
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1468 Session of
1986

Report of the Committee of Conference

To the Members of the Senate and House of Representatives:

We, the undersigned, Committee of Conference on the part of the Senate and House of Representatives for the purpose of considering Senate Bill No. 1468, entitled:

"An act * * * AMENDING THE ACT OF JULY 2, 1984 (P.L.520, NO.105), ENTITLED 'AN ACT ESTABLISHING A BUSINESS INFRASTRUCTURE DEVELOPMENT PROGRAM FOR MAKING GRANTS AND LOANS FOR INFRASTRUCTURE NECESSARY TO COMPLEMENT INDUSTRIAL OR COMMERCIAL INVESTMENT BY PRIVATE COMPANIES; * * * AND MAKING AN APPROPRIATION,' FURTHER PROVIDING FOR GRANT AND LOAN PROCEDURES, THE CONDITIONS OF LOANS AND THE MUNICIPALITIES WHERE GRANTS MAY BE MADE; AND REMOVING PROVISIONS RELATING TO GUIDELINES AND REGULATIONS, "

respectfully submit the following bill as our report:

TIM SHAFFER

DAVID J. BRIGHTBILL

MARK S. SINGEL

(Committee on the part of the Senate.)

JAMES J. MANDERINO

MAX PIEVSKY

JESS STAIRS

(Committee on the part of the House of Representatives.)

AN ACT

1 Establishing a program within the Department of Commerce to
2 provide assistance to communities experiencing economic
3 distress by providing grants for the development of long-term
4 economic recovery strategies.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Community
9 Economic Recovery Program Act.

10 Section 2. 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 "Community." A municipality, including counties, cities,
15 boroughs, incorporated towns, townships, home rule
16 municipalities and councils of local government.

17 "Department." The Department of Commerce of the
18 Commonwealth.

19 "Distressed communities." Communities which are designated
20 as distressed under the act of July 2, 1984 (P.L.520, No.105),
21 known as the Business Infrastructure Development Act.

22 "Local development agency." Any municipality or any
23 industrial and commercial authority organized pursuant to or
24 industrial development company as certified by the department
25 pursuant to the act of August 23, 1967 (P.L.251, No.102), known
26 as the Industrial and Commercial Development Authority Law; any
27 council of government organization or any multimunicipal agency
28 organization created pursuant to the act of July 12, 1972
29 (P.L.762, No.180), referred to as the Intergovernmental

1 Cooperation Law; any municipal authority organization pursuant
2 to the act of May 2, 1945 (P.L.382, No.164), known as the
3 Municipality Authorities Act of 1945; any redevelopment
4 authority organized pursuant to the act of May 24, 1945
5 (P.L.991, No.385), known as the Urban Redevelopment Law; and any
6 local development district of the Appalachian Regional
7 Commission.

8 "Secretary." The Secretary of Commerce of the Commonwealth.
9 Section 3. Program establishment.

10 There is hereby established, under the direction of the
11 department, a program to be known as the Community Economic
12 Recovery Program.

13 Section 4. Eligibility.

14 (a) General rule.--Applicants eligible to receive grants are
15 local development agencies. Preference shall be given to
16 areawide and regional consortium applications.

17 (b) Applications.--Applicants must submit an application, in
18 a form and manner prescribed by the secretary, demonstrating the
19 need for developing a local economic recovery strategy and
20 describing a plan for developing such a strategy.

21 Section 5. Use of funds.

22 (a) General rule.--Grant funds shall be used to help develop
23 the local capacity to plan and to implement an economic recovery
24 strategy. Funding may be used for activities including, but not
25 limited to, the following:

26 (1) Identifying existing industries within the community
27 which may be in danger of leaving the area, and encouraging
28 the retention of these industries.

29 (2) Identifying growth industries, and developing plans
30 for encouraging the expansion of such industries within the

community.

(3) Analyzing the job skills of the unemployed labor force and reviewing existing job training programs in order to make recommendations on the upgrading of the skills of the unemployed labor force.

(4) Itemizing infrastructure improvements necessary for job creation.

