

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2401 Session of  
2010

INTRODUCED BY R. TAYLOR, BRADFORD, BRIGGS, BURNS, CALTAGIRONE,  
CASORIO, CONKLIN, CREIGHTON, DALEY, DONATUCCI, DRUCKER,  
EACHUS, GEORGE, GERGELY, GIBBONS, GOODMAN, HARKINS, HORNAMAN,  
HOUGHTON, JOHNSON, JOSEPHS, KORTZ, KOTIK, LONGIETTI,  
MARKOSEK, MIRABITO, MURPHY, OBERLANDER, PICKETT, PRESTON,  
SANTONI, SIPTROTH, K. SMITH, SOLOBAY AND YOUNGBLOOD,  
APRIL 8, 2010

REFERRED TO COMMITTEE ON COMMERCE, APRIL 8, 2010

AN ACT

1 Amending Titles 12 (Commerce and Trade) and 64 (Public  
2 Authorities and Quasi-Public Corporations) of the  
3 Pennsylvania Consolidated Statutes, in small business first,  
4 further defining "capital development project," "hospitality  
5 industry project" and "small business"; and in Commonwealth  
6 Financing Authority, further providing for duties of the  
7 authority, for indebtedness and for use of moneys.

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

10 Section 1. The definitions of "capital development project,"  
11 "hospitality industry project" and "small business" in section  
12 2302 of Title 12 of the Pennsylvania Consolidated Statutes are  
13 amended to read:

14 § 2302. Definitions.

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

18 \* \* \*

1 "Capital development project." Land, buildings, equipment  
2 and machinery and working capital which is acquired,  
3 constructed, renovated or used by a small business in accordance  
4 with any of the following:

5 (1) As part of a for-profit project or venture [not of a  
6 mercantile or service-related nature, except for hospitality  
7 industry projects].

8 (2) As part of an effort to:

9 (i) bring a small business into compliance with  
10 Federal or State environmental laws or regulations;

11 (ii) complete an approved remediation project; or

12 (iii) permit a small business to adopt generally  
13 acceptable pollution prevention practices.

14 (3) As part of an effort to provide assistance to a  
15 small business that is a recycler of municipal or commercial  
16 waste or that is a manufacturer using recycled municipal or  
17 commercial waste materials.

18 (4) As part of an effort to assist a small business with  
19 defense conversion activities.

20 (5) As part of a for-profit project or venture to  
21 manufacture [products] or produce goods or services to be  
22 exported out of the United States by a small business [which  
23 is not of a mercantile or service-related nature, except for  
24 export-related services and international export-related  
25 mercantile ventures or advanced technology and computer-  
26 related services and mercantile ventures and] which will  
27 increase this Commonwealth's national or international market  
28 shares.

29 (6) As part of a for-profit project or venture that  
30 meets the requirements of section 2308 (relating to loans in

distressed communities)

(7) As part of an effort to assist in the start-up or expansion of a for-profit or not-for-profit child day-care center subject to licensure by the Commonwealth.

\* \* \*

"Hospitality industry project." A for-profit project or venture which involves a small business that operates a hotel, motel or other lodging facility [and that employs at least five full-time equivalent employees at the time an application is submitted to the department for financing]. The term includes a for-profit project or venture which involves a small business that operates a restaurant or food service operation open to the public[, that has been in continuous operation for at least five years and that employs at least five full-time equivalent employees at the time an application is submitted].

\* \* \*

"Small business." A person that is engaged in a for-profit enterprise and that employs [100] 200 or fewer individuals. The term includes the following:

(1) An enterprise located in a small business incubator facility.

(2) An agricultural processor.

(3) An agricultural producer.

(4) An enterprise which manufactures apparel products.

(5) An enterprise which is a for-profit or not-for-profit child day-care center subject to licensure by the Commonwealth.

(6) Commercial and retail enterprises.

\* \* \*

Section 2. Sections 1513(b), 1543(a) and (b) and 1544(a) of

1 Title 64 are amended to read:

2 § 1513. Powers.

3 \* \* \*

4 (b) Duties.--The authority shall do all of the following:

5 (1) Administer the programs established in Subchapter E  
6 in accordance with this chapter.

7 (2) Fund the programs established in Subchapter E and 12  
8 Pa.C.S. [Ch.] Chs. 23 (relating to small business first) and  
9 29 (relating to machinery and equipment loans) subject to  
10 Subchapter D (relating to funds, accounts, indebtedness and  
11 use).

12 § 1543. Indebtedness.

13 (a) General rule.--Subject to the limitations of subsection  
14 (b), the authority may, in its own name, incur indebtedness,  
15 including through the issuance of bonds, in an amount necessary  
16 to fund the program as established in Subchapter E (relating to  
17 programs) and in 12 Pa.C.S. [Ch.] Chs. 23 (relating to small  
18 business first) and 29 (relating to machinery and equipment  
19 loans).

20 (b) Program limitations.--Indebtedness incurred by the  
21 authority under subsection (a) shall not, in aggregate, exceed  
22 any of the following:

23 (1) \$300,000,000 for the program established in section  
24 1551 (relating to Business in Our Sites Program).

25 (2) \$150,000,000 for the program established in section  
26 1552 (relating to First Industries Program).

27 (3) \$60,000,000 for the program established in section  
28 1557 (relating to New Pennsylvania Venture Capital Investment  
29 Program).

30 (4) \$150,000,000 for the program established in section

1 1555 (relating to Building Pennsylvania Program).

2 (5) \$75,000,000 for the program established in 12  
3 Pa.C.S. Ch. 29.

4 (6) \$250,000,000 for the program established in section  
5 1554 (relating to New Pennsylvania Venture Guarantee  
6 Program).

7 (7) \$100,000,000 for the program established in section  
8 1556 (relating to Tax Increment Financing Guarantee Program).

9 (8) [\$50,000,000] \$10,000,000 for the program  
10 established in section 1553 (relating to Second Stage Loan  
11 Program).

12 (9) \$40,000,000 for the program established in 12  
13 Pa.C.S. Ch. 23.

14 \* \* \*

15 § 1544. Use.

16 (a) General rule.--Money of the authority shall be used by  
17 the board to fund the programs established in Subchapter E  
18 (relating to programs) and in 12 Pa.C.S. [Ch.] Chs. 23 (relating  
19 to small business first) and 29 (relating to machinery and  
20 equipment loans).

21 \* \* \*

22 Section 3. This act shall take effect in 60 days.