

THE GENERAL ASSEMBLY OF PENNSYLVANIA

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WASHINGTON, STURLA AND OLIVER, JUNE 3, 1997

REFERRED TO COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT,
JUNE 3, 1997

AN ACT

1 Providing for a program of grants to develop and provide useful
2 and productive opportunities for unemployed and underemployed
3 people, especially young people, through payments for labor
4 and related costs associated with the construction, repair or
5 rehabilitation of essential community and educational
6 facilities, with the reclamation, improvement and
7 conservation of public lands, and with the creation, repair,
8 rehabilitation and restoration of public safety, public
9 transportation, health, social services and recreation
10 facilities and other activities necessary to the public
11 welfare; further providing for powers and duties of the
12 Department of Community and Economic Development and the
13 Secretary of Community and Economic Development; establishing
14 the Infrastructure Redevelopment Agency as a public
15 corporation and government instrumentality; providing for the
16 organization, membership and administration of the agency;
17 prescribing the agency's general powers and duties and the
18 manner in which its funds are kept and audited; permitting
19 the agency to acquire real or personal property, to make
20 agreements with financial institutions and Federal agencies;
21 providing for the promulgation of regulations and forms by
22 the agency; prescribing penalties for furnishing false
23 information; empowering the agency to borrow money upon its
24 own credit by the issuance and sale of bonds and notes and by
25 giving security therefor; permitting the refunding,
26 redemption and purchase of obligations by the agency;
27 prescribing remedies of holders of such bonds and notes;
28 exempting bonds and notes of the agency, the income and the
29 income and revenues of the agency from taxation, except
30 transfer, death and gift taxes; making such bonds and notes
31 legal investments for certain purposes; and providing for the

1 transfer of certain funds to the Department of Community and
2 Economic Development to further the purposes of this act.

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30 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 CHAPTER 1

3 PRELIMINARY PROVISIONS

4 Section 101. Short title.

5 This act shall be known and may be cited as the Job Creation
6 and Infrastructure Restoration Act.

7 Section 102. Legislative findings.

8 The General Assembly finds and declares as follows:

9 (1) That the investments made during the 1930s, 1940s
10 and 1950s in the infrastructure of the United States through
11 the Roosevelt public works programs, the National Highway Act
12 and other major efforts led to the greatest economic recovery
13 and sustained level of economic growth in the first 150 years
14 of our nation's existence.

15 (2) That this Commonwealth's infrastructure has suffered
16 greatly over the past three decades because of the failure of
17 the Federal Government to renew and restore roads, bridges,
18 public buildings, public lands and other public assets.

19 (3) That the lack of resources for the maintenance of
20 the infrastructure during this period has led to the loss of
21 both jobs and job skills in these vital areas, with
22 consequent increased unemployment and a reduction in the
23 quality of life for residents of affected areas.

24 (4) That there is a critical need to renew and restore
25 both the public buildings and other assets, and the jobs and
26 job skills needed to ensure that those assets are available
27 for use by future generations and for any defense needs the
28 country may face in the future.

29 (5) That policies at the Federal and State level have
30 demonstrated diminished concern for the infrastructure needs

1 of the communities of the nation and a shifting of the burden
2 for maintenance and creation of highways, bridges, mass
3 transit and other infrastructure on to State and local
4 governments, in addition to the burden for local needs, such
5 as public safety, education, health and public welfare, that
6 those jurisdictions bear, thereby stretching already
7 shrinking resources beyond the capabilities of those
8 governments to address these needs.

9 (6) That financial incentives that are specifically
10 linked to the development of jobs, and renewal of important
11 job skills will help reverse the trend to continued erosion
12 of the Commonwealth's infrastructure.

13 (7) That economic growth rates, future efficiency and
14 competitiveness will be substantially enhanced by programs of
15 assistance to local governments to construct and rehabilitate
16 this Commonwealth's economic infrastructure.

17 (8) That efforts to reform the welfare system are based
18 on the assumption that there will be jobs available in the
19 public and private sectors for current welfare recipients and
20 for noncustodial parents whose responsibilities include
21 providing support for their children.

22 (9) That, absent a concentrated effort on the part of
23 the Commonwealth to create career jobs that provide a living
24 wage, efforts to reform the welfare system are doomed to
25 failure.

26 (10) That creation of living wage jobs in conjunction
27 with a large and sustained public works infrastructure
28 renewal program will reap significant rewards in direct tax
29 payments at all levels of government, increased economic
30 expansion for the Commonwealth and substantial reductions in

1 the outlays for unemployment support, welfare, Medicaid and
2 other government expenditures and will also lessen the burden
3 on government expenditures that result from lack of
4 employment for those at risk of entering a life of crime.

5 Section 103. Definitions.

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

9 "Department." The Department of Community and Economic
10 Development of the Commonwealth.

11 "Local government." Any political subdivision.

12 "Public works." The term includes water and sewer lines,
13 streets and roads, water and sewage treatment plants or
14 facilities, port facilities, police and fire stations, detention
15 centers, schools, health facilities, industrial research or
16 development parks, research facilities at institutions of higher
17 learning and other projects and the Secretary of Community and
18 Economic Development determines to be appropriate.

19 "Secretary." The Secretary of Community and Economic
20 Development of the Commonwealth.

21 CHAPTER 3

22 GRANTS TO LOCAL GOVERNMENTS

23 SUBCHAPTER A

24 GENERAL PROVISIONS

25 Section 301. Direct grants.

26 (a) General rule.--The department is authorized to make
27 grants to any local government for construction, including
28 demolition and other site preparation activities, renovation,
29 repair, restoration or other improvement of local public works
30 projects, including those public works projects of local

1 governments for which Federal financial assistance is
2 authorized. To the extent appropriate, the department may
3 coordinate with other Federal, State or local agencies in
4 assessing grant requests and in providing appropriate levels of
5 support.

6 (b) State share.--The State share of any project for which a
7 grant is made under this section shall be no more than 90% of
8 the cost of the project.

9 (c) Termination of grants.--No new grants shall be made
10 under this section after the expiration of any three-consecutive
11 month period during which the unemployment rate remained below
12 5% for each such month, or after September 30, 1999, whichever
13 occurs first.

14 Section 302. Allocation of funds and preferences.

15 (a) Allocation of funds.--The department shall allocate
16 funds as follows:

17 (1) After the set-aside required by paragraphs (2) and
18 (3), 60% of the funds shall be allocated among counties on
19 the basis of the ratio that the number of unemployed persons
20 in each county bears to the total number of unemployed
21 persons in all counties, and 40% of the funds shall be
22 allocated among those counties with an average unemployment
23 rate for the preceding six-month period in excess of 6% on
24 the basis of the relative severity of unemployment in each
25 county, except that no county shall be allocated less than
26 .75% or more than 12% of the funds for local public works
27 projects within the county.

28 (2) No less than 10% of each county's allocations shall
29 be set aside and shall be expended only for grants for public
30 works projects under this chapter for local units of general

government with populations under 10,000.

(3) Up to .75% of the total grant award will be available for project development and preparation and for ongoing project administration. This allocation shall be available for local units of government defined as nonentitlement under the Housing and Urban Development Community Development Block Grant Program. The allocation shall not exceed \$15,000 for any single grant award.

(b) Preferences.--

(1) In making grants, the department shall give priority to public works projects of local governments that will employ those persons adversely affected by recent changes in Federal and State laws relating to public and other assistance.

(2) In making grants, the department shall also give priority to any public works projects requested by a special purpose unit of local government which is endorsed by a general purpose local government within the county.

(3) A project requested by a school district shall be accorded the full priority and preference to public works projects of local governments provided in this subsection.

(4) A project that creates or adds to an applied research facility at an institution of higher education, and that facility is intended to promote the development of new products and processes, or that, the department determines, will improve the competitiveness of industry shall be accorded full priority and preference. For projects under this section, matching funds requirements shall be waived if the company or companies and school involved commit, in the department's determination, to undertake all future equipment

1 and maintenance expenses.

2 (c) High unemployment rates.--

3 (1) In making grants under this chapter, if for the 12
4 most recent consecutive months the average unemployment rate
5 in the construction trades is equal to or exceeds 8%, the
6 department shall:

7 (i) expedite and give priority to applications
8 submitted by local governments having unemployment rates
9 for the 12 most recent consecutive months in excess of
10 the State unemployment rate in the construction trades;
11 and

12 (ii) shall give priority thereafter to applications
13 submitted by local governments having average
14 unemployment rates for construction trades for the 12
15 most recent consecutive months in excess of 6%, but less
16 than the State unemployment rate.

17 (2) Information regarding unemployment rates shall be
18 furnished by the Department of Labor and Industry.

19 (d) State and local prioritization of applications.--

20 Whenever a local government submits applications for grants
21 under this chapter for two or more projects, the local
22 government shall submit as part of the applications its priority
23 for each project.

