transfer of unused funds.--Moneys in the Disaster Relief
28 Fund not necessary to pay unexpired contracts or to pay
29 potential legal obligations shall be transferred by the State
30 Treasurer, with the approval of the Governor, to the Disaster

1 Relief Redemption Fund and shall be used to pay debt service on
2 the existing disaster relief bonds.

3 Section 4. Issuance of bonds; interest; maturity; BOND
4 SERVICES. <—

5 (a) Series and issues.--When bonds are issued from time to
6 time, the bonds of each issue shall constitute a separate series
7 to be designated by the issuing officials or may be combined for
8 sale as one series with other general obligation bonds of the
9 Commonwealth. Each series of bonds shall bear such rate or rates
10 of interest as may be determined by the issuing officials. Such
11 bonds shall be issued in such denominations and in such form or
12 forms, whether coupon or registered as to both principal and
13 interest, and with or without such provisions for
14 interchangeability as the issuing officials may determine. In
15 case interest coupons are attached, they shall contain the
16 facsimile signature of the State Treasurer.

17 (b) Terms.--Except as otherwise set forth in the provisions
18 of this act, the terms and conditions of issue, redemption and
19 maturity, and time of payment of interest, shall be as the
20 issuing officials shall specify. The issuing officials shall
21 provide for the amortization of the bonds in substantial and
22 regular amounts over the term of the debt. The first retirement
23 of principal shall be stated to mature prior to the expiration
24 of a period of time equal to one-tenth of the time from the date
25 of the first obligation issued to evidence such debt to the date
26 of the expiration of the term of the debt. Retirements of
27 principal shall be regular and substantial if made in annual or
28 semiannual amounts whether by stated serial maturities or by
29 mandatory sinking fund retirements computed in accordance with
30 either a level annual debt service plan, as nearly as may be, or

1 upon the equal annual maturities plan. The issuing officials are
2 hereby authorized to carry out the provisions of this act
3 relating to the issuance of bonds and shall determine all
4 matters in connection therewith subject to the provisions
5 hereof.

6 (c) Signatures.--All bonds issued under the authority of
7 this act shall bear the facsimile signatures of the issuing
8 officials and a facsimile of the Great Seal of the Commonwealth
9 of Pennsylvania, and shall be countersigned by a duly authorized
10 officer of a duly authorized loan and transfer agent of the
11 Commonwealth.

12 (D) BOND SERVICES.--

<—

13 (1) ANY AND ALL BOND SERVICE REQUIRED BY THIS ACT WHICH
14 CANNOT BE PERFORMED BY EMPLOYEES OF THIS COMMONWEALTH SHALL
15 BE CONTRACTED WITH AND PERFORMED BY THE BOND SERVICE PROVIDER
16 SUBMITTING THE LOWEST RESPONSIBLE BID.

17 (2) FOR EACH BOND SERVICE REQUIRED BY THIS ACT, THE
18 ISSUING AUTHORITY SHALL DISTRIBUTE A REQUEST FOR PROPOSAL
19 REQUIRING A WRITTEN RESPONSE.

20 (3) AFTER EACH BOND SERVICE PROVIDER IS SELECTED, THE
21 ISSUING AUTHORITY SHALL ISSUE A WRITTEN REPORT OF THE
22 SELECTION OF THE SERVICE PROVIDER AND THE BASIS THEREFOR. A
23 COPY OF THE REQUEST FOR PROPOSAL AND THE RESPONSES THERETO
24 SHALL BE MADE A PART OF THE REPORT. THIS REPORT SHALL BE MADE
25 AVAILABLE TO THE PUBLIC.

26 (4) DEFINITIONS.--AS USED IN THIS SUBSECTION, THE
27 FOLLOWING WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO
28 THEM IN THIS PARAGRAPH:

29 "BOND SERVICE PROVIDER." ANY BOND COUNSEL, FINANCIAL
30 ADVISER, UNDERWRITER, LOAN AND TRANSFER AGENT, VERIFICATION

1 AGENT OR PRINTER WHO PROVIDES BOND SERVICES PURSUANT TO THIS
2 ACT.

3 "BOND SERVICES." LEGAL, FINANCIAL AND OTHER SERVICES
4 RENDERED IN CONJUNCTION WITH ANY BONDS ISSUED PURSUANT TO
5 THIS ACT.

