## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL No. 1573 Session of 1983

INTRODUCED BY SAURMAN, ITKIN, E. Z. TAYLOR, HALUSKA, HAGARTY, MORRIS, J. L. WRIGHT, CIMINI, WOZNIAK, BOWSER, PETRONE, HERMAN, OLASZ, WOGAN, JOHNSON, FISCHER, SEMMEL, BUNT, SIRIANNI AND REBER, OCTOBER 12, 1983

REFERRED TO COMMITTEE ON HEALTH AND WELFARE, OCTOBER 12, 1983

## AN ACT

Providing for a loan program for senior citizens; establishing the Senior Citizens Revolving Relief Fund; providing further duties of the Department of Aging; and making an appropriation from the Lottery Fund.

5 This act shall provide a funding source for certain eligible senior citizens to receive loans for the purpose of making home 6 7 improvements and certain necessary financial expenditures. In recognition of the severe economic plight of certain senior 8 citizens, widows and widowers, the General Assembly considers it 9 10 to be a matter of sound public policy to make special provisions 11 to assist these persons to meet rising costs of utilities, food, 12 transportation, property taxes, home rehabilitation expenses, 13 rental expense, medical and dental care, prescriptions, 14 eyeqlasses and all other general and special needs. In 15 recognition of the individual differences and unique needs of these persons