

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 1888 Session of  
1999

INTRODUCED BY BUNT, CLYMER, COY, CAPPABIANCA, LEH, BELFANTI,  
ARMSTRONG, CHADWICK, ADOLPH, CORRIGAN, ARGALL, DAILEY, DALLY,  
DeWEESE, DRUCE, FAIRCHILD, FICHTER, FREEMAN, GODSHALL,  
GORDNER, GRUCELA, HARHART, HASAY, HERMAN, HERSHEY, JOSEPHS,  
KREBS, LUCYK, MAJOR, MARKOSEK, MASLAND, McCALL, McILHINNEY,  
MELIO, NAILOR, PESCI, PHILLIPS, PLATTS, ROBERTS, ROHRER,  
SATHER, SCHRODER, SEYFERT, SHANER, B. SMITH, SNYDER, SOLOBAY,  
STABACK, STEELMAN, STERN, E. Z. TAYLOR, TRUE, WILLIAMS, WILT,  
WOJNAROSKI, YOUNGBLOOD, ZUG, ALLEN, BARD, BARRAR, BROWNE,  
CALTAGIRONE, CAWLEY, CLARK, DeLUCA, DEMPSEY, EGOLF, FEESE,  
GEORGE, GLADECK, HANNA, HARHAI, HENNESSEY, HESS, LAUGHLIN,  
LEDERER, LESCOVITZ, TRELLO, MAITLAND, MANDERINO, MANN,  
McGILL, MICOZZIE, R. MILLER, NICKOL, PETRARCA, RAMOS,  
REINARD, ROSS, SAYLOR, BAKER, STAIRS, STEIL, STRITTMATTER,  
STURLA, SURRA, TANGRETTI, THOMAS, TRAVAGLIO, VAN HORNE,  
WALKO, WRIGHT, YUDICHAK, L. I. COHEN, DALEY, VANCE, BASTIAN,  
ZIMMERMAN, SEMMEL, GRUITZA AND J. TAYLOR, SEPTEMBER 29, 1999

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,  
OCTOBER 26, 1999

## AN ACT

1 Providing for emergency drought relief as a result of weather  
2 conditions in 1999, FOR LOANS AND GRANTS TO VICTIMS OF SMALL <—  
3 DISASTERS, FOR POWERS AND DUTIES OF THE PENNSYLVANIA  
4 EMERGENCY MANAGEMENT AGENCY AND OTHER STATE AGENCIES AND FOR  
5 RESERVATION OF SURPLUS REVENUE; establishing the Agricultural  
6 Drought Emergency Oversight Board; and making an <—  
7 ~~appropriation~~ APPROPRIATIONS. <—

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 CHAPTER 1 <—

11 PRELIMINARY PROVISIONS

12 Section 4 101. Short title. <—

1 This act shall be known and may be cited as the Emergency  
2 Drought Relief AND PENNCRISIS Act. <—

3 CHAPTER 3 <—

4 DROUGHT RELIEF

5 Section ~~2~~ 301. Legislative findings and purpose. <—

6 The General Assembly finds and declares as follows:

7 (1) Production agriculture is a mainstay of this  
8 Commonwealth's economy, with nearly 50,000 family farms  
9 generating \$44,000,000,000 in economic activity each year.

10 (2) The prolonged drought of 1999 is an unprecedented  
11 natural disaster which caused an estimated \$500,000,000 in  
12 crop losses AND IN THE REDUCTION OF THE GRADE QUALITY OF OUR <—  
13 CROPS IN 1999 and threatens to destroy not only the  
14 profitability of our farmers, but also the existence of  
15 farmland in this Commonwealth.

16 (3) THE DROUGHT WILL CONTINUE TO AFFECT SOME PRODUCERS <—  
17 FOR MANY YEARS DUE TO THE PARTIAL AND FULL LOSS OF TREES,  
18 NURSERY STOCK AND OTHER MULTIYEAR PLANTING, AS WELL AS THE  
19 DIMINISHED PRODUCTION OF FRUIT IN THE YEAR FOLLOWING A  
20 DROUGHT.

21 ~~(3)~~ (4) It is in the public interest, from the <—  
22 standpoint of the economic well-being of this Commonwealth,  
23 to offer financial support to maintain the viability of this  
24 critical industry.

25 Section ~~3~~ 302. Definitions. <—

26 The following words and phrases when used in this ~~act~~ CHAPTER <—  
27 shall have the meanings given to them in this section unless the  
28 context clearly indicates otherwise:

29 "Board." The Agricultural Drought Emergency Oversight Board  
30 established in section ~~5~~ 304. <—

1 "Crop." Includes:

2 (1) Field crops, including corn, wheat, oats, rye,  
3 barley, hay, potatoes, tobacco and dry beans.

4 (2) Fruits, including apples, peaches, grapes, cherries, <—  
5 PEARS, APRICOTS, PLUMS and berries.

6 (3) Vegetables, including tomatoes, snap beans, cabbage,  
7 carrots, beets, onions, peppers and mushrooms.

8 (4) Horticultural specialties, including nursery stock,  
9 ornamental shrubs, ornamental trees, Christmas trees and  
10 flowers.