(5) Cataloging the services of local economic development agencies and ensuring that these agencies have qualified personnel with knowledge of State and local programs.

(6) Listing those areas in which the community has a particular advantage over other locations, both inside and outside this Commonwealth.

(7) Listing those areas in which the community is at a disadvantage when attracting private capital, along with making recommendations for alleviating these problems.

(8) Working with businesses and other organizations to encourage the retention of existing jobs, the expansion of existing firms and the attraction of new businesses, with emphasis on projects that will help diversify the community's economic base.

(b) Report.--A final report shall be submitted to the department within one year of the award of funds and shall include, as a minimum, a summary of the analyses performed and the businesses assisted and a detailed list of locally supported programs or projects planned, designed or implemented as part of the local economic recovery strategy.

Section 6. Grant conditions.

Grants shall meet the following conditions:

1 (1) Individual grants shall not exceed \$100,000.

2 (2) No more than one grant per municipality shall be
3 awarded in any one State fiscal year.

4 Section 7. Application procedures.

5 (a) Form.--Applications for the Community Economic Recovery
6 Program funds shall be made to the department, in a form and
7 manner prescribed by the secretary.

8 (b) Coordination.--The department may require that local
9 development districts or counties coordinate the efforts of the
10 various municipalities within their region to insure that
11 communities are not duplicating grant proposals, including
12 encouraging adjacent jurisdictions that are individually
13 applying for a grant to pool resources and submit a joint
14 proposal, and encouraging those eligible jurisdictions not
15 applying for a grant to cooperate with adjacent jurisdictions
16 and apply for funding, if applicable.

17 (c) Contents of application.--The application shall contain
18 the following:

19 (1) Documentation that the community or communities meet
20 the eligibility criteria specified in this act.

21 (2) Justification of the need for State assistance in
22 developing a local community economic recovery strategy.

23 (3) A description of the organization that will
24 administer the funds and the reason why it can represent the
25 area in its revitalization effort, including statements from
26 other community groups in support of the application.

27 (4) A detailed description of the activities to be
28 carried out using the funds.

29 (5) A letter from the elected officials in each
30 municipality and county of the distressed area specifying

1 their support.

2 (6) Other information as specified by the department.

3 Section 8. Grant evaluation criteria.

4 (a) Analysis of application.--The department shall determine
5 from the application whether the community is eligible for
6 assistance and the proposed plan is likely to promote economic
7 growth. If the department determines that the applicant is not
8 qualified to develop a community economic recovery strategy, the
9 department may attempt to aid the applicant to establish a group
10 which is qualified, or to develop a revised plan which will best
11 carry out the purpose of revitalizing the particular community.

12 (b) Criteria.--In addition, in evaluating applications for
13 grants, the department shall consider the following specific
14 criteria:

15 (1) Community support and cooperation, including the
16 degree of public and private matching commitments.

17 (2) The degree of areawide or multicomunity
18 involvement, including the total population to be served by
19 the grant.

20 (3) Identification of critical economic needs or
21 opportunities.

22 (4) Consistency of the proposal with State economic
23 development strategies, goals or objectives.

24 (5) Other criteria as established by the department as
25 necessary to achieve the purposes of this act.

26 Section 9. Yearly report.

27 By March 1, of each year, the board shall provide a written
28 report of the assistance provided under this act to the
29 Governor, the Chief Clerk of the House of Representatives and
30 the Secretary of the Senate. This report shall contain, at a

1 minimum, the following:

2 (1) The community group and amount of each assistance
3 project approved under this act, and the same information for
4 those applicants not receiving funding.

5 (2) A narrative description of each assistance project
6 provided under this act.

7 (3) Recommendations for changes to this and any other
8 State program which would enable the program to more
9 effectively serve distressed areas of this Commonwealth.

10 (4) Any reports received by the department under section
11 5(b).

12 Section 10. Additional powers and duties of department.

13 The department may prescribe such application forms,
14 promulgate and publish rules, regulations, procedures and
15 application manuals, and request such information as may be
16 necessary to carry out the provisions of this act.

17 Section 11. Effective date.

18 This act shall take effect immediately.