6 Section 5. Direct obligations, exemption from taxation; means
7 of payment.

8 All bonds issued in accordance with the provisions of this
9 act shall be direct obligations of the Commonwealth, and the
10 full faith and credit of the Commonwealth are hereby pledged for
11 the payment of the interest thereon as the same shall become due
12 and the payment of the principal thereof at maturity. All bonds
13 issued under the provisions of this act shall be exempt from
14 taxation for State and local purposes, except as provided under
15 Article XXIX of the act of March 4, 1971 (P.L.6, No.2), known as
16 the Tax Reform Code of 1971. The principal of and interest on
17 such bonds shall be payable in lawful money of the United
18 States.

19 Section 6. Sale of bonds.

20 (a) Requirements.--Whenever bonds are issued in accordance
21 with this act, they shall be offered for sale at not less than
22 98% of the principal amount thereof and accrued interest and
23 shall be sold by the issuing officials to the highest and best
24 bidder or bidders after due public advertisement on such terms
25 and conditions and upon such open competitive bidding as the
26 issuing officials shall direct. The manner and times of
27 advertising shall be prescribed by the issuing officials.

28 (b) Private sale.--Any portion of any bond issue so offered
29 and not sold or subscribed for may be disposed of by private
30 sale by the issuing officials in such manner and at such prices,

1 not less than 98% of the principal amount thereof and accrued
2 interest, as the Governor shall direct. No commission shall be
3 allowed or paid for the sale of any bonds issued under the
4 authority of this act.

5 (c) Temporary bonds.--Until permanent bonds can be prepared,
6 the issuing officials may in their discretion issue in lieu of
7 such permanent bonds, temporary bonds in such form and with such
8 privileges as to registration and exchange for permanent bonds
9 as may be determined by the issuing officials.

10 Section 7. Temporary financing authorization.

11 (a) Temporary borrowing.--Pending the issuance of bonds of
12 the Commonwealth as authorized, the issuing officials are hereby
13 authorized, in accordance with the provisions of this act and on
14 the credit of the Commonwealth, to make temporary borrowings,
15 through public or private sale, not to exceed three years in
16 anticipation to the issue of bonds in order to provide funds in
17 such amounts as may from time to time be deemed advisable prior
18 to the issue of bonds. In order to provide for and in connection
19 with such temporary borrowings, the issuing officials are hereby
20 authorized in the name and on behalf of the Commonwealth to
21 enter into any purchase, loan or credit agreement, or
22 agreements, or other agreement or agreements with any banks or
23 trust companies or other lending institutions, investment
24 banking firms or persons in the United States having power to
25 enter into the same, which agreements may contain such
26 provisions not inconsistent with the provisions of this act as
27 may be authorized by the issuing officials.

28 (b) Evidence of debt.--All temporary borrowings made under
29 the authorization of this section shall be evidenced by notes of
30 the Commonwealth, which shall be issued from time to time for

1 such amounts not exceeding in the aggregate the applicable
2 statutory and constitutional debt limitation, in such form and
3 in such denominations and subject to terms and condition of sale
4 and issue, prepayment or redemption and maturity, rate or rates
5 of interest and time of payment of interest as the issuing
6 officials shall authorize and direct and in accordance with this
7 act. Such authorization and direction may provide for the
8 subsequent issuance of replacement notes to refund outstanding
9 notes or replacement notes, which replacement notes shall, upon
10 issuance thereof, evidence such borrowing, and may specify such
11 other terms and conditions with respect to the notes and
12 replacement notes thereby authorized for issuance as the issuing
13 officials may determine and direct.

14 (c) Replacement notes.--When the authorization and direction
15 of the issuing officials provide for the issuance of replacement
16 notes, the issuing officials are hereby authorized in the name
17 and on behalf of the Commonwealth to issue, enter into or
18 authorize and direct the State Treasurer to enter into
19 agreements with any banks, trust companies, investment banking
20 firms or other institutions or persons in the United States
21 having the power to enter the same:

22 (1) To purchase or underwrite an issue or series of
23 issues of notes.

24 (2) To credit, to enter into any purchase, loan or
25 credit agreements, to draw moneys pursuant to any such
26 agreements on the terms and conditions set forth therein and
27 to issue notes as evidence of borrowings made under any such
28 agreements.

29 (3) To appoint as issuing and paying agent or agents
30 with respect to notes.

1 (4) To do such other acts as may be necessary or
2 appropriate to provide for the payment, when due, of the
3 interest on and the principal of such notes.