11 (5) Pasture.

12 (6) Timber, wood and other wood products derived from  
13 trees.

14 (7) ANY OTHER CROP INSURED UNDER COVERAGE OFFERED BY THE <—  
15 FEDERAL CROP INSURANCE CORPORATION OF THE UNITED STATES  
16 DEPARTMENT OF AGRICULTURE.

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

19 "Fund." The Emergency Drought Relief Fund established in  
20 section 4 303. <—

21 "PASS." The Pennsylvania Agricultural Statistics Service.

22 "Producer." A person engaged in the business of producing  
23 crops within this Commonwealth.

24 "Secretary." The Secretary of Agriculture of the  
25 Commonwealth.

26 "USDA-FSA." The United States Department of Agriculture-Farm  
27 Service Agency.

28 Section 4 303. Fund. <—

29 (a) Establishment.--The Emergency Drought Relief Fund is  
30 established.

1 (b) Source.--The source of the fund shall be appropriations.

2 (c) Purpose.--The purpose of the fund is to provide grants  
3 under section 7 306. <—

4 (d) Administration.--The fund shall be administered by the  
5 department under section ~~6(2)~~ 305(2). <—

6 Section ~~5~~ 304. Agricultural Drought Emergency Oversight Board. <—

7 (a) Establishment.--The Agricultural Drought Emergency  
8 Oversight Board is established.

9 (b) Responsibilities.--The board shall provide oversight and  
10 advice to the department with respect to administration of this  
11 ~~act~~ CHAPTER and all financial assistance programs for producers <—  
12 who have suffered financial losses as a result of the drought of  
13 1999.

14 (c) Membership.--The board shall consist of the following  
15 members:

16 (1) The secretary, who shall be chairperson.

17 (2) The Dean of the College of Agricultural Sciences at  
18 The Pennsylvania State University.

19 (3) A representative of the USDA-FSA.

20 (4) One producer, appointed by the Governor.

21 (5) One producer, appointed by the Majority Leader of  
22 the Senate.

23 (6) One producer, appointed by the Minority Leader of  
24 the Senate.

25 (7) One producer, appointed by the Majority Leader of  
26 the House of Representatives.

27 (8) One producer, appointed by the Minority Leader of  
28 the House of Representatives.

29 (d) Meetings.--The secretary shall convene the board within  
30 ten days of the effective date of this ~~act~~ CHAPTER. The board <—

1 shall meet monthly unless convened sooner by the secretary. Five  
2 members of the board shall constitute a quorum.

3 (e) Regulations.--The secretary shall consult with the board  
4 with respect to any regulations or policies relative to the  
5 administration of this ~~aet~~ CHAPTER. <—

6 (f) Compensation.--Members of the board shall serve without  
7 pay, but shall be entitled to compensation for expenses incurred  
8 in the performance of duties under this ~~aet~~ CHAPTER. <—

9 Section ~~6~~ 305. Department. <—

10 The department has the following powers and duties:

11 (1) Promulgate, in consultation with the board, within  
12 30 days of the effective date of this ~~aet~~ CHAPTER, <—  
13 regulations to administer this ~~aet~~ CHAPTER. Initial <—  
14 regulations under this paragraph shall not be subject to the  
15 act of June 25, 1982 (P.L.633, No.181), known as the  
16 Regulatory Review Act.

17 (2) Administer the fund. Up to .08% of the money in the  
18 fund may be used by the department for administrative  
19 expenses.

20 (3) Enter into agreements with Federal and State  
21 agencies as necessary to implement this ~~aet~~ CHAPTER. <—

22 (4) Call upon the resources of other Commonwealth  
23 agencies. Such agencies are hereby directed to assist the  
24 department without cost to the department.

25 (5) By June 30, 2000, with the advice and consent of the  
26 board, issue a comprehensive report to the General Assembly  
27 on the results, including total dollars expended and number  
28 of recipients, of the programs authorized under this ~~aet~~ <—  
29 CHAPTER. <—

30 Section ~~7~~ 306. Grants. <—

(a) Amounts.--Proceeds from the fund shall be used to provide grants to producers for losses sustained due to the 1999 drought. Individual grants shall be in the amount of:

(1) Using ~~only crop yield and crop loss~~ CROP YIELD, CROP LOSS AND CROP VALUE data and irrespective of other requirements, 20% of the amount of the loan for which the producer would be eligible under the USDA-FSA Emergency Loan Assistance Program or other Federal loan assistance program intended to provide crop loss relief. If a producer does not have sufficient individual crop yield and other data available, then the department shall determine, using average county crop yields, crop losses and crop values provided by PASS and USDA-FSA, the loan amount for which the producer would otherwise be eligible.

(2) Twenty percent of the value of the crop loss of crops not eligible for assistance under any USDA-FSA disaster relief program. This loss shall be documented using procedures determined to be a fair loss evaluation by the department, using average county yields, crop losses and crop values as determined by PASS and USDA-FSA.