24 (e) Localization of unemployment determinations.--The local
25 unemployment rate may, for purposes of this chapter, and upon
26 request of the applicant, be based upon the unemployment rate of
27 any community or neighborhood (defined without regard to
28 political or other subdivisions or boundaries) within the
29 jurisdiction of the local government.

30 Section 303. Rules, regulations and procedures.

1 (a) General rule.--The department shall, not later than 90
2 days after the effective date of this act, publish in the
3 Pennsylvania Bulletin as proposed rulemaking those rules and
4 regulations, including application forms, necessary to carry out
5 this chapter. These rules and regulations shall assure that
6 adequate consideration is given to the relative needs of various
7 areas of this Commonwealth. The department shall consider among
8 other factors:

9 (1) The severity and duration of employment in proposed
10 project areas.

11 (2) The income levels and extent of underemployment in
12 proposed project areas.

13 (3) The extent to which proposed project areas will
14 contribute to increased employment in the construction trades
15 and future economic growth.

16 (4) The needs of proposed project areas to recover from
17 natural or other disaster which has affected the
18 infrastructure of the area.

19 (b) Consideration of applications.--The department shall
20 make a final determination with respect to each application for
21 a grant not later than the 60th day after the date the
22 department receives the application.

23 (c) Consideration of construction industry employment.--For
24 purposes of this section, in considering the extent of
25 unemployment or underemployment, the department shall consider
26 the amount of unemployment or underemployment in the
27 construction and construction-related industries.

28 Section 304. General limitations.

29 (a) Acquisition of land.--No part of any grant shall be used
30 for the acquisition of any interest in real property.

1 (b) Maintenance costs.--Nothing in this chapter shall be
2 construed to authorize the payment of routine scheduled
3 maintenance costs in connection with any projects constructed in
4 whole or in part with financial assistance provided under this
5 chapter.

6 (c) On-site labor.--Grants made by the department shall be
7 made only for projects for which the applicant gives
8 satisfactory assurances, in such manner and form as may be
9 required by the department and in accordance with those terms
10 and conditions as the department may prescribe, that, if funds
11 are available, onsite labor work can begin within 90 days of
12 project approval.

13 (d) Contracting.--

14 (1) No part of the construction, including demolition
15 and other site preparation activities, renovation,
16 restoration, repair or other improvement of any public works
17 project for which a grant is made shall be performed directly
18 by any department, agency or instrumentality of the
19 Commonwealth or any local government.

20 (2) Construction of each project shall be performed by
21 contract awarded by competitive bidding, unless the
22 department shall affirmatively find that, under the
23 circumstances relating to the project, an alternative method
24 is in the public interest.

25 (3) Contracts for the construction of each project shall
26 be awarded only on the basis of the lowest responsible bid
27 submitted by a bidder meeting the established criteria of
28 responsibility, subject to subsection (c).

29 (4) No requirement or obligation shall be imposed as a
30 condition precedent to the award of a contract to a bidder

1 for a project or to the department's concurrence in the award
2 of a contract to the bidder, unless the requirement or
3 obligation is otherwise lawful and is specifically set forth
4 in the advertised specifications or in this act.

5 (e) Environmental safeguards.--All local public works
6 projects carried out under this chapter shall comply with all
7 relevant Federal, State and local environmental laws and
8 regulations.

9 (f) Buy American.--If a local public works project carried
10 out with financial assistance under this chapter would be
11 eligible for Federal financial assistance under provisions of
12 law other than this chapter and, under such other provisions of
13 law, would be subject to the Buy American Act of 1988 (Public
14 Law 100-418, 102 Stat. 1545), or similar requirements, such
15 project shall be subject to The Exchange Rates and International
16 Economic Policy Coordination Act of 1988.

17 (g) Minority participation.--If a local public works project
18 carried out with financial assistance under this chapter is
19 eligible for Federal financial assistance under provisions of
20 law other than this chapter and, under such other provision of
21 law, is subject to any minority participation requirement, the
22 project shall be subject to such requirement under this chapter,
23 in the same manner and to the same extent as such project would
24 be subject to those requirements under such other provisions of
25 law.

26 (h) Applicability of laws regarding individuals with
27 disabilities.--Sections 504 and 505 of the Rehabilitation Act of
28 1973 (Public Law 93-112, 29 U.S.C. § 701 et seq.) and the
29 Americans With Disabilities Act of 1990 (Public Law 101-336, 104
30 Stat. 327) shall apply to local public works projects carried

1 out under this act. The Governor, with the approval of the
2 Auditor General and the State Treasurer, shall transfer to the
3 Department of Labor and Industry such funds as may become
4 available under Subchapter B, and shall allocate such funds into
5 equal shares for the following fiscal years:

6 July 1, 1997 to June 30, 1998

7 July 1, 1998 to June 30, 1999

8 July 1, 1999 to June 30, 2000

9 SUBCHAPTER B

10 FUNDING SOURCE

11 CHAPTER 5

12 PUBLIC WORKS AND JOB RESTORATION

13 Section 501. Purpose.

14 It is the purpose of this chapter to develop and provide
15 useful and productive opportunities for unemployed and
16 underemployed people, especially young people, through payments
17 for labor and related costs associated with the construction,
18 repair or rehabilitation of essential community and educational
19 facilities; with the reclamation, improvement and conservation
20 of public lands; and with the creation, repair, rehabilitation
21 and restoration of public safety, public transportation, health,
22 social services and recreation facilities and other activities
23 necessary to the public welfare.

24 Section 502. Eligible participants.

25 (a) General eligibility requirements.--An individual shall
26 be eligible to participate in a program, project or activity
27 receiving funds under this chapter only if the individual meets
28 all of the following:

29 (1) Is a resident or citizen of this Commonwealth.

30 (2) Is an unemployed individual at the time of

1 enrollment.

2 (3) Has been unemployed for at least 30 days immediately
3 preceding the date of such enrollment, except as otherwise
4 provided in subsection (e) or (f) and section 902.

5 Individuals may be certified for purposes of this section under
6 procedures agreed to by the eligible administrative entity and
7 established in regulations established by the department.

8 (b) Duration of eligibility.--No individual who is eligible
9 under subsection (a) shall receive wages from funds made
10 available under this chapter in excess of 52 weeks in any two-
11 year period, in accordance with the following subsidy schedule:

12 (1) Up to 75% of the participant's wages may be
13 subsidized for the first 26 weeks.

14 (2) Up to 50% of the participant's wages may be
15 subsidized for the next 13 weeks.

16 (3) Up to 25% of the participant's wages may be
17 subsidized for the next 13 weeks.

18 (c) Priority for participation.--In the selection of
19 participants for activities under this chapter, priority shall
20 be given to individuals who:

21 (1) At the time of selection, have exhausted or are
22 otherwise not eligible for unemployment benefits,
23 particularly:

24 (i) Those individuals who have been unemployed for
25 the longest periods of time preceding the date of their
26 selection.

27 (ii) Those residing in households in which no other
28 member is employed on a full-time basis.

29 (iii) Those individuals who are or were qualified
30 participants in aid to families with dependent children

(AFDC) or in a program under the Trade Adjustment Act of 1979 (Public Law 96-39, 93 Stat. 144) or other Federal program providing job reemployment assistance due to base closure, factory closure or other job loss due to economic factors.

(iv) Those young people who are unemployed and who reside in communities with the highest levels of unemployment or underemployment.

(2) Except for individuals described in subparagraph (iv), have been employed within the past two years by the employer that is providing the subsidized job position.

(d) Special consideration for welfare recipients.--Entities receiving funds under this chapter shall give special consideration to applicants who are:

(1) Custodial parents of children who are recipients of assistance under Title IV of the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.).

(2) Noncustodial parents of nondependent children who are recipients of assistance under Title IV of the Social Security Act, but only if the applicants agree in writing to the withholding of an appropriate portion of their wages to be applied to the support of the children under any child support order.

(e) Special consideration for veterans.--With regard to services to veterans provided under section 701(a)(3)(xv), special consideration in selecting participants for employment in such activities should be given to veterans who otherwise meet the eligibility requirements in this section.

(f) Special consideration for public assistance recipients.--Special consideration shall be given to current and

former recipients of public assistance and to current and former recipients to aid to families with dependent children.

(g) Equal employment opportunities.--In certifying eligible participants under subsection (a) and in referring them for employment to recipients under Chapters 7 and 9, the administrative entity shall be responsible for ensuring equal employment opportunities and the full participation of traditionally underrepresented groups, including women and racial and ethnic minorities, in employment provided with funds made available under this subchapter. Each recipient of funds under Chapters 7 and 9 shall be responsible for ensuring such opportunities and full participation in the selection of eligible participants for such employment.

Section 503. Limitation on use of funds.