4 Such agreements may provide for the compensation of any
5 purchasers or underwriters of notes or replacement notes by
6 discounting the purchase price of the notes or by payment of a
7 fixed fee or commission at the time of issuance thereof, and all
8 other costs and expenses, including fees for agreements related
9 to the notes, issuing and paying agent costs and costs and
10 expenses of issuance may be paid from the proceeds of the notes.

11 (d) Duties of State Treasurer.--When the authorization and
12 direction of the issuing officials provide for the issuance of
13 replacement notes, the State Treasurer shall, at or prior to the
14 time of delivery of these notes or replacement notes, determine
15 the principal amounts, dates of issue, interest rate or rates
16 (or procedures for establishing such rates from time to time),
17 rates of discount, denominations and all other terms and
18 conditions relating to the issuance and shall perform all acts
19 and things necessary to pay or cause to be paid, when due, all
20 principal of and interest on the notes being refunded by
21 replacement notes and to assure that the same may draw upon any
22 moneys available for that purpose pursuant to any purchase, loan
23 or credit agreements established with respect thereto, all
24 subject to the authorization and direction of the issuing
25 officials.

26 (e) Retirement of outstanding notes.--Outstanding notes
27 evidencing such borrowings may be funded and retired by the
28 issuance and sale of the bonds of the Commonwealth as
29 hereinafter authorized. The refunding bonds must be issued and
30 sold not later than a date three years after the date of

1 issuance of the first notes evidencing such borrowings to the
2 extent that payment of such notes has not otherwise been made or
3 provided for by sources other than proceeds of replacement
4 notes.

5 (f) Disposition of proceeds.--The proceeds of all such
6 temporary borrowing shall be paid to the State Treasurer to be
7 held and disposed of in accordance with the provisions of this
8 act.

9 Section 8. Disaster Relief Redemption Fund.

10 (a) Establishment.--All bonds issued under the authority of
11 this act shall be paid at maturity and all interest due from
12 time to time on such bonds and on all notes issued under the
13 provisions of this act shall be paid from the Disaster Relief
14 Redemption Fund. The General Assembly shall appropriate annually
15 the moneys necessary to pay the aforesaid interest on said bonds
16 and notes and the principal of said bonds and notes at maturity
17 for which other provision is not made. All moneys so
18 appropriated shall be paid into the Disaster Relief Redemption
19 Fund by the State Treasurer. All of such moneys so received
20 prior to the date for disbursement thereof shall be invested by
21 the State Treasurer pending disbursement in such securities as
22 are provided by law for the investment of surplus moneys of the
23 Commonwealth.

24 (b) Use of fund.--The investment of such moneys and the
25 accumulations thereon in the Disaster Relief Redemption Fund
26 shall be devoted to and be used exclusively for the payment of
27 the interest accruing on such bonds and notes and for the
28 redemption of such bonds and notes at maturity or upon the
29 redemption date, if called for prior redemption. The State
30 Treasurer, with the approval of the Governor, is authorized at

1 any time to use any of such funds for the purchase and
2 retirement of all or any part of the bonds issued under the
3 provisions of this act. No purchase shall be made which will
4 reduce the moneys in the Disaster Relief Redemption Fund below
5 the amount necessary to pay all principal and interest still to
6 become due in the fiscal year of such purchase. In the event
7 that all or any part of said bonds shall be purchased by the
8 Commonwealth, they shall be canceled and returned to the State
9 Treasurer, as canceled and paid bonds and thereafter all
10 payments of interest thereon shall cease and the canceled bonds
11 and coupons shall be destroyed as promptly as possible after
12 cancellation but not later than two years after cancellation. A
13 certificate evidencing the destruction of the canceled bonds,
14 notes and coupons shall be provided by the loan and transfer
15 agent to the issuing officials. All canceled bonds, notes and
16 coupons shall be so mutilated as to make the canceled bonds,
17 notes and coupons nonnegotiable.

18 Section 9. Refunding bonds.

19 The issuing officials are authorized to provide by
20 resolution, for the issuance of refunding bonds for the purpose
21 of refunding any debt issued under the provisions of this act
22 and then outstanding, either by voluntary exchange with the
23 holders of the outstanding debt or to provide funds to redeem
24 and retire the outstanding debt with accrued interest, any
25 premium payable thereon and the costs of issuance and retirement
26 of the debt, at maturity or at any call date. The issuance of
27 the refunding bonds, the maturities and other details thereof,
28 the rights of the holders thereof and the duties of the issuing
29 officials in respect thereto shall be governed by the provisions
30 of this section, insofar as they may be applicable. Refunding

1 bonds which are not subject to the aggregate limitation of
2 \$100,000,000 of debt to be issued pursuant to this act may be
3 issued by the issuing officials to refund debt originally issued
4 or to refund bonds previously issued for refunding purposes.