(b) Lessees.--Proceeds from the fund shall be used to provide grants to producers leasing State-owned land for losses sustained due to the 1999 drought. Individual grants shall be as follows:

(1) A rebate shall be equal to 50% of the 1999 annual rent on State-owned land if the land is in a county with at least a 10% and not more than a 49% crop loss, as determined by the USDA-FSA. If the State-owned land is in a county with an average crop loss of at least 50%, as determined by USDA-FSA, the entire 1999 rental fee shall be rebated.

1           (2) In the case of a multiyear lease, the actual  
2     prorated rent paid in 1999 shall be the basis for the rebate.  
3     In the case of share-of-crop or other types of lease  
4     arrangements, the rebate shall be the cash equivalent of the  
5     value of the portion of the crop which the producer supplied  
6     to the lessor in 1999, as determined by actual yield and  
7     State or county average values for the crop.

8     (c) Roughage.--

9           (1) Proceeds from the fund shall be used to provide  
10    grants to producers to refund \$30 per ton of hay purchased  
11    after August 1, 1999, if the producer:

12           (i) certifies that the hay is to be fed to the  
13    producer's own dairy cattle or livestock to make up  
14    deficiencies in homegrown roughage and is not for resale;  
15    and

16           (ii) provides appropriate weight slips, paid  
17    invoices and other documentation as the department  
18    requires; and

19           (iii) has not received a subsidy or rebate for the  
20    hay under any other Commonwealth program.

21           (2) Proceeds from the fund shall be used to provide  
22    grants to producers to refund \$10 per ton of silage or other  
23    nonhay roughage purchased after August 1, 1999, if the  
24    producer:

25           (i) certifies that the roughage is to be fed to the  
26    producer's own dairy cattle or livestock to make up  
27    deficiencies in homegrown roughage and is not for resale;  
28    and

29           (ii) provides appropriate weight slips, paid  
30    invoices and other documentation as the department

1 requires.

2 (d) Seeds, plants and fertilizers.--Proceeds from the fund  
3 shall be used to provide grants to producers to rebate a portion  
4 of 1999 crop year expenses incurred for the purchase of seed,  
5 plants, seedlings, fertilizer, weed and other pest control used  
6 for crops in 1999. The rebate calculation shall include all  
7 direct costs and the costs of application of such products. The  
8 following shall apply:

9 (1) If the individual farm crop loss for an individual  
10 crop is certified by the producer to the department or to  
11 USDA-FSA to be at least 50%, or if there are not individual  
12 farm yield and loss data available and the average loss for  
13 that crop for the county is determined to be at least 50%, a  
14 producer shall be eligible for 20% reimbursement of total  
15 cash costs incurred.

16 (2) If the individual farm crop loss for an individual  
17 crop is certified by the producer to the department or to  
18 USDA-FSA to be at least 10% and not more than 49%, or if  
19 there are not individual farm yield data available and the  
20 average loss for that crop for the county is determined to be  
21 at least 10% and not more than 49%, a producer shall be  
22 eligible for a 10% reimbursement of total cash costs  
23 incurred.

24 (3) The recipient of a rebate must document, according  
25 to methods determined by the department to be appropriate,  
26 that expenses were incurred for crops planted on land owned  
27 or leased by the producer for the production of a crop.

28 (e) Crops and small grains.--

29 (1) Proceeds from the fund shall be used to provide  
30 incentive cost-share grants to producers to plant cover crops



1 and small grains in the fall of 1999 or spring of 2000 for  
2 nutrient uptake, spring or fall grazing or harvest as  
3 roughage. The following shall apply:

4 (i) Individual cost-share grants shall be in the  
5 amount of \$10 per acre.

6 (ii) Eligible crops are rye, wheat, barley, spring  
7 oats, triticale and others approved by the department.

8 (2) In order to receive a grant under this subsection,  
9 the producer must certify to the department all of the  
10 following:

11 (i) The actual acreage planted.

12 (ii) That no additional chemical fertilizer will be  
13 applied to the crop.

14 (iii) That the crop will be used only for grazing or  
15 harvested for roughage.

16 (F) TREES.--

<—

17 (1) PROCEEDS FROM THE FUND SHALL BE USED TO PROVIDE  
18 GRANTS TO REIMBURSE PRODUCERS FOR THE COST OF REMOVING FRUIT  
19 TREES, NURSERY STOCK AND CHRISTMAS TREES, OR BLOCKS OF FRUIT  
20 TREES OF A SIMILAR AGE AND VARIETY THAT HAVE BEEN PLANTED  
21 TOGETHER AS A PRODUCTIVE UNIT, THAT HAVE DIED OR LOST  
22 SIGNIFICANT PRODUCTIVE CAPACITY DUE TO THE DROUGHT OR AN  
23 ATTENUATING DISEASE OCCURRING IN CONJUNCTION WITH THE  
24 DROUGHT, AND FOR THE COST OF REPLANTING THE TREES. THE  
25 FOLLOWING SHALL APPLY:

26 (I) IF THE INDIVIDUAL FARM LOSS FOR AN INDIVIDUAL  
27 CROP IS CERTIFIED BY THE PRODUCER TO THE DEPARTMENT OR TO  
28 USDA-FSA TO BE AT LEAST 50%, A PRODUCER SHALL BE ELIGIBLE  
29 FOR 75% REIMBURSEMENT OF ALL DIRECT COSTS INCURRED.