(a) Reservation for wages and benefits.--Not less than 75% of the funds made available to any recipient under Chapters 7 and 9 from funds appropriated for any fiscal year shall be used to provide for wages and related employment benefits to eligible participants for work which the recipient certifies has been performed in one or more of the activities authorized under this act.

(b) Limitation on administrative costs.--No more than 10% of the funds provided to any recipient under Chapter 9 or 11 from funds appropriated for any fiscal year may be used for the cost of administration.

(c) Acquisition of tools, equipment and materials.--The remainder of the funds provided to any recipient under Chapter 7 or 9 from funds appropriated for the fiscal year, after compliance with subsection (a) and deduction of costs of administration permitted by subsection (b), may be used for the

1 acquisition of supplies, tools, equipment and other materials
2 directly related to the purpose for which the funds were
3 provided.

4 (d) Use of other funds.--

5 (1) Nothing in this act shall be construed to preclude
6 or limit the payment of the costs of administration or the
7 costs of supplies, tools, equipment or other materials
8 directly related to the project or program being funded,
9 either in whole or in part, from Federal sources such as
10 section 106 of the Housing and Community Development Act of
11 1974 (Public Law 93-383, 88 Stat. 139) or from non-Federal
12 sources other than this act.

13 (2) In designating projects under this act, the
14 recipient shall, to the extent feasible, ensure that
15 supplies, tools, equipment or other materials purchased or
16 procured in accordance with paragraph (1) have been
17 manufactured, mined or produced in the United States, unless
18 the supply, tool, equipment or material is not available in
19 reasonable quantity and quality as required to fulfill the
20 needs of the project or activity.

21 (e) Training cost exception.--Notwithstanding subsection
22 (a), funds available under Chapter 7 may be used for costs
23 associated with training and related support for a number of
24 participants if:

25 (1) Employers have made commitments to fill an equal
26 number of unsubsidized jobs with participants who have
27 successfully completed training.

28 (2) The recipient has entered into an agreement for the
29 provision of such training to participants with one or more
30 of the following: an apprenticeship training program which is

1 certified by the Department of Labor for the construction
2 industry and meets Federal standards for apprenticeship
3 training, an administrative entity designated under section
4 103(b)(1)(B) of the Job Training Partnership Act (Public Law
5 97-300, 29 U.S.C. § 1513), a local educational agency, a
6 vocational education school, an institution of higher
7 education, a community-based organization, a community action
8 agency, a community development corporation or other
9 qualified public or private nonprofit provider of training
10 services.

11 (3) The costs associated with providing such training
12 and related support to any participant from funds available
13 under this act do not exceed, on a weekly basis, the maximum
14 wage which may be paid with funds available under this act.
15 Apprenticeship training shall be included in the project
16 agreements negotiated with the building trades councils as
17 outlined in section 304(d)(2). Minority participation
18 requirements as specified in this act shall be applied to such
19 project agreements.

20 (f) Salary limitation.--Funds available for the cost of
21 administration pursuant to subsection (b) may not be used to pay
22 salaries or wages to administrative or supervisory employees as
23 follows:

24 (1) at a rate that is greater than the rate of the
25 salaries or wages paid to employees performing comparable
26 functions for the same employer; or

27 (2) if there is no such comparable rate, at a rate which
28 is in excess of the rate of pay prescribed for GS-13 of the
29 General Schedule with respect to employees of the Federal
30 Government.

1 CHAPTER 7

2 COMMUNITY RENEWAL

3 SUBCHAPTER A

4 COMMUNITY IMPROVEMENT PROJECTS

5 Section 701. Employment in community improvement projects.

6 (a) Qualified activities.--Eligible participants shall be
7 employed in community improvement projects under this chapter in
8 one or more of the following activities:

9 (1) Repair, rehabilitation or improvement of public
10 facilities, including any of the following:

11 (i) Street, highway or road repair.

12 (ii) Painting and/or repair of bridges and
13 pedestrian overpasses or underpasses.

14 (iii) Rehabilitation or repair of community
15 facilities such as public libraries or other public
16 buildings.

17 (iv) Rehabilitation, repair and modernization of
18 public housing.

19 (v) Water development projects and repair of water
20 systems.

21 (vi) Repair and rehabilitation of public mass
22 transit systems.

23 (vii) Erecting and replacing school crossing,
24 intersection and other road surface or sign markings and
25 removing road or public sidewalk obstructions.

26 (viii) Rehabilitation of public playgrounds and
27 parks.

28 (ix) Installation and repair of drainage pipes,
29 catch basins or other portions of control of potential
30 flooding.

1 (x) Installation of graded ramps and assistance
2 devices such as handrails for the handicapped.

3 (xi) Weatherization and other energy conservation
4 activities.

5 (2) Activities to conserve, restore, rehabilitate or
6 improve public lands, including the following:

7 (i) Erosion, fire, flood, drought, earthquake and
8 storm damage prevention, assistance and control.

9 (ii) Removal of refuse and hazardous materials from
10 drainage ditches, illegal dumping sites and other public
11 areas.

12 (iii) Stream, lake and waterfront harbor and port
13 improvement and pollution control.

14 (iv) Nursery, forestry and silvicultural operations.

15 (v) Reclamation activities on public lands that have
16 been strip-mined or subjected to other mineral extraction
17 activities.

18 (vi) Fish culture and habitat maintenance and
19 improvement and other fishery assistance.

20 (vii) Rehabilitation, improvement and conservation
21 of rangelands.

22 (viii) Urban revitalization and historical and
23 cultural site preservation.

24 (ix) Road and trail maintenance and improvement.

25 (x) Improvement and reuse of abandoned railroad bed
26 and right-of-way.

27 (xii) Renewable resource enhancement, energy
28 conservation projects and recovery of biomass.

29 (3) Public safety, health, social service and other
30 activities necessary to the public welfare, including the

1 following:

2 (i) Fire hazard inspection and repair and repairing
3 or replacing fire hydrants.

4 (ii) Emergency food and shelter activities.

5 (iii) Child and dependent care activities designed
6 to enable parents to become fully employed.

7 (iv) Assisting in nutrition programs for children,
8 the elderly and the disabled.

9 (v) Other services for the elderly or disabled,
10 including meals on wheels, in-home services and respite
11 care.

12 (vi) Disaster relief efforts to assist victims.

13 (vii) Upgrading personal and residential security
14 for elderly and low-income residents of public or
15 publicly assisted housing.

16 (viii) Public health services, including assistance
17 in community health centers.

18 (ix) Emergency medical and rescue services.

19 (x) Drug and alcohol abuse programs.

20 (xi) Domestic violence programs, including
21 prevention of child abuse.

22 (xii) Education and training assistance, including
23 family literacy, English as a second language, basic
24 skills education, remedial tutoring and occupational
25 skills training.

26 (xiii) Assisting public library programs, including
27 library aide programs and book mobiles.

28 (xiv) Employment counseling, homelessness prevention
29 and other services to veterans.

30 (xv) Security guards for public schools and public

housing projects.

(xvi) Police support, such as dispatchers, neighborhood watch and traffic control to free police officers for full-time street duty.

(xvii) Staff support for juvenile and adult correctional facilities.

(xviii) Rodent and insect control activities.

(xix) Hazardous materials surveys.

(xx) Unemployment counseling and job placement services.

(b) Joint programs authorized.--Nothing in this chapter shall be construed to preclude such activities from being conducted in conjunction with programs funded from sources other than under this chapter.

(c) Public lands projects limitations.--

(1) Projects to be carried out under subsection (a)(2) shall be limited to projects on public lands except where a project involving other lands will provide a documented public benefit and reimbursement will be provided to the recipient for that portion of the total cost of the project which does not provide a public benefit. Notwithstanding any other provision of law, any reimbursement referred to in this paragraph shall be retained by the recipient and shall be used by the recipient for purposes of carrying out other projects under this chapter.

(2) All projects carried out under this act for conservation, rehabilitation, restoration or improvement of any public lands shall be consistent with the provisions of law and policies relating to the management and administration of such lands, with all other applicable

provisions of law and with all management, operational and other plans and documents which govern the administration of the area.

(d) Definition of project.--For the purpose of this section, the term "project" means a definable task or group of related tasks which:

(1) Will be carried out by a government department, public or quasi-public agency, private nonprofit organization or private contractor, including those carried out in conjunction with local Building Trades Councils, as described in section 204(e)(2).

(2) Will be completed within 24 months, if a program designed to create or modify, repair, rehabilitate or restore buildings or other tangible property.

(3) Is an activity authorized under this section or section 741(b).

(4) Will result in a specific product or accomplishment.

(5) Would not otherwise be conducted with existing funds.

(6) Will meet the priorities established in section 214.

Section 702. Eligible administrative entities.