5 Section 10. Reporting requirements.

6 The State Treasurer shall determine and report to the
7 Secretary of the Budget by November of each year the amount of
8 money necessary for the payment of interest on outstanding
9 obligations and the principal of such obligations, if any, for
10 the following fiscal year and the times and amounts of such
11 payments.

12 Section 11. Registration of bonds.

13 The Auditor General shall prepare the necessary registry
14 books to be kept in the office of the duly authorized loan and
15 transfer agent of the Commonwealth for the registration of any
16 bonds of the Commonwealth at the request of the owner thereof
17 according to the terms and conditions of issue specified by the
18 issuing officials. All bonds which are issued without interest
19 coupons attached shall be registered in the registry books kept
20 by the duly authorized loan and transfer agent of the
21 Commonwealth.

22 Section 12. Voting requirements.

23 Whenever in this act any action is to be taken or decision
24 made by the issuing officials, and the three officers shall not
25 be able to agree unanimously, the action or decision of the
26 Governor and either the Auditor General or State Treasurer shall
27 be binding and final.

28 Section 13. Appropriation.

29 (a) Appropriation to Governor.--The net proceeds, less the
30 costs and expenses of issuing such obligations, of the sale of

1 the \$100,000,000 of obligations herein authorized are hereby
2 appropriated from the Disaster Relief Fund to the Governor for
3 allocation by the Secretary of the Budget as provided in section
4 3(d) to the Pennsylvania Emergency Management Agency for public
5 assistance to non-State agencies, ~~to the Department of~~ <—
6 ~~Conservation and Natural Resources for public assistance costs~~
7 ~~incurred on its account,~~ AND OTHER ELIGIBLE ENTITIES AND TO THE <—
8 PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY AND to other State
9 agencies for public assistance costs incurred by those agencies
10 and to the Department of Environmental Protection or other State
11 agencies as deemed appropriate for hazard mitigation.

12 (b) Appropriation to State Treasurer.--There is hereby
13 appropriated to the State Treasurer from the fund as much money
14 as may be necessary for all costs and expenses in connection
15 with the issue of and sale and registration of the bonds and
16 notes in connection with this act and the payment of interest
17 arbitrage rebates on proceeds of such bonds and notes.

18 Section 14. State and local participation levels.

19 (a) Public assistance.--The required non-Federal
20 contribution of 25% necessary to secure Federal public
21 assistance funding ~~other than for highways and bridges,~~ <—
22 INCLUDING COSTS FOR HIGHWAYS AND BRIDGES, EXCEPT STATE-
23 DESIGNATED HIGHWAYS AND BRIDGES, shall be divided between the
24 State and the affected local political subdivision or nonprofit
25 organization where applicable. The State share will be 22% and
26 the political subdivision or nonprofit organization share will
27 be 3%.

28 (b) Additional public assistance.--The State contribution to
29 any political subdivision or nonprofit organization seeking
30 ~~additional public assistance shall not exceed 22% of the cost.~~ <—

~~The Commonwealth shall consider the criteria set forth in The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 93-288, 88 Stat. 143) in determining project eligibility.~~ ADDITIONAL PUBLIC ASSISTANCE FOR PROJECTS

<—

QUALIFYING UNDER SECTION 3(D)(2)(I) SHALL BE AS FOLLOWS:

(1) IF THE PROJECT IS LOCATED IN A COUNTY THAT WAS DECLARED AS A DISASTER AREA BY THE FEDERAL GOVERNMENT, AND THE PROJECT IS NOT ELIGIBLE FOR FEDERAL FUNDING OR RECEIVES FUNDING AT AN INADEQUATE LEVEL, THE COMMONWEALTH SHALL CONTRIBUTE 22% OF THE AMOUNT NOT ELIGIBLE FOR FEDERAL FUNDING, AND THE POLITICAL SUBDIVISION OR NONPROFIT ORGANIZATION SHALL CONTRIBUTE 78% OF THE AMOUNT NOT ELIGIBLE FOR FEDERAL FUNDING.