30 (II) IF THE INDIVIDUAL FARM LOSS FOR AN INDIVIDUAL

1 CROP IS CERTIFIED BY THE PRODUCER TO THE DEPARTMENT OR  
2 USDA-FSA TO BE AT LEAST 10% AND NOT MORE THAN 49%, A  
3 PRODUCER SHALL BE ELIGIBLE FOR 25% REIMBURSEMENT OF ALL  
4 DIRECT COSTS INCURRED.

5 (2) THE RECIPIENT OF A GRANT MUST DOCUMENT, ACCORDING TO  
6 METHODS DETERMINED BY THE DEPARTMENT TO BE APPROPRIATE, THAT  
7 EXPENSES WERE INCURRED FOR TREES PLANTED ON LAND OWNED OR  
8 LEASED BY THE PRODUCER FOR THE PRODUCTION OF A CROP, AND THAT  
9 THE RECIPIENT CERTIFIES THAT THE TREES WILL BE REPLANTED AS  
10 SOON AS DETERMINED APPROPRIATE BY THE DEPARTMENT.

11 ~~(f)~~ (G) Eligibility.--Eligibility for or receipt of other <—  
12 drought relief assistance, whether Federal or State, shall not  
13 invalidate a producer's eligibility for assistance under this  
14 ~~act~~ CHAPTER. <—

## 15 CHAPTER 5 <—

### 16 PENNCRISIS FUND

#### 17 SECTION 501. LEGISLATIVE FINDINGS.

18 THE GENERAL ASSEMBLY FINDS THAT MANY COMMUNITIES IN THIS  
19 COMMONWEALTH FREQUENTLY ARE SUBJECT TO NATURAL AND MANMADE  
20 DISASTERS WHICH CAUSE SIGNIFICANT DAMAGE AND DISRUPTION IN THE  
21 LIFE OF THE COMMUNITY BUT WHICH ARE NOT OF SUFFICIENT MAGNITUDE  
22 TO QUALIFY FOR FEDERAL DISASTER ASSISTANCE PROGRAMS.

23 NEVERTHELESS, THESE LOSSES ARE OF CONSIDERABLE IMPORTANCE TO  
24 THOSE DIRECTLY AFFECTED AND THEIR COMMUNITIES AND TO THE HEALTH  
25 AND WELFARE OF THE CITIZENS OF THIS COMMONWEALTH'S MANY SMALL  
26 COMMUNITIES.

#### 27 SECTION 502. DEFINITIONS.

28 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER  
29 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
30 CONTEXT CLEARLY INDICATES OTHERWISE:

1 "AGENCY." THE PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY.

2 "FUND." THE SMALL DISASTER ASSISTANCE FUND CREATED UNDER  
3 THIS CHAPTER.

4 "SMALL DISASTER." AN EVENT WHICH FALLS BELOW THE CURRENT  
5 FEDERAL GUIDELINES FOR FEDERAL DISASTER ASSISTANCE BUT WHICH  
6 INVOLVES:

7 (1) DAMAGE EXCEEDING 40% OF THE VALUE OF A STRUCTURE AND  
8 CONTENTS OF AT LEAST FIVE HOMES OR TWO BUSINESSES;

9 (2) LOSS OF LIFE; OR

10 (3) TOTAL ESTIMATED DAMAGES OF AT LEAST \$500,000 TO  
11 PUBLIC FACILITIES.

12 SECTION 503. SMALL DISASTER ASSISTANCE FUND.

13 (A) FUND CREATED.--THERE IS CREATED WITHIN THE PENNCRISIS  
14 PROGRAM A SMALL DISASTER ASSISTANCE FUND TO ASSIST THE VICTIMS  
15 OF NATURAL AND MANMADE DISASTERS WITH LOW-INTEREST LOANS AND  
16 GRANTS. ASSISTANCE SHALL NOT BE AVAILABLE TO A PERSON THAT OWNS  
17 PROPERTY WITHIN A 100-YEAR FLOOD PLAIN AND THAT DOES NOT HAVE  
18 FLOOD INSURANCE.

19 (B) COORDINATION AND ADMINISTRATION OF FUND.--ALL FIELD AND  
20 OTHER ACTIVITIES OF THE FUND SHALL BE COORDINATED BY THE AGENCY,  
21 INCLUDING BUDGETARY ALLOCATIONS FROM THE PENNCRISIS FUND TO THE  
22 VARIOUS OBJECTS OF PENNCRISIS AND REPORTS TO THE GENERAL  
23 ASSEMBLY ON PROGRAM PERFORMANCE AND NEEDS. FINAL AUTHORITY ON  
24 ALL INDIVIDUAL REQUESTS FOR ASSISTANCE FROM THE FUND SHALL REST  
25 WITH THE ADMINISTERING AGENCIES. PROGRAM ELEMENTS OF THE FUND  
26 SHALL BE ADMINISTERED AS FOLLOWS:

27 (1) FOR RESIDENTIAL HOUSING NEEDS, THE PENNSYLVANIA  
28 HOUSING FINANCE AGENCY.