(a) General rule.--Except as otherwise provided in this section, an eligible administrative entity under this act shall be an administrative entity under section 103(b)(1)(B) of the Job Training Partnership Act (Public Law 97-300, 29 U.S.C. § 1513(b)(1)(B)) that serves one or more eligible jurisdictions.

(b) Eligible jurisdiction.--An eligible jurisdiction under this chapter is an area which has an unemployment rate in excess of 6% and which is:

(1) A unit of general local government which has a

1 population of 50,000 or more individuals.

2 (2) A consortium of contiguous units of general local
3 government which includes:

4 (i) Two or more municipal governments at least one
5 of which is an eligible jurisdiction under paragraph (1).

6 (ii) A combination of one or more such municipal
7 governments and one or more county governments or
8 equivalents.

9 (iii) Two or more county governments or equivalents
10 at least one of which is an eligible jurisdiction under
11 paragraph (1).

12 (c) Qualification of administrative entities.--

13 (1) An administrative entity that serves an eligible
14 jurisdiction shall qualify as an eligible administrative
15 entity for that eligible jurisdiction by filing, within 30
16 days of the allotment of funds to that area, a statement with
17 respect to the use of such allotment. If no such
18 administrative entity files such a statement within the 30
19 days, the department may, on the basis of the filing of such
20 a statement, qualify another administrative entity within the
21 same state to serve that jurisdiction.

22 (2) A larger unit of general local government,
23 determined on the basis of population, shall not qualify as
24 an eligible administrative entity to serve the population of
25 any geographic area within the jurisdiction of any smaller
26 unit of general local government, determined on the basis of
27 population, if the latter unit is, or is part of, an eligible
28 administrative entity that has filed a statement with respect
29 to the use of funds provided under this act for such area.

30 Section 703. Project design.

1 (a) Priority.--In designing projects under this chapter, the
2 eligible administrative entity shall give priority to projects
3 on the basis of:

4 (1) The severity and duration of unemployment within
5 localities in the area of the eligible administrative entity.

6 (2) The degree to which project activities will lead to
7 the expansion of unsubsidized employment opportunities in the
8 private sector.

9 (3) The level of need which exists for the activities
10 and services to be provided.

11 (4) The extent to which the activities will provide
12 long-term benefits to the public.

13 (5) The extent to which the activities will instill in
14 the enrollee involved a work ethic and a sense of public
15 service.

16 (6) The extent to which the project will be labor
17 intensive.

18 (7) The extent to which the project can be planned and
19 initiated promptly.

20 (b) Coordination.--To the extent feasible, employment
21 opportunities established with funds made available under this
22 chapter shall be coordinated with other Federal, State and local
23 activities, including vocational and adult education, job
24 training provided with funds available under the Job Training
25 Partnership Act (Public Law 97-300, 29 U.S.C. § 1501 et seq.),
26 the Family Support Act of 1988 (Public Law 100-485, 102 Stat.
27 2343) and activities receiving funds available under section 106
28 of the Housing and Community Development Act of 1974 (Public Law
29 93-383, 42 U.S.C. § 5306) and other Federal laws.

30 SUBCHAPTER B

1 COMMUNITY IMPROVEMENT AND RENEWAL ACTIVITIES FOR
2 YOUTH TRAINEES

3 Section 721. Youth trainee activities.

4 (a) Use of funds authorized.--Funds under this chapter may
5 be used for eligible youth who are paid wages and benefits from
6 such funds for part-time employment not in excess of 32 hours
7 per week. This part-time employment may be at a work site
8 operated by a public or private nonprofit agency or organization
9 or by an employer organized for profit but shall be provided in
10 a manner which requires and is consistent with the youth's
11 enrollment in high school, a program which leads to a
12 certificate of high school equivalency or a program of basic
13 skills, skills training or employability development, including
14 a program operated pursuant to the Family Support Act of 1988
15 (Public Law 100-485, 102 Stat. 2343). Such enrollment shall be
16 for a minimum of eight hours per week.

17 (b) Joint projects authorized.--In meeting the requirements
18 of subsection (a), funds required to be used for such purpose
19 may be used in activities which also receive funds under Federal
20 job training and vocational education programs or State or local
21 public or private education or training programs.

22 Section 722. Eligible youth.

23 (a) Exemption from unemployment duration requirements.--
24 Notwithstanding section 502(a)(2) regarding the duration of
25 unemployment, the following persons shall be eligible to
26 participate in programs described in this chapter:

27 (1) A person 16 through 19 years of age.

28 (2) A person 16 through 24 years of age who is the
29 parent of a dependent noncustodial child and who executes an
30 agreement of support and an authorization for the withholding

1 or a portion of his wages from such activity for use in
2 supporting the dependent child.

3 (3) A person who is currently unemployed.

4 (b) Priority.--

5 (1) In selecting participants, an administrator shall,
6 notwithstanding section 502(c), give priority to individuals
7 who are economically disadvantaged. Among such individuals,
8 eligible school dropouts shall be served on an equitable
9 basis.

10 (2) For purposes of this subsection, a school dropout is
11 an individual who is not attending any school and has not
12 received a secondary school diploma or certificate of high
13 school equivalency.

14 SUBCHAPTER C

15 STATE JOB PROGRAMS

16 § 741. Financial assistance for State job programs.

17 (a) Use of allotted funds.--Five percent of the sums under
18 section 503 shall be available for purposes of this subchapter.

19 (b) Use of funds.--The sums available under subsection (a)
20 shall be used for the employment of eligible participants under
21 this chapter for the following:

22 (1) Programs and activities authorized under Chapter 5,
23 including, but not limited to:

24 (i) State parks, forests, recreation and
25 conservation programs, including rangeland rehabilitation
26 and improvement and beach front erosion rehabilitation
27 and repair.

28 (ii) State hospitals and other institutions and
29 facilities providing health care.

30 (iii) State correctional institutions and programs,

1 including juvenile facilities.

2 (iv) State-administered social service programs,
3 including State-sponsored preschool and child care
4 programs.

5 (2) Special assistance in conjunction, as appropriate,
6 with eligible administrative entities under this chapter for
7 areas which have experienced sudden or severe economic
8 dislocations, including large-scale losses of jobs caused by
9 the closing of facilities, including defense-related
10 facilities or mass layoffs.

11 (3) Emergency aid programs to cope with natural
12 disasters, including erosion, flood, drought and storm damage
13 assistance and control activities.

14 (4) Special assistance to seasonal farmworkers and small
15 farmers in rural, agricultural areas which have experienced
16 substantial losses of jobs due to the rising number of farm
17 mortgage foreclosures and other severe economic disruption in
18 conjunction, as appropriate, with eligible administrative
19 entities under this chapter or with related programs under
20 the Job Training Partnership Act (97-300, 29 U.S.C. § 1501 et
21 seq.), or both.

22 (c) Program and activity selection and design.--In
23 determining the programs and activities to receive funds
24 allotted under subsection (a), the department shall give first
25 priority to the establishment of those programs and activities
26 which will provide job sites within areas in which the rate of
27 unemployment is the highest.

28 In designing projects under this section, the department shall
29 evaluate projects on the basis of the severity and duration of
30 unemployment within localities and the level of need which

1 exists for the activities and services to be provided.

2 CHAPTER 9

3 EDUCATIONAL FACILITIES

4 Section 901. School facility repair and renovation projects.

5 (a) Use of funds authorized.--Funds shall be made available
6 under this act for any fiscal year to any eligible local
7 education agency in an eligible jurisdiction under section 702
8 and shall be used to carry out projects and activities, in
9 accordance with the limitation on use of funds set forth in
10 section 503, providing employment to eligible participants,
11 qualifying under section 502, in work on the repair, renovation,
12 restoration or rehabilitation of public school facilities.

13 (b) Use of quick-start projects.--To the maximum extent
14 feasible, funds made available under this chapter shall be used
15 for projects or activities on which onsite labor can begin
16 within 30 days of receipt of funds under this chapter.

17 (c) Permitted use of funds.--Funds available under this
18 chapter shall be used as follows:

19 (1) For assisting school districts in bringing their
20 public school facilities into conformity with the following:

21 (i) The Architectural Barriers Act of 1968 (Public
22 Law 90-480, 42 U.S.C. § 4151 et seq.).

23 (ii) Section 504 of the Rehabilitation Act of 1973
24 (Public Law 93-112, 29 U.S.C. § 701 et. seq.).

25 (iii) The Americans with Disabilities Act of 1990
26 (Public Law 101-336, 104 Stat. 327).

27 (iv) Environmental protection or health and safety
28 programs mandated by Federal or State law or by local
29 ordinance, especially for those facilities which were
30 constructed before such requirements were in effect.

1 (2) For the repair, renovation, restoration or
2 rehabilitation of public school facilities, including
3 electrical rewiring for new technology.