(2) IF THE PROJECT IS LOCATED IN A COUNTY THAT WAS NOT DECLARED AS A DISASTER AREA BY THE FEDERAL GOVERNMENT, AND THE PROJECT WOULD HAVE BEEN ELIGIBLE FOR FEDERAL FUNDING IF LOCATED IN A COUNTY DECLARED AS A DISASTER AREA BY THE FEDERAL GOVERNMENT, THE COMMONWEALTH SHALL CONTRIBUTE 22% OF THE COST OF THE PROJECT, AND THE POLITICAL SUBDIVISION OR NONPROFIT ORGANIZATION SHALL CONTRIBUTE 78% OF THE COST OF THE PROJECT.

(3) IF THE PROJECT IS LOCATED IN A COUNTY THAT WAS NOT DECLARED AS A DISASTER AREA BY THE FEDERAL GOVERNMENT, AND THE PROJECT WOULD NOT HAVE BEEN ELIGIBLE FOR FEDERAL FUNDING OR WOULD HAVE RECEIVED FUNDING AT AN INADEQUATE LEVEL IF LOCATED IN A COUNTY DECLARED AS A DISASTER AREA BY THE FEDERAL GOVERNMENT, THE COMMONWEALTH SHALL CONTRIBUTE 22% OF THE AMOUNT NOT ELIGIBLE FOR FEDERAL FUNDING, AND THE POLITICAL SUBDIVISION OR NONPROFIT ORGANIZATION SHALL CONTRIBUTE 78% OF THE AMOUNT NOT ELIGIBLE FOR FEDERAL

1 FUNDING.

2 (c) Local waiver.--The Commonwealth may reduce the share of
3 an affected political subdivision if the tax base of that
4 political subdivision was substantially reduced as a direct
5 result of the blizzard of January 1996 or the resulting flood
6 emergency or if payment of the local share exceeds 40% of the
7 most recently adopted annual budget of the political
8 subdivision. The Commonwealth may require the adoption of
9 appropriate flood control or storm water management plans as a
10 condition of the waiver if the adoption of the plan does not
11 present additional financial hardship.

12 (D) DEFINITION.--AS USED IN THIS ACT, THE TERM "POLITICAL
13 SUBDIVISION" MEANS ANY COUNTY, CITY, BOROUGH, INCORPORATED TOWN,
14 TOWNSHIP, SCHOOL DISTRICT, VOCATIONAL SCHOOL DISTRICT, COUNTY
15 INSTITUTION DISTRICT OR MUNICIPAL AUTHORITY.

16 Section 15. Legislative Disaster Oversight Committee.

17 (a) Establishment.--There is hereby created a special
18 legislative committee to be known as the Legislative Disaster
19 Oversight Committee which shall be composed of the following:

20 (1) The Majority Leader of the Senate.

21 (2) The Majority Leader of the House of Representatives.

22 (3) The Minority Leader of the Senate.

23 (4) The Minority Leader of the House of Representatives.

24 (5) The Executive Director of the Pennsylvania Emergency
25 Management Agency.

26 ~~(b) Powers and duties. The Legislative Disaster Oversight~~
27 ~~Committee shall have broad powers to recommend and review the~~
28 ~~policies and procedures utilized by the Pennsylvania Emergency~~
29 ~~Management Agency in providing grants and assistance under this~~
30 ~~act and, if necessary, to investigate delays and respond to~~

1 ~~concerns raised relating to the distribution of and payment of~~
2 ~~assistance under this act.~~

3 (B) POWERS AND DUTIES.--THE LEGISLATIVE DISASTER OVERSIGHT <—
4 COMMITTEE MAY RECOMMEND POLICIES FOR IMPLEMENTATION OF THIS ACT
5 TO THE PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY AND MAY INQUIRE
6 INTO DELAYS AND ISSUES RELATED TO DISTRIBUTION OF PUBLIC
7 ASSISTANCE AND OTHER GRANTS AUTHORIZED UNDER THIS ACT.

8 Section 16. Constitutional construction.

9 The provisions of this act shall be severable and, if any of
10 the provisions thereof shall be held unconstitutional, such
11 decisions shall not affect the validity of any of the remaining
12 provisions of this act. It is hereby declared as the legislative
13 intent that this act would have been adopted had such
14 unconstitutional provisions not been included therein.

15 Section 17. Effective date.

16 This act shall take effect immediately.