
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 494

Session of
1973

INTRODUCED BY MESSRS. O'CONNELL, O'BRIEN, SHUPNIK, R. MUSTO,
HASAY, USTYNOSKI, WORRILOW, KESTER, GEKAS, DININNI,
ZIMMERMAN, LETTERMAN, GRIECO, NOYE, W. D. HUTCHINSON AND
KLINGAMAN, FEBRUARY 26, 1973

SENATOR MESSINGER, APPROPRIATIONS, IN SENATE, RE-REPORTED
AS AMENDED, APRIL 30, 1973

AN ACT

1 Providing for grants to individual non-farm owners of homes or
2 personal property damaged or destroyed by certain floods;
3 establishing the amount of the grants and making an
4 appropriation.

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

7 Section 1. (A) Upon receipt and approval of a sworn <—
8 application by a RESIDENT non-farm owner of a home or personal <—
9 property damaged or destroyed by the floods of September, 1971
10 or June, 1972, the Office of the Governor may make a grant to
11 cover a portion of the loss on the following basis:

12 (1) The total loss of both real and personal property
13 combined may be ascertained in accordance with the amount
14 approved by a Small Business Administration or Farmers Home
15 Administration Disaster Loan as provided in U.S. P.L.92-385
16 known as the Civil Disaster Relief Act of 1970 but shall not
17 include any pre-flood indebtedness which has been consolidated

1 with the property loss, nor shall it include any loss covered by
2 an insurance policy, as any business loss as defined by the
3 Small Business Administration.

4 (2) An adjusted loss shall be ascertained by deducting the
5 amount of the Federal forgiveness from the figure arrived at in
6 clause (1).

7 (3) For the first five thousand dollars (\$5,000) of the
8 adjusted loss, the grant shall be twenty-five per cent thereof.

9 (4) For the second five thousand dollars (\$5,000) of the
10 adjusted loss, the grant shall be fifteen per cent thereof.

11 (5) For the third five thousand dollars (\$5,000) of the
12 adjusted loss, the grant shall be ten per cent thereof.

13 (6) For the balance of the adjusted loss the grant shall be
14 five per cent thereof but the total grant shall not exceed three
15 thousand dollars (\$3,000).

16 (7) Six per cent shall be added to all grants.

17 (B) FOR THE PURPOSE OF THIS ACT, THE TERM "RESIDENT NON-FARM
18 OWNER" SHALL MEAN ONLY AN OWNER OF REAL OR PERSONAL PROPERTY WHO
19 WAS A RESIDENT OF PENNSYLVANIA AT THE TIME THE LOSS OCCURRED AND
20 AT THE TIME OF APPLICATION FOR A GRANT UNDER THIS ACT. ←

21 Section 2. If real property was condemned under eminent
22 domain proceedings and where measure of damages is calculated
23 under section 602 of the act of June 22, 1964 (P.L.84, No.6),
24 known as the "Eminent Domain Code," said owner shall not be
25 eligible for the grant provided in section 1 hereof.

26 Section 3. The owner making application for a grant shall,
27 in his application, authorize the Commonwealth to apply the
28 grant to any monthly obligation that he may have on account of a
29 Small Business Administration or Farmers Home Administration
30 loan until such time as the amount of the grant has been

1 expended or the loan repaid, whichever shall first occur. If the
2 loan is repaid prior to the expenditure of the entire amount of
3 the grant, or there is no indebtedness, the balance thereof
4 shall be paid to the owner.

5 Section 4. All grants under this act shall be administered
6 by the Pennsylvania Department of Community Affairs, and all
7 applications for grants shall be submitted to that department
8 within one hundred twenty days after the effective date of this
9 act. If sufficient funds are not allocated herein, distribution
10 of grants shall be on a pro rata basis. Any funds unencumbered
11 or unexpended after all claims under this act have been finally
12 determined shall be returned to the Emergency Disaster Relief
13 Fund for further assistance to victims of the flood of June 1972
14 and the storm of September 1971.

15 Section 5. A sum not to exceed forty million dollars
16 (\$40,000,000) may be allocated by the Governor for the purpose
17 of administering and implementing this act from funds made
18 available under the Emergency Disaster Relief Act of July 7,
19 1972 (No.18-A).

20 Section 6. Any person making a false claim under the
21 provisions of this act shall be subject to a penalty in the
22 amount of three times the amount of the grant with interest at
23 the rate of six per cent from the date of the grant. Such a
24 penalty may be enforced by the Commonwealth in an assumpsit
25 action and collected in the manner that other debts due and
26 owing the Commonwealth are collected.

27 Section 7. This act shall take effect immediately.