4 (3) For conversion of presently unused or underused
5 facilities into adult training centers or preschool education
6 centers, including Head Start centers under the Head Start
7 Act (Public Law 97-35, 42 U.S.C. § 9831 et. seq.).

8 (4) For remodeling or renovating structures to make them
9 more energy-efficient.

10 (5) For detecting, removing or otherwise containing lead
11 or asbestos in academic or other facilities used by students.

12 CHAPTER 11

13 FUNDING

14 SUBCHAPTER A

15 GENERAL PROVISIONS

16 Section 1101. Definitions.

17 The following words and phrases when used in this chapter
18 shall have the meanings given to them in this section unless the
19 context clearly indicates otherwise:

20 "Agency." The Infrastructure Redevelopment Agency, the
21 public body corporate and politic created by this chapter.

22 "Board." The governing body of the Infrastructure
23 Redevelopment Agency.

24 "Bonds" and "notes." The bonds and notes which the
25 Infrastructure Redevelopment Agency is authorized to issue
26 pursuant to this chapter.

27 "Chapter." This chapter and the rules and regulations
28 adopted by the agency hereunder.

29 "Federal agency." The United States of America, the
30 President or any department of the United States or any

1 corporation, agency or instrumentality, created, designated or
2 established by the United States.

3 SUBCHAPTER B

4 INFRASTRUCTURE REDEVELOPMENT AGENCY

5 Section 1121. Establishment.

6 A body corporate and politic to be known as the Human
7 Services Development Agency is hereby created as a public
8 corporation and government instrumentality and which shall have
9 continuing succession until its existence is terminated by law.

10 Section 1122. Composition, terms, etc.

11 (a) Appointment and composition.--The members of the agency
12 shall be the Secretary of Community and Economic Development,
13 the State Treasurer, the Secretary of Labor and Industry and the
14 Secretary of Public Welfare and the respective successors in
15 office of each of them and six additional members whom the
16 Governor shall appoint. One of the members of the agency
17 appointed by the Governor with the advice and consent of the
18 Senate shall be a representative of a community-based nonprofit
19 group which assists low-income individuals in job training and
20 related matters. Annually, at the first meeting held during the
21 calendar year, the members shall elect one of the members to
22 serve as chairperson.

23 (b) Terms.--The members initially appointed shall serve for
24 terms of one, two, three, four, five and six years,
25 respectively, the particular term of each to be designated by
26 the Governor at the time of appointment. The terms of all their
27 successors shall be six years each, except that any person
28 appointed to fill a vacancy shall serve only for the unexpired
29 term. Every member's term shall extend until his successor is
30 appointed and qualified. Any appointment of a member of the

1 agency made hereafter shall be subject to the advice and consent
2 of a majority of all the members of the Senate. Any appointed
3 member of the agency shall be eligible for reappointment.

4 (c) Expenses.--The members of the agency shall not receive
5 compensation for their services as members, but shall receive
6 reimbursement for all reasonable and necessary expenses incurred
7 in connection with the performance of their duties as members,
8 in accordance with the rules of the Executive Board.

9 (d) Attendance.--A member who fails to attend meetings for
10 three consecutive months shall forfeit his seat unless the
11 chairperson of the agency, upon written request from the member,
12 finds that the member should be excused from a meeting because
13 of illness or the death of an immediate family member.

14 Section 1123. Agency governing body.

15 The governing body of the agency shall be a board consisting
16 of the members of the agency. The board shall elect a chairman
17 from among its members at the first meeting of the board and at
18 its first meeting in each year thereafter. A majority of the
19 members shall constitute a quorum for the purpose of organizing
20 the agency, conducting its business and exercising all powers of
21 the agency. A vote of the majority of the members present shall
22 be sufficient for all actions of the board, unless the bylaws
23 require a greater number.

24 Section 1124. Powers and duties.

25 The agency shall have the following powers and duties:

26 (1) To adopt, use and alter at will a corporate seal.

27 (2) To make and alter bylaws for the management and
28 regulation of its affairs and to make, and from time to time
29 amend and repeal, rules and regulations governing the various
30 programs of the agency pursuant to this act and the conduct

1 of its business.

2 (3) To enter into contracts of all kinds and to execute
3 all instruments necessary or convenient for carrying on its
4 operations.

5 (4) To accept grants and subsidies from and to enter
6 into agreements or other transactions with any Federal agency
7 or agency of the Commonwealth or other entity.

8 (5) To accept grants-in-aid, gifts, donations, legacies
9 or usages of money made or extended by individuals,
10 organizations, public or private corporations, departments or
11 instrumentalities of the Commonwealth or the Federal
12 Government and to return money advanced for its usage not
13 otherwise required for its purposes or for any capital
14 reserve fund created.

15 (6) To be a party litigant in any court having
16 jurisdiction according to law in any form of action
17 whatsoever.

18 (7) To cooperate with and assist and receive assistance
19 from the Department of Labor and Industry and the Department
20 of Public Welfare.

21 (8) To acquire, hold and dispose of personal property,
22 tangible and intangible.

23 (9) To acquire, hold and dispose of real property, or
24 any interest therein, to be used by the agency for the
25 purpose of its offices and operations.

26 (10) To borrow money for the operation and work of the
27 agency by the making of notes and by the issuance of bonds.

28 (11) To invest any funds held in reserves or sinking
29 funds, or any funds not required for immediate disbursement,
30 in such investments as may be lawful for fiduciaries under

1 any law of this Commonwealth.

2 (12) To conduct studies of job training and related
3 matters and to enter into contracts with the Department of
4 Labor and Industry and other appropriate agencies and to do
5 all things necessary or convenient to carry out the powers
6 granted by this act or other acts.

7 (13) To employ an executive director and such other
8 officers, agents, employees, professionals, employment and
9 training advisors as may from time to time be necessary in
10 its judgment and to fix their compensation, and to promote
11 and discharge such officers, employees and agents.

12 (14) To appear in its own behalf before boards,
13 commissions, departments or other agencies of Federal, State
14 or municipal government.

15 (15) To procure insurance against any loss in connection
16 with its property in such amounts and from such insurers as
17 may be necessary or desirable.

18 (16) To do all things necessary or convenient to carry
19 out the powers granted by this act or other acts.

20 Section 1125. Agency moneys.

21 All moneys of the agency from whatever source derived shall
22 be paid to the treasurer of the agency and deposited in the
23 first instance in one or more banks or trust companies, in one
24 or more special accounts, each continuously secured by pledge of
25 direct obligations of the United States or of the Commonwealth,
26 or bonds of the agency, having an aggregate market value,
27 exclusive of accrued interest, at all times at least equal to
28 the balance on deposit in the account. The security shall be
29 either deposited with the treasurer or held by a trustee or
30 agent satisfactory to the agency. All banks and trust companies

1 are authorized to give the security required. The moneys of the
2 agency shall be paid out on the warrant or other order of the
3 treasurer of the agency or of another person authorized by the
4 agency to execute warrants or orders. Notwithstanding the
5 provisions of this section, the agency shall have power to
6 contract with the holders of any of its bonds or notes as to the
7 custody, security and payment of any moneys of the agency or any
8 moneys held in trust or otherwise to secure the payment of bonds
9 or notes. Deposits of moneys held in trust or otherwise to
10 secure the payment of bonds or notes may be secured in the same
11 manner as moneys of the agency, and all banks and trust
12 companies are authorized to give security for such deposits.

13 SUBCHAPTER C

14 BONDS AND NOTES

15 Section 1141. Issuance of bonds and notes.

16 (a) Authority of agency.--The agency shall have the power
17 and is hereby authorized, from time to time by resolution of the
18 members and subject to the written approval by the Governor, to
19 issue its negotiable bonds, either as serial bonds maturing in
20 annual installments or as term bonds, or any combination
21 thereof, and notes in such principal amount as, in the opinion
22 of the agency, shall be necessary to provide sufficient funds
23 for achieving its corporate purposes, including the programs
24 established under this act, the payment of interest on bonds and
25 notes of the agency, establishment of reserves to secure such
26 bonds and notes and all other expenditures of the agency
27 incident to and necessary or convenient to carry out its
28 corporate purposes and powers. The agency shall have the power,
29 from time to time by resolution of the members and subject to
30 the written approval of the Governor, to issue renewal notes, to

1 issue bonds to pay notes and, whenever it deems refunding
2 expedient, to refund any bonds by the issuance of new bonds,
3 whether the bonds to be refunded have or have not matured, and
4 to issue bonds partly to refund bonds then outstanding and
5 partly for any other purpose. The refunding bonds shall be sold
6 and the proceeds applied to the purchase, redemption or payment
7 of the bonds to be refunded. The agency shall not have the power
8 to issue bond anticipation notes, provided, however, that
9 renewal bond anticipation notes may be issued for the sole
10 purpose of redeeming any issue or portion of any issue of bond
11 anticipation notes issued by the agency which have not been
12 retired through the sale of bonds.