29 (2) FOR RESIDENTIAL CONTENTS AND VEHICLES, THE  
30 DEPARTMENT OF PUBLIC WELFARE.

(3) FOR BUSINESS AND MUNICIPAL PROGRAMS, THE DEPARTMENT  
OF COMMUNITY AND ECONOMIC DEVELOPMENT.

(C) SMALL DISASTER DECLARATIONS.--A COUNTY EMERGENCY  
MANAGEMENT DIRECTOR MAY PETITION THE AGENCY FOR A DECLARATION OF  
A SMALL DISASTER. THE AGENCY'S DETERMINATION ON THE PETITION  
SHALL BE DEEMED A FINAL ORDER, SUBJECT TO REVIEW UNDER 2 PA.C.S.  
CH. 7 SUBCH. A (RELATING TO JUDICIAL REVIEW OF COMMONWEALTH  
AGENCY ACTION).

SECTION 504. LOW-INTEREST LOANS TO SMALL DISASTER VICTIMS.

ALL LOANS SHALL BEAR INTEREST FOR THE ENTIRE TERM AT A RATE  
NO GREATER THAN THE ANNUAL COST OF LIVING IN THE YEAR IN WHICH  
THE LOAN IS GRANTED. INTEREST RATES SHALL BE REVIEWED BY THE  
ADMINISTERING AGENCY AT THE BEGINNING OF EACH FISCAL YEAR BASED  
ON GUIDANCE FROM THE OFFICE OF THE BUDGET AND ADJUSTED IN  
ACCORDANCE WITH THE PRIOR YEAR'S COST OF LIVING. ALL LOANS SHALL  
COVER ONLY THAT PORTION OF LOSS NOT COVERED BY INSURANCE. LOANS  
TO BUSINESSES AND RESIDENTIAL LOANS SHALL BE EXTENDED TO  
INCORPORATE EXISTING DEBT ON THE REAL PROPERTY AND CONTENTS.

SECTION 505. BUSINESS AND MUNICIPAL LOANS.

(A) BUSINESS LOANS.--

(1) LOANS TO BUSINESSES AND MUNICIPALITIES SHALL BE FOR  
A TERM OF NO MORE THAN 15 YEARS, EXCEPT WHERE THE TERM IS  
EXTENDED BY HARDSHIP SUSPENSIONS OF PAYMENTS. BUSINESS LOANS  
SHALL BE SECURED BY A MORTGAGE ON REAL PROPERTY OF THE  
BUSINESS OR OTHER SUITABLE COLLATERAL.

(2) BUSINESS LOANS MAY BE USED TO REPAIR OR REPLACE ALL  
OF THE FOLLOWING WHEN LOST OR SERIOUSLY DAMAGED DUE TO A  
SMALL DISASTER:

(I) FIXED EQUIPMENT.

(II) MAJOR MOVEABLE EQUIPMENT.

1 (III) FURNISHINGS.

2 (IV) REAL PROPERTY.

3 (V) LEASEHOLD IMPROVEMENTS.

4 (VI) INVENTORY, IF IT CAN BE SHOWN THAT AN INSURANCE  
5 POLICY AT A REASONABLE PREMIUM IN RELATION TO VALUE WAS  
6 NOT AVAILABLE TO REPLACE THE INVENTORY.

7 (3) AT THE DISCRETION OF THE DEPARTMENT OF COMMUNITY AND  
8 ECONOMIC DEVELOPMENT, INDIVIDUAL BUSINESS LOANS MAY BE  
9 INCREASED UP TO 150% OF ELIGIBLE REPAIR OR REPLACEMENT COSTS  
10 TO ASSIST IN BUSINESS RETENTION AND RECOVERY. THE SUM OF ALL  
11 BUSINESS LOANS MAY NOT EXCEED MORE THAN ONE-HALF OF ALL FUNDS  
12 AVAILABLE FOR EXPENDITURE IN THE PENNCRISIS FUND IN ANY  
13 FISCAL YEAR.

14 (B) MUNICIPAL LOANS.--MUNICIPAL AND COUNTY LOANS MAY BE USED  
15 FOR REPAIRING OR REPLACING ALL OF THE FOLLOWING WHEN LOST OR  
16 SERIOUSLY DAMAGED DUE TO A SMALL DISASTER:

17 (1) BUILDINGS.

18 (2) MAJOR EQUIPMENT OTHER THAN VEHICLES, PLOWS, BACKHOES  
19 AND SIMILAR GASOLINE OR DIESEL POWERED MOBILE MACHINERY.

20 (3) OFFICE MACHINES.

21 (4) STREETS.

22 (5) WATER AND SEWER LINES.

23 (6) RECREATIONAL FACILITIES.

