

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2817 Session of
2002

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AUGUST 15, 2002

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
AUGUST 15, 2002

AN ACT

1 Establishing a program within the Department of Environmental
2 Protection to provide for low-interest loans to address
3 coastal erosion.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Coastal
8 Preservation Act.

9 Section 2. Legislative findings.

10 The General Assembly finds and declares as follows:

11 (1) The Lake Erie coastline is an extraordinary
12 ecological treasure and economic asset to northwestern
13 Pennsylvania and this entire Commonwealth.

14 (2) High seasonal lake levels, currents and other
15 erosive forces along Lake Erie have led to the recession of
16 coastal bluffs along the lake by approximately one foot per
17 year according to the Department of Environmental Protection.

1 (3) Coastal erosion along Lake Erie has been determined
2 to be a threat to public safety, property and environmental
3 quality.

4 (4) While the Department of Environmental Protection
5 currently provides valuable advice to municipal governments,
6 businesses and individuals regarding coastal erosion, the
7 establishment of a low-interest loan program will provide for
8 a stronger and more ecologically appropriate means for the
9 Commonwealth to protect coastal resources against erosion.

10 Section 3. Definitions.

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

14 "Authorized organization." An entity involved in research,
15 restoration, rehabilitation, planning, acquisition, development,
16 education or other activities, which furthers the protection,
17 enhancement, conservation, preservation or enjoyment of this
18 Commonwealth's environmental, conservation, recreation or
19 similar resources and that is a tax-exempt institution under
20 section 501(c)(3) of the Internal Revenue Code of 1986 (Public
21 Law 99-514, 26 U.S.C. § 501(c)(3)) and registered with the
22 Bureau of Charitable Organizations or an educational institution
23 involved in these authorized activities or a municipal
24 authority.

25 "Department." The Department of Environmental Protection of
26 the Commonwealth.

27 "Fund." The Environmental Stewardship Fund established under
28 27 Pa.C.S. § 6104 (relating to fund).

29 "Program." The Low-interest Loan Program for Coastal Erosion
30 established in section 4.

1 Section 4. Low-interest Loan Program for Coastal Erosion.

2 The department shall administer a low-interest loan program,
3 to be administered through the Coastal Zone Management Program,
4 to address the problem of bluff recession and coastal erosion.
5 The program shall provide financial assistance to encourage the
6 use of natural vegetation and structures deemed to be
7 appropriate by the department in order to protect coastal
8 resources. Financial assistance shall be in the form of low-
9 interest loans to be lent at a rate not to exceed 2%, and the
10 department shall determine the maximum amount of loan to be
11 received by any applicant.

12 Section 5. Source of funding.

13 The program shall be funded by the Environmental Stewardship
14 Fund. Notwithstanding the approval of the Governor required
15 under 27 Pa.C.S. § 6104 (c) (relating to fund) for other
16 disbursements, the moneys of the fund are hereby appropriated on
17 a continuing basis for the program.

18 Section 6. Loans.

19 Loans meeting the purposes of section 4 may be made to any of
20 the following:

- 21 (1) Political subdivisions or their agencies.
- 22 (2) Authorized organizations.
- 23 (3) Other persons determined to be eligible by the
24 department.

25 Section 7. Priority of financial assistance.

26 The department shall take all of the following factors into
27 consideration when determining which applicants shall receive
28 financial assistance under the program:

- 29 (1) The benefit of the remedy to the environment and
30 public safety.

1 (2) The permanence of the remedy.

2 (3) The threat of coastal erosion or bluff recession to
3 any assets owned by the applicant and the likelihood that the
4 loan will successfully remedy these threats.

5 (4) The cost effectiveness of the remedy.

6 Section 8. Terms and conditions.

7 The department shall set terms and conditions applicable to
8 the loans as it deems appropriate.

9 Section 9. Minimum use of funds.

10 (a) General rule.--Except as otherwise provided for under
11 subsection (b), the department shall utilize not less than
12 \$250,000 of its share of the fund it receives for the 2002-2003
13 fiscal year to administer the program and provide loans for
14 applicants.

15 (b) Limitation.--The department may utilize less than
16 \$250,000 of its share of the fund for the 2002-2003 fiscal year
17 if it does not receive sufficient applications meeting the terms
18 and conditions set forth for the program.

19 Section 10. Effective date.

20 This act shall take effect immediately.