13 (b) Provision of notes and bonds.--The notes and bonds of
14 the agency shall bear the date or dates and shall mature at the
15 time or times, in the case of any note, or any renewals thereof,
16 not exceeding five years from the date of issue of the original
17 note, and in the case of any bond, not exceeding 50 years from
18 the date of issue, as such resolution or resolutions may
19 provide. The notes and bonds shall bear interest at such rate or
20 rates, be in such denominations, be in such form, either coupon
21 or registered, carry such registration privileges, contain such
22 terms and provisions relating to, but not limited to, pledges of
23 the agency's assets, setting aside of reserves, limitations on
24 additional notes and bonds and such other matters as may affect
25 the security or protection of the notes and bonds, be executed
26 in such manner, be payable in such medium of payment, at such
27 place or places and be subject to such terms of redemption as
28 such resolution or resolutions may provide. The notes and bonds
29 of the agency may be sold at public or private sale at the price
30 or prices as the agency determines.

1 (c) Nonliability.--Neither the members of the agency nor any
2 person executing the notes or bonds shall be liable personally
3 on the notes or bonds or be subject to any personal liability or
4 accountability by reason of the issuance thereof.

5 (d) Redemption.--The agency, subject to such agreement with
6 noteholders or bondholders as may then exist, shall have power
7 out of any funds available therefor to purchase its notes or
8 bonds, which shall thereupon be canceled, at a price not
9 exceeding:

10 (1) if the notes or bonds are then redeemable, the
11 redemption price then applicable plus accrued interest to the
12 next interest payment date thereupon; or

13 (2) if the notes or bonds are not then redeemable, the
14 redemption price applicable on the first date after such
15 purchase upon which the notes or bonds become subject to
16 redemption plus accrued interest to such date.

17 Section 1142. Credit of Commonwealth or any subdivision not
18 pledged.

19 Except as may otherwise be expressly provided by the agency,
20 its bonds and notes shall be general obligations of the agency
21 payable out of any moneys or revenues of the agency, including
22 the proceeds of loans made under this act, reserve funds created
23 therefor by the agency and other lawfully available money,
24 subject only to any agreements with holders of the bonds or
25 notes pledging any receipts or revenues. Bonds and notes issued
26 under this act shall not be deemed to constitute a debt of the
27 Commonwealth or of any political subdivision or a pledge of the
28 faith and credit of the Commonwealth or of any such political
29 subdivision. All bonds and notes shall contain on the face a
30 statement to the effect that neither the agency nor the

1 Commonwealth nor any political subdivision shall be obligated to
2 pay the same or the interest thereon except from such proceeds
3 or reserve fund and that neither the faith and credit nor the
4 taxing power of the Commonwealth or any political subdivision is
5 pledged to the payment of the principal of or the interest on
6 such bonds.

7 Section 1143. Funds and accounts.

8 The agency shall create such funds and accounts as may be
9 necessary or desirable for its corporate purposes and shall pay
10 into each such fund or account any moneys appropriated and made
11 available by the Commonwealth for the purposes of such fund or
12 account. Nothing contained in this section shall be construed as
13 prohibiting the agency from creating within any fund one or more
14 accounts which may be used or pledged by the agency for a
15 specific purpose.

16 Section 1144. Reserve funds and appropriations.

17 (a) Establishment.--The agency may create and establish one
18 or more special funds, referred to as capital reserve funds, and
19 shall pay into each capital reserve fund any moneys appropriated
20 and made available by the Commonwealth for the purpose of such
21 fund, any proceeds of sale of notes or bonds to the extent
22 provided in the resolution or resolutions of the agency
23 authorizing the issuance thereof and any other moneys which may
24 be available to the agency for the purpose of the fund from any
25 other source or sources. All moneys held in any capital reserve
26 fund, except as provided in this act shall be used, as required,
27 solely for the payment of the principal of bonds secured, in
28 whole or in part, by such fund or of the sinking fund payments
29 with respect to such bonds, the purchase or redemption of the
30 bonds, the payment of interest on the bonds or the payment of

1 any redemption premium required to be paid when the bonds are
2 redeemed prior to maturity. Moneys in any fund shall not be
3 withdrawn at any time in an amount as would reduce the amount of
4 the fund to less than the minimum capital reserve fund
5 requirement established for the fund, as provided in this act,
6 except for the purpose of making, with respect to bonds secured,
7 in whole or in part, by such fund, payment when due of
8 principal, interest, redemption premiums and the sinking fund
9 payments with respect to such bonds for the payment of which
10 other moneys of the agency are not available. Any income or
11 interest earned by, or increments to, any capital reserve fund
12 due to the investment thereof may be transferred by the agency
13 to other funds or accounts of the agency to the extent it does
14 not reduce the amount of that capital reserve fund below the
15 minimum capital reserve fund requirement for the fund.

16 (b) Minimum capital reserves.--The agency shall not at any
17 time issue bonds secured, in whole or in part, by a capital
18 reserve fund, if, upon the issuance of such bonds, the amount in
19 the capital reserve fund will be less than the minimum capital
20 reserve fund requirement for the fund, unless the agency at the
21 time of issuance of such bonds shall deposit in the fund from
22 the proceeds of the bonds to be issued, or from other sources,
23 an amount which, together with the amount then in the fund, will
24 not be less than the minimum capital reserve fund requirement
25 for the fund. For the purposes of this section, the term
26 "minimum capital reserve fund requirement" means, as of any
27 particular date of computation, an amount of money, as provided
28 in the resolution or resolutions of the agency authorizing the
29 bonds with respect to which the fund is established. In no
30 event, however, shall the capital reserve fund requirement

1 exceed an amount equal to not more than the greatest of the
2 respective amounts, for the current or any future fiscal year of
3 the agency, of annual debt service on the bonds of the agency
4 secured, in whole or in part, by the fund such annual debt
5 service for any fiscal year being the amount of money equal to
6 the aggregate of all interest and principal payable on the bonds
7 during the fiscal year, calculated on the assumption that all
8 the bonds are paid at maturity or, if any amount of the bonds is
9 required to be redeemed on any earlier date by operation of a
10 sinking fund, then on the assumption that such amount of bonds
11 is redeemed on such earlier date and that such amount is
12 considered principal payable on the bonds during the year they
13 are to be redeemed for purposes of this calculation.

14 (c) Statement of obligations.--To assure the continued
15 operation and solvency of the agency, for the carrying out of
16 its corporate purposes, provision is made in subsection (a) for
17 the accumulation in each capital reserve fund of an amount equal
18 to the minimum capital reserve fund requirement for the fund. In
19 order further to assure the maintenance of such capital reserve
20 funds, the agency, at least 30 days before the beginning of each
21 legislative session, shall submit to the Governor and the
22 General Assembly a written statement of the obligations of the
23 agency falling due within the succeeding 12-month period and of
24 the manner in which the agency anticipates providing for these
25 obligations by way of payment, extension, renewal or otherwise
26 and an estimate of the funds, if any, expected to be necessary
27 during the following year to restore to each capital reserve
28 fund any deficiencies in the minimum capital reserve fund
29 requirement for the fund or otherwise to avoid default in the
30 payment of interest or principal upon bonds or notes issued by

1 the agency, or in sinking fund payments required to be made; and
2 the Governor shall cause the amount of such moneys, if any, to
3 be placed in the budget of the Commonwealth for the next
4 succeeding fiscal year, so that the General Assembly is able to
5 provide appropriations sufficient to restore any deficiencies or
6 otherwise to avoid any default. These appropriations, if any,
7 shall be repaid to the Commonwealth as soon as possible by the
8 agency from moneys of the agency in excess of the amount
9 required to make and keep the agency self-supporting.

10 (d) Valuation of securities.--In computing the amount of any
11 capital reserve fund for the purposes of this section,
12 securities in which all or a portion of such fund are invested
13 shall be valued at par if purchased at par or, if purchased at
14 other than par, at amortized value, which, when used with
15 respect to securities purchased at a premium above or a discount
16 below par, shall mean the value as of any given date obtained by
17 dividing the total amount of the premium or discount at which
18 such securities were purchased by the number of days remaining
19 to maturity on such securities at the time of such purchase and
20 by multiplying the amount so calculated by the number of days
21 having passed since the date of that purchase and either, in the
22 case of securities purchased at a premium, by deducting the
23 product thus obtained from the purchase price or, in the case of
24 securities purchased at a discount, by adding the product thus
25 obtained to the purchase price.

26 Section 1145. Trust agreement.

27 In the discretion of the agency, bonds and notes issued by it
28 shall be secured by a trust agreement by and between the agency
29 and a trustee, which may be any trust company or bank within
30 this Commonwealth having the powers of a trust company. Either

1 the resolution providing for the issuance of bonds and notes or
2 trust agreement may contain provisions for protecting and
3 enforcing the rights and remedies of the bondholders as may be
4 reasonable and proper and not in violation of law, including
5 covenants setting forth the duties of the agency in relation to
6 the custody, safeguarding and application of all moneys.