24 SECTION 506. RESIDENTIAL LOANS.

25 (A) GENERAL RULE.--RESIDENTIAL LOANS MAY BE MADE ONLY FOR  
26 THE REPLACEMENT OR REPAIR OF THE STRUCTURE OF A PRIMARY  
27 RESIDENCE AND MUST BE SECURED BY A MORTGAGE ON THE REAL PROPERTY  
28 THAT IS THE SUBJECT OF THE LOAN. TENANTS WHO HAVE BEEN FORCED  
29 FROM A PRIMARY RENTAL RESIDENCE BY A SMALL DISASTER ARE ELIGIBLE  
30 FOR LOANS TO PURCHASE A HOME APPROXIMATELY EQUIVALENT TO THEIR

1 PRIOR RESIDENCE IN SIZE BUT NO SMALLER THAN 400 SQUARE FEET PER  
2 INDIVIDUAL OF INTERIOR LIVING SPACE.

3 (B) EXCEPTION.--REPAIRS TO LANDSCAPING, PONDS, POOLS AND  
4 OUTBUILDINGS ARE NOT ELIGIBLE FOR PENNCRISIS FUNDING, EXCEPT TO  
5 RESPOND TO SERIOUS HAZARDS RESULTING FROM SMALL DISASTER DAMAGE.  
6 SECTION 507. GRANTS TO SMALL DISASTER VICTIMS.

7 (A) RESIDENTIAL GRANTS.--

8 (1) PERSONS, INCLUDING TENANTS, WHO HAVE LOST CLOTHING,  
9 FURNITURE, APPLIANCES, FURNACES, HOT WATER HEATERS OR OTHER  
10 CONTENTS OF THEIR PRIMARY RESIDENCES AS THE RESULT OF A SMALL  
11 DISASTER SHALL BE ELIGIBLE FOR GRANTS NOT TO EXCEED \$7,500  
12 PER PERSON IN MULTIPERSON HOUSEHOLDS AND NOT TO EXCEED  
13 \$15,000 FOR SINGLE PERSONS. THE TOTAL AMOUNT OF A SINGLE  
14 GRANT SHALL NOT EXCEED \$25,000.

15 (2) PERSONS WITH DOCUMENTABLE LOSSES ABOVE THE  
16 THRESHOLDS ESTABLISHED UNDER PARAGRAPH (1) SHALL BE ELIGIBLE  
17 FOR LOW-INTEREST LOANS UNDER THE TERMS AND CONDITIONS  
18 PRESCRIBED FOR REAL PROPERTY IN SECTION 506, EXCEPT THAT  
19 CONTENTS LOANS SHALL NOT BE COLLATERALIZED AND SHALL BEAR  
20 INTEREST AT A RATE OF TWO TIMES THE ANNUAL COST OF LIVING,  
21 BUT NOT TO EXCEED 7%. LOANS FOR CONTENTS UNDER THIS SECTION  
22 SHALL NOT EXCEED ONE-THIRD OF THE ESTIMATED MARKET VALUE OF  
23 THE RESIDENCE PRIOR TO THE SMALL DISASTER.

24 (3) PERSONAL ITEMS ELIGIBLE FOR RESIDENTIAL GRANTS AND  
25 LOANS SHALL NOT INCLUDE JEWELRY OR OTHER LUXURY ITEMS OR  
26 SPORTING EQUIPMENT.

27 (B) BUSINESS GRANTS.--NONPROFIT ORGANIZATIONS AND SMALL  
28 BUSINESSES WITH FEWER THAN 15 FULL-TIME EQUIVALENT EMPLOYEES MAY  
29 BE ELIGIBLE FOR GRANTS TO COVER LOSS OR DAMAGE FROM A SMALL  
30 DISASTER TO FURNISHINGS, OFFICE EQUIPMENT AND NONINVENTORY

1 SUPPLIES. GRANTS UNDER THIS SUBSECTION SHALL NOT EXCEED \$25,000.

2 SECTION 508. SMALL DISASTER MITIGATION LOANS AND GRANTS.

3 (A) GENERAL RULE.--MUNICIPALITIES AFFECTED BY A SMALL  
4 DISASTER MAY APPLY FOR LOANS AND GRANTS TO RECTIFY CONDITIONS OR  
5 INADEQUATE PUBLIC FACILITIES THAT LED DIRECTLY TO THE SMALL  
6 DISASTER OR CONTRIBUTED SUBSTANTIALLY TO ITS OCCURRENCE OR THE  
7 INABILITY OF LOCAL OFFICIALS TO BRING THE DAMAGE UNDER CONTROL.  
8 SUBJECTS OF SUCH ASSISTANCE SHALL INCLUDE, BUT ARE NOT LIMITED  
9 TO, THE FOLLOWING:

10 (1) MISSING OR INADEQUATE STORM SEWERS OR OTHER WATER  
11 MANAGEMENT STRUCTURES, INCLUDING WORK WITHIN STREAM CHANNELS.

12 (2) INADEQUATE FIRE HYDRANTS OR RELATED WATER LINES.

13 (3) WATERSHED PLANS.

14 (4) ENGINEERING STUDIES AND DESIGNS NECESSARY TO EFFECT  
15 MITIGATION IMPROVEMENTS.

