
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL
No. 1045 Session of
2002

INTRODUCED BY WAUGH, WENGER, BRIGHTBILL, JUBELIRER, PUNT,
O'PAKE, KITCHEN, MADIGAN, LAVALLE, HELFRICK, MUSTO, KUKOVICH,
DENT, MOWERY, CORMAN, M. WHITE, BOSCOLA, KASUNIC, LEMMOND,
GREENLEAF, CONTI, RHOADES, EARLL, SCHWARTZ, THOMPSON,
GERLACH, ROBBINS AND SCARNATI, MARCH 11, 2002

SENATE AMENDMENTS TO HOUSE AMENDMENTS, JUNE 27, 2002

AN ACT

1 Amending the act of June 29, 1996 (P.L.434, No.67), entitled, as
2 amended, "An act to enhance job creation and economic
3 development by providing for an annual financing strategy,
4 for opportunity grants, for job creation tax credits, for
5 small business assistance, for the Small Business Advocacy
6 Council, for a family savings program, for industrial
7 development assistance, for community development bank grants
8 and loans and for tax-exempt bond allocation; conferring
9 powers and duties on various administrative agencies and
10 authorities; further providing for various funds; and making
11 repeals," further providing for definitions and for
12 eligibility; ~~and making an appropriation.~~ <—

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

15 Section 1. The definition of "small business enterprises" in
16 section 1301 of the act of June 29, 1996 (P.L.434, No.67), known
17 as the Job Enhancement Act, is amended and the section is
18 amended by adding definitions to read:

19 Section 1301. Definitions.

20 The following words and phrases when used in this chapter
21 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 * * *

3 "Agricultural producer." A person or entity involved in the
4 management and use of a normal agricultural operation for the
5 production of a farm commodity.

6 * * *

7 "Natural disaster." As defined in 35 Pa.C.S. § 7102
8 (relating to definitions).

9 * * *

10 "Small business [enterprises] enterprise." A for-profit
11 corporation, partnership [or], proprietorship, limited liability
12 company or other entity which meets the eligibility requirements
13 established by the department. The term shall include, but is
14 not limited to, a small business [enterprises] enterprise which:

15 (1) is located in a small business incubator
16 [facilities, small business enterprises which are] facility;

17 (2) is an agricultural [processors and small business
18 enterprises which manufacture] processor;

19 (3) is an agricultural producer; or

20 (4) manufactures apparel products.

21 * * *

22 ~~Section 2. Section 1302 of the act is amended by adding a~~ <—
23 ~~subsection to read:~~

24 ~~Section 1302. Small Business First Fund and Pollution~~

25 ~~Prevention Assistance Account.~~

26 * * *

27 ~~(f) Appropriation. The sum of \$2,000,000 is appropriated~~
28 ~~from the General Fund to the Small Business First Fund for~~
29 ~~fiscal year 2002-2003.~~

30 Section 3 2. Section 1310 of the act is amended to read: <—

Section 1310. [Transitional] Eligibility provisions.

(a) Eligibility generally.--The following [eligibility requirements and eligible uses] shall apply to [all] requests for funding [received after this chapter becomes effective and before submission of the first annual financing strategy] under this chapter:

(1) [A] An applicant must be a small business enterprise with 100 full-time employees or less that proposes to undertake a capital development project.

(2) [(i)] The maximum loan amount for land, buildings and machinery and equipment is \$200,000 or 50% of the total eligible project costs, whichever is less. The maximum loan amount for working capital is \$100,000 or 50% of the total eligible project costs, whichever is less.

[(ii)] (3) Loans used for real estate shall have a repayment period of up to ten years. Loans used for machinery and equipment shall have a repayment period of up to seven years. Loans used for working capital shall have a repayment period of up to three years. In projects where two or more uses of funds are planned, the loan terms may be blended.

[(iii)] (4) Interest rates shall [be fixed at] not exceed 5%.

(5) All loans must be adequately secured.

(b) Agricultural producer.--Loans made to a small business enterprise that is an agricultural producer shall be made at an interest rate of not less than 2% for the term of the loan if:

(1) a declaration under 35 Pa.C.S. § 7301(c) (relating to general authority of Governor) is in effect for at least

1 ten days prior to the date of application;

2 (2) the application is made within nine months of the
3 termination of the declaration; and

4 (3) the agricultural producer is in the area declared a
5 natural disaster.

6 [(iv) All loans must be adequately secured.

7 (3) (i)] (c) Applications under Capital Loan Fund
8 Act.--Applications for assistance under the Capital Loan Fund
9 Act which have been approved prior to the effective date of
10 this chapter will be processed in accordance with the act of
11 July 2, 1984 (P.L.545, No.109), known as the Capital Loan
12 Fund Act. Applications for assistance which have been
13 received but which have not been approved prior to the
14 effective date of this chapter will be evaluated and
15 processed in accordance with this chapter.

16 [(ii)] (d) Applications under Air Pollution Control
17 Act.--Applications for assistance under section 7.13 of
18 the act of January 8, 1960 (1959 P.L.2119, No.787), known
19 as the Air Pollution Control Act, section 709 of the act
20 of July 6, 1989 (P.L.169, No.32), known as the Storage
21 Tank and Spill Prevention Act, and the Recycling
22 Incentive Development Account which have been approved
23 prior to the effective date of this chapter shall be
24 processed in accordance with those respective provisions.
25 Applications for assistance which have been received but
26 which have not been approved prior to the effective date
27 of this chapter shall be evaluated and processed in
28 accordance with this chapter.

29 Section 4 3. This act shall take effect immediately.

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