7 Section 1146. Depository.

8 It shall be lawful for any bank or trust company incorporated
9 under the laws of this Commonwealth to act as depository of the
10 proceeds of bonds and notes or of revenues and to furnish such
11 indemnifying bonds or to pledge such securities as may be
12 required by the agency. This trust agreement may set forth the
13 rights and remedies of the bondholders and noteholders and of
14 the trustee and may restrict the individual right of action by
15 bondholders and noteholders. In addition to the foregoing, the
16 trust agreement may contain other provisions as the agency may
17 deem reasonable and proper for the security of the bondholders
18 and noteholders. All expenses incurred in carrying out the
19 provisions of the trust agreement may be treated as a part of
20 the cost of the operation of the agency.

21 Section 1147. Bonds and notes tax exempt.

22 The creation of the agency is in all respects for the benefit
23 of the people of this Commonwealth and for the improvement of
24 their health, safety, welfare, comfort and security, and its
25 purposes are public purposes. The agency shall perform an
26 essential governmental function. The Commonwealth covenants with
27 the purchasers and all subsequent holders and transferees of the
28 notes and bonds issued by the agency, in consideration of the
29 acceptance of any payment for the notes and bonds, that the
30 notes and bonds of the agency issued pursuant to this act and

1 the income therefrom, the income and revenues of the agency and
2 the agency and its property shall at all times be free from
3 taxation or assessment of every kind and nature except for
4 inheritance, estate, gift and transfer taxes.

5 Section 1148. Notes and bonds as legal investments.

6 The notes and bonds of the agency are securities in which all
7 public officers and bodies of the Commonwealth and all
8 municipalities and municipal subdivisions, all insurance
9 companies and associations and other persons carrying on an
10 insurance business; all banks, trust companies, savings banks
11 and savings associations, saving and loan associations,
12 investment companies; all administrators, guardians, executors,
13 trustees and other fiduciaries and all other persons whatsoever
14 who are or may be authorized to invest in bonds or other
15 obligations of the Commonwealth may properly and legally invest
16 funds, including capital, in their control or belonging to them.

17 Section 1149. Covenant by Commonwealth not to limit or alter
18 powers vested in agency.

19 The Commonwealth of Pennsylvania pledges, covenants and
20 agrees with the holders of any bonds, bond anticipation notes or
21 other obligations issued under the authority of this act that
22 the Commonwealth will not limit or alter the rights or powers
23 vested in the agency to perform and fulfill the terms of any
24 agreement made with the holders of such bonds, bond anticipation
25 notes or other obligations or in any way impair the rights or
26 remedies of such holders until such bond, bond anticipation
27 notes and other obligations, together with interest thereon,
28 with interest on any unpaid installments of interest, and all
29 costs and expenses in connection with any action or proceedings
30 by or in behalf of such holders, are fully met and discharged or

1 provided for. The agency may include this pledge and agreement
2 of the Commonwealth in any agreement with the holders of bonds,
3 bond anticipation notes and other obligations issued by the
4 agency.

5 Section 1150. Allocation for Commonwealth revenue.

6 (a) Amount.--For the purpose of maintaining the capital
7 reserves required by this chapter, there is hereby allocated and
8 appropriated to the Infrastructure Redevelopment Agency that
9 amount of Commonwealth revenue equal to 0.05% of the revenue
10 collected, on a fiscal year basis, under Article III of the act
11 of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
12 1971.

13 (b) Fiscal periods.--The allocation under subsection (a)
14 shall be made for the following fiscal periods:

15 (1) July 1, 1997, to June 30, 1998.

16 (2) July 1, 1998, to June 30, 1999.

17 (3) July 1, 1999, to June 30, 2000.

18 CHAPTER 15

19 MISCELLANEOUS PROVISIONS

20 Section 1501. General requirements.

21 (a) Discrimination prohibited.--

22 (1) No person shall be excluded from participation in,
23 denied the benefits of, subjected to discrimination under or
24 denied employment in the administration of or in connection
25 with any program under this act because of race, color,
26 religion, sex, national origin, age, handicap or political
27 affiliation or belief.

28 (2) With respect to terms and conditions affecting or
29 rights provided to individuals who are participants in
30 activities supported by funds provided under this act, such

1 individuals shall not be discriminated against solely because
2 of their status as participants under this act.

3 (b) Use of funds for supplementary activities.--Funds
4 provided under this act shall only be used for activities which
5 are in addition to those which would otherwise be available in
6 the absence of such funds.

7 (c) Substitution for government programs prohibited.--No
8 funds made available under this act for subsidized employment
9 may be provided to a private organization, institution or
10 contractor to conduct any activities customarily performed by
11 State employees or by employees of a political subdivision in
12 the area served by the program.

13 (d) Services to residents.--Only individuals residing in the
14 area of an eligible jurisdiction under this act may participate
15 in activities funded under this act, except that a recipient may
16 permit participation by homeless individuals who cannot prove
17 residence within the eligible jurisdiction.

18 (e) Hiring of voluntarily terminated workers prohibited.--No
19 individual shall be eligible to be employed in a position
20 subsidized under this act if that individual has, within the
21 preceding six months, voluntarily terminated, without good
22 cause, his or her last previous full-time employment at a wage
23 rate equal to or exceeding the Federal minimum wage as
24 prescribed under section 6(a)(1) of the Fair Labor Standards Act
25 of 1938 (52 Stat. 1060, 29 U.S.C. § 201 et seq.), unless the
26 individual has moved to follow a spouse.

27 (f) Wage rates.--

28 (1) An individual in employment subsidized under this
29 act shall be paid wages which shall not be less than the highest
30 of the following:

1 (i) The minimum wage under section 6(a)(1) of the
2 Fair Labor Standards Act of 1938, (52 Stat. 1060, 29
3 U.S.C. § 201 et seq.).

4 (ii) The minimum wage under the act of January 17,
5 1968 (P.L.11, No.5), known as The Minimum Wage Act of
6 1968.

7 (iii) The prevailing wage provided for under the act
8 of August 15, 1961 (P.L.987, No.442), known as the
9 Pennsylvania Prevailing Wage Act.

10 (2) The average weekly portion of the wages which may be
11 paid to participants from funds made available under this act
12 for any fiscal year shall not exceed the amount determined
13 and published annually by the department before the beginning
14 of that fiscal year. This amount shall be equal to the State
15 Average Weekly Wage, or multiplied by 75% and rounded up to
16 the nearest \$10.

17 (3) Participants employed under this act may have their
18 wages supplemented by the payment of additional wages for
19 such employment from sources other than this act.

20 (4) Participants employed under this act shall be
21 allowed sufficient time off from work activities to
22 participate effectively in job search activities.

23 (5) Funds under this act may be used to employ
24 individuals in part-time, flexible-time and work-sharing
25 employment customarily offered by the employer, if the
26 individuals receive benefits customarily provided with
27 respect to such employment by the same employer.

28 (6) Work records.--Programs under this act shall
29 maintain an individual work record for each participant, to
30 be provided to each participant at the end of his or her

1 participation, which shall contain the following:

2 (i) A documentary history of the experience and
3 skills acquired by such participant.

4 (ii) A list of the major work tasks completed by
5 each participant.

6 (h) Expenditure schedule.--Any funds appropriated to carry
7 out this act which are allotted for any fiscal year shall be
8 available for expenditure by the recipient during a period of
9 one year from the date of payment to the recipient. No part of
10 any allotment shall be revoked or canceled as long as the funds
11 so allotted are expended by the recipient within the one-year
12 period. If any funds are not expended, the department shall
13 reallocate an amount equal to the unexpended funds among other
14 eligible recipients in accordance with this act.

15 (i) Program abuse regulations.--Regulations shall be
16 promulgated by the department for the purpose of assuring
17 against program abuses, including, but not limited to, nepotism,
18 conflicts-of-interest; the charging of fees in connection with
19 participation in the program; excessive or unreasonable legal
20 fees; the improper commingling of funds under this act with
21 funds received from other sources; the failure to keep and
22 maintain sufficient, auditable or otherwise adequate records;
23 kickbacks; political patronage; violations of applicable child
24 labor laws; the use of funds for lobbying Federal, State or
25 local legislators; and the use of funds for activities which are
26 not directly related to the proper operation of the program.

27 Section 1502. Labor standards.

28 (a) Conditions and benefits.--

29 (1) Conditions of employment and training shall be
30 appropriate and reasonable in light of such factors as the

1 type of work, geographical region and proficiency of the
2 participant.