16 (B) LIMITATION.--SMALL DISASTER MITIGATION ASSISTANCE MAY BE  
17 USED ONLY FOR MUNICIPALLY OWNED OR CONTROLLED IMPROVEMENTS.  
18 FIREFIGHTING APPARATUS AND OTHER EMERGENCY SERVICES EQUIPMENT  
19 AND VEHICLES, INCLUDING TRUCKS, TANKERS AND OTHER VEHICLES, ARE  
20 NOT ELIGIBLE FOR MITIGATION ASSISTANCE.

21 (C) CHRONIC FLOODING.--THE COORDINATING AGENCY MAY CONSULT  
22 WITH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION TO IDENTIFY  
23 AREAS OF CHRONIC FLOODING THAT RESULT IN FREQUENT DAMAGE TO  
24 COMMUNITIES BUT WHICH DO NOT RISE TO THE LEVEL OF A SMALL  
25 DISASTER. THE COORDINATING AGENCY, IN CONJUNCTION WITH THE  
26 DEPARTMENT OF ENVIRONMENTAL PROTECTION, MAY USE UP TO 25% OF THE  
27 PENNCRISIS FUND ANNUAL REVENUE, EXCLUSIVE OF CARRYOVER RESERVES,  
28 TO PROVIDE GRANTS AND LOANS TO MUNICIPALITIES TO CORRECT SUCH  
29 CONDITIONS. ASSISTANCE SHALL FOLLOW THE FORMULA SET FORTH IN  
30 SUBSECTION (E).

(D) HAZARD MITIGATION.--HAZARD MITIGATION LOANS AND GRANTS SHALL BE SUBJECT TO THE FOLLOWING:

(1) GRANTS FOR HAZARD MITIGATION WORK SHALL BE NO MORE THAN \$5,000,000 PER EVENT.

(2) LOW-INTEREST LOANS SHALL BE AVAILABLE FOR THE BALANCE OF PROJECT WORK NOT COVERED BY A MITIGATION GRANT.

(3) HAZARD MITIGATION LOANS SHALL BEAR INTEREST AT A RATE FIXED AT THE CURRENT YEAR'S COST OF LIVING AND SHALL BE FOR A TERM OF 20 YEARS.

(E) FORMULA.--GRANTS AND LOANS SHALL BE AWARDED ON THE FOLLOWING FORMULA:

(1) MUNICIPALITIES WITH MEDIAN PER CAPITA PERSONAL INCOME GREATER THAN 20% ABOVE THE STATE MEDIAN PER CAPITA PERSONAL INCOME FOR THE PRECEDING YEAR SHALL BE ELIGIBLE FOR A MITIGATION GRANT OF 50% OF TOTAL PROJECT COSTS.

(2) MUNICIPALITIES WITH MEDIAN PER CAPITA PERSONAL INCOME OF BETWEEN 20% LESS THAN AND 20% GREATER THAN THE STATE MEDIAN PER CAPITA PERSONAL INCOME FOR THE PRECEDING YEAR SHALL BE ELIGIBLE FOR A MITIGATION GRANT OF 60% OF TOTAL PROJECT COST.

(3) MUNICIPALITIES WITH MEDIAN PER CAPITA PERSONAL INCOME MORE THAN 20% LESS THAN THE STATE MEDIAN PER CAPITA PERSONAL INCOME FOR THE PRECEDING YEAR SHALL BE ELIGIBLE FOR A MITIGATION GRANT OF 70% OF TOTAL PROJECT COST.

SECTION 509. THE PENNCRISIS FUND.

THERE IS ESTABLISHED UNDER THE JURISDICTION OF THE AGENCY A FUND TO BE CALLED THE PENNCRISIS FUND.

(1) BEGINNING WITH SURPLUS REVENUES RECEIVED DURING THE 1999-2000 FISCAL YEAR, REVENUE FOR THE PENNCRISIS FUND SHALL BE GENERATED BY RESERVING 20% OF EACH YEAR'S SURPLUS REVENUES



1 TO THE COMMONWEALTH GENERATED BY ALL TAXES AND FEES DEPOSITED  
2 INTO THE GENERAL FUND.

3 (2) IN A FISCAL YEAR, THE BALANCE OF THE PENNCRISIS FUND  
4 SHALL NOT EXCEED \$100,000,000; AND THE SUM AVAILABLE FOR  
5 EXPENDITURE SHALL NOT EXCEED \$50,000,000.

6 (3) REVENUE SHALL BE PLACED INTO A DEDICATED FUND  
7 RESERVED FOR THE PROGRAMS AUTHORIZED UNDER THE PENNCRISIS  
8 FUND. DEPOSITS INTO THE FUND SHALL NOT LAPSE BUT BE CARRIED  
9 FORWARD FROM YEAR TO YEAR. UP TO ONE-HALF OF FUNDS ON RESERVE  
10 AND TO BE EARNED BY THE END OF ANY FISCAL YEAR MAY BE USED TO  
11 PAY THE COMMONWEALTH'S MATCHING SHARE FOR ANY MAJOR DISASTER  
12 DECLARED ELIGIBLE FOR FEDERAL ASSISTANCE BY THE PRESIDENT OF  
13 THE UNITED STATES. THE NEED FOR FEDERAL MATCHING FUNDS FOR  
14 ANY SPECIFIC MAJOR DISASTER EVENT MAY NOT ENCUMBER PENNCRISIS  
15 REVENUES IN YEARS BEYOND THE YEAR OF THE MAJOR EVENT.

16 SECTION 510. TRAINING, ADMINISTRATION AND OPERATIONS.

17 (A) SPECIALIZED STAFF.--THE AGENCY AND EACH ADMINISTERING  
18 AGENCY UNDER SECTION 503 SHALL RECRUIT, TRAIN AND DEVELOP STAFF  
19 SPECIALIZING IN SMALL DISASTER ASSISTANCE IN THEIR RESPECTIVE  
20 PROGRAM AREAS. THE STAFF SECTIONS SHALL BE DEPLOYED BY EACH  
21 ADMINISTERING AGENCY IN RESPONSE TO A DECLARED SMALL DISASTER,  
22 AS DIRECTED BY THE AGENCY. THESE PERSONNEL SHALL ALSO BE  
23 AVAILABLE TO THE AGENCY AT THE DIRECTION OF THE GOVERNOR TO  
24 RESPOND TO ANY MAJOR DISASTER IN THIS COMMONWEALTH.

25 (B) FUNDING FOR STAFF.--THE AGENCY AND EACH ADMINISTERING  
26 AGENCY SHALL RECEIVE \$1,000,000 ANNUALLY, OR AS MUCH THEREOF AS  
27 IS NECESSARY, FROM THE PENNCRISIS FUND TO CREATE A PERMANENTLY  
28 STAFFED SMALL DISASTER RESPONSE TEAM. WHEN EACH AGENCY'S SMALL  
29 DISASTER RESPONSE TEAM IS DEPLOYED ON ASSIGNMENT, THE  
30 COORDINATING AGENCY SHALL REIMBURSE THE AGENCY FROM THE

1 PENNCRISIS FUND FOR STANDARD AND NECESSARY TRAVEL AND LIVING  
2 COSTS FOR EACH TEAM DEPLOYED TO THE SMALL DISASTER. EXPENDITURES  
3 UNDER THIS CATEGORY SHALL NOT EXCEED 10% OF THE REVENUE RECEIVED  
4 BY THE PENNCRISIS FUND IN A FISCAL YEAR.

5 (C) AUTHORITY TO APPROVE EXPENDITURES.--IN RESPONSE TO ANY  
6 SMALL DISASTER, THE AGENCY SHALL HAVE FINAL AUTHORITY TO APPROVE  
7 EXPENDITURES OF PENNCRISIS FUNDS FOR ANY ADDITIONAL PURPOSES IT  
8 DEEMS NECESSARY TO SMALL DISASTER RECOVERY UNLESS THE USES ARE  
9 NOT SPECIFICALLY PROHIBITED BY THIS CHAPTER.

10 CHAPTER 51

11 MISCELLANEOUS PROVISIONS

12 ~~Section 8. Appropriation.~~ <—

13 ~~(a) General. The sum of \$160,000,000~~

14 SECTION 5101. APPROPRIATIONS. <—

15 (A) GENERAL.--

16 (1) THE SUM OF \$163,000,000 is appropriated to the  
17 Emergency Drought Relief Fund. The money in the fund is  
18 continuously appropriated to the fund to carry out the  
19 purposes of ~~this act~~ CHAPTER 3. This appropriation shall not <—  
20 lapse at the end of any fiscal year.

21 (2) THE SUM OF \$10,000,000, OR AS MUCH THEREOF AS MAY BE <—  
22 NECESSARY, IS HEREBY APPROPRIATED TO THE PENNCRISIS FUND FOR  
23 THE FISCAL YEAR JULY 1, 1999, TO JUNE 30, 2000, TO CARRY OUT  
24 THE PROVISIONS OF CHAPTER 5.

25 (b) Specific.--The appropriation UNDER SUBSECTION (A)(1) <—  
26 shall be divided in the following manner:

27 (1) Up to \$100,000,000 may be used for the purposes of  
28 section ~~7(a)~~ 306(A). <—

29 (2) Up to \$1,000,000 may be used for the purposes of  
30 section ~~7(b)~~ 306(B). <—

1           (3) Up to \$5,000,000 may be used for the purposes of  
2   section ~~7(e)~~ 306(C). <—

3           (4) Up to \$50,000,000 may be used for the purposes of  
4   section ~~7(d)~~ 306(D). <—

5           (5) Up to \$4,000,000 may be used for the purposes of  
6   section ~~7(e)~~. 306(E). <—

7           (6) UP TO \$3,000,000 MAY BE USED FOR THE PURPOSES OF  
8   SECTION 306(F).

9 ~~Section 9. Effective date.~~ <—

10 ~~This act shall take effect immediately.~~

11 SECTION 5102. EFFECTIVE DATE. <—

12 THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

13           (1) CHAPTER 5 SHALL TAKE EFFECT IN 60 DAYS.

14           (2) THE REMAINDER OF THIS ACT SHALL TAKE IMMEDIATELY.