3 (2) The regulations, relating to health and safety and
4 workers' compensation, implementing paragraphs (2) and (3) of
5 section 143(a) of the Job Training Partnership Act (Public
6 Law 97-300, 29 U.S.C. 1553(a)) issued on March 15, 1983,
7 shall apply to participants under this act.

8 (3) All individuals while employed in subsidized jobs
9 under this act shall be provided benefits and working
10 conditions at the same level and to the same extent as other
11 employees doing the same type of work.

12 (4) No funds available under this act may be used for
13 contributions on behalf of any participant to retirement
14 systems or plans. Nothing in this subsection shall relieve
15 either a participant or a program from requirements of the
16 Social Security Act (49 Stat. 620, 42 U.S.C. § 301, et seq.).

17 (b) Protection of existing workers.--

18 (1) No currently employed worker shall be displaced by
19 any participant, including partial displacement such as a
20 reduction in the hours of nonovertime work, wages or
21 employment benefits.

22 (2) No program shall impair existing contracts for
23 services or collective bargaining agreements, except that no
24 program under this act which would be inconsistent with the
25 terms of a collective bargaining agreement shall be
26 undertaken without written concurrence of the labor
27 organization and employer concerned.

28 (3) No participant whose wages are subsidized under this
29 act shall be employed or job opening filled when any other
30 individual is on layoff from the same or substantially

1 equivalent job. No participant whose wages are subsidized
2 under this act shall be employed or job opening filled when,
3 after the enactment of this act, the employer terminates the
4 employment of any regular unsubsidized employee in the same
5 or any substantially equivalent job or otherwise reduces the
6 number of regular unsubsidized employees in such jobs.

7 (4) No jobs shall be created in a promotional line that
8 will infringe in any way upon the promotional opportunities
9 of currently employed individuals.

10 (c) Compliance reports.--

11 (1) Each quarterly report submitted pursuant to section
12 923(c) or 943(c) shall be transmitted by the recipient to any
13 labor organization representing government or private
14 employees who are engaged in similar work to that performed
15 by employees whose wages are subsidized under this act.

16 (2) Each quarterly report submitted pursuant to section
17 923(c) or 943(c) which is subject to the requirements of
18 paragraph (3) shall, with respect to each government
19 department in which subsidized employment is provided under
20 this act, set forth:

21 (i) The number of all regular employees of the
22 department:

23 (A) during the quarter to which such report
24 applies; and

25 (B) during the quarter preceding the enactment
26 of this act.

27 (ii) The number of employees subsidized under this
28 act in such department during each quarter.

29 (3) If, for two succeeding calendar quarters, there has
30 been an average decline of 5% or more in the number of

1 unsubsidized employees in any department as compared to the
2 number for the quarter described in paragraph (2)(i)(B), the
3 report shall include a statement identifying the jobs which
4 have been reduced and setting forth any reasons that such
5 reduction does not result from a failure to comply with
6 subsection (b).

7 (4) Any such report which is required to contain such a
8 statement shall be subject to review in accordance with
9 subsection (d).

10 (d) Complaint procedure.--

11 (1) Whenever any employee or labor organization
12 representing employees of a government agency employing
13 subsidized employees under this act submits to the department
14 a complaint alleging that subsection (a) or (b) or section
15 1501 has been violated, a copy of the complaint shall be
16 transmitted at the same time that government agency to review
17 the complaint and to submit a reply to the department within
18 15 days after receiving a copy of the complaint.

19 (2) If, after investigation by the department, the
20 matter cannot be concluded, or upon the insistence of any
21 party to the matter, the department shall schedule a hearing
22 upon the matter in the manner provided in 2 Pa.C.S. (relating
23 to Administrative Law and Procedure). Decisions of the
24 department and appeals therefrom shall be taken under 2
25 Pa.C.S.

26 (3) The department shall institute proceedings under
27 section 1503(b) for the repayment of funds determined to have
28 been expended in violation of subsection (a) or (b) or
29 section 1501.

30 (e) Labor Organization.--

1 (1) Each recipient of funds under this act shall provide
2 to the department assurances that none of the funds shall be
3 used to assist, promote or deter union organizing.

4 (2) Where a labor organization represents a substantial
5 number of employees who are engaged in similar work or
6 training in the same area as that proposed to be funded under
7 this act, an opportunity shall be provided for the
8 organization to submit with respect to such proposal.

9 Section 1503. Fiscal controls and sanctions.

10 (a) Review.--

11 (1) The State Treasurer shall, on a selective basis,
12 evaluate the expenditures by the recipients under this act in
13 order to assure that expenditures are consistent with this
14 act and to determine the effectiveness of each recipient in
15 accomplishing the purposes of this act. The State Treasurer
16 shall conduct the evaluations whenever necessary and shall at
17 least annually report to the General Assembly on the findings
18 of the evaluations.

19 (2) For the purpose of evaluating and reviewing programs
20 established or provided for by this act, the State Treasurer
21 shall have access to and the right to copy any books,
22 accounts, records, correspondence or other documents
23 pertinent to such programs that are in the possession,
24 custody or control of any recipient of funds under this act,
25 or any contractor or subcontractor of those recipients.

26 (b) Repayment required.--Every recipient shall repay to the
27 Commonwealth those amounts found not to have been expended in
28 accordance with this act. The department may offset these
29 amounts against any other amount in which the recipient is or
30 may be entitled under this act unless it determines that the

1 recipient should be held liable under subsection (c). No action
2 shall be taken except after notice and opportunity for a hearing
3 have been given to the recipient under 2 Pa.C.S. (relating to
4 Administrative Law and Procedure).

5 (c) Procedure for repayment.--

6 (1) Each recipient shall be liable to repay such
7 amounts, from funds other than funds received under this act,
8 upon a determination that the misexpenditure of funds was due
9 to willful disregard of the requirements of this act, gross
10 negligence or failure to observe accepted standards of
11 administration. No such finding shall be made except after
12 notice and opportunity for a hearing under 2 Pa.C.S.

13 (2) In determining whether to impose any sanction
14 authorized by this section against a recipient for violations
15 by a subcontractor of a recipient under this act, the
16 department shall first determine whether the recipient has
17 adequately demonstrated that it has:

18 (i) Established and adhered to an appropriate system
19 for the award and monitoring of contracts with
20 subcontractors which contains acceptable standards for
21 ensuring accountability.

22 (ii) Entered into a written contract with the
23 subcontractor which establishes clear goals and
24 obligations in unambiguous terms.

25 (iii) Acted with due diligence to monitor the
26 implementation of the contract, including the carrying
27 out of the appropriate monitoring activities, including
28 audits, at reasonable intervals.

29 (iv) Taken prompt and appropriate corrective action
30 upon becoming aware of any evidence of a violation of

1 this act by such subcontractor.

2 (3) If the department determines that the recipient has
3 demonstrated substantial compliance with the requirements of
4 paragraph (2), the department may waive the imposition of
5 sanctions authorized by this section upon such recipient. The
6 department is authorized to impose any sanction consistent
7 with the provisions of this act and of any applicable law
8 directly against any subcontractor for violation of this act.

9 (d) Emergency actions.--In emergencies, if the department
10 determines it is necessary to protect the integrity of the funds
11 or ensure the proper operation of the program, it may
12 immediately terminate or suspend financial assistance, in whole
13 or in part, if the recipient is given prompt notice and the
14 opportunity for a subsequent hearing within 30 days after the
15 termination or suspension.

16 (e) Discrimination remedies.--If the department determines
17 that any recipient under this act has discharged or in any other
18 manner discriminated against a participant or against any
19 individual in connection with the administration of the program
20 involved, or against any individual because that individual has
21 filed any complaint or instituted or caused to be instituted any
22 proceeding under or related to this act, or has testified or is
23 about to testify in any such proceeding or investigation under
24 or related to this act, or otherwise unlawfully denied to any
25 individual a benefit to which that individual is entitled under
26 the provisions of this act, the department shall, within 30
27 days, take action or order corrective measures, as necessary,
28 with respect to the recipient or the aggrieved individual, or
29 both.

30 (f) Additional remedies.--The remedies under this section

1 shall not be construed to be exclusive remedies.

2 (g) Recordkeeping.--Recipients shall keep records that are
3 sufficient to permit the preparation of reports required by this
4 act and to permit the tracing of funds to a level of expenditure
5 adequate to insure that the funds have not been spent
6 unlawfully.

7 (h) Investigations.--

8 (1) In order to insure compliance with the provisions of
9 this act, the department may conduct investigations of the
10 use of funds received under this act by any recipient.

11 (2) In conducting any investigation under this act, the
12 department may not request the compilation of any new
13 information not readily available to such recipient.

14 Section 1504. Judicial review.

15 An aggrieved party may appeal a decision of the department in
16 the manner provided in 2 Pa.C.S. (relating to Administrative Law
17 and Procedure).

18 Section 1505. Effective date.

19 This act shall take effect in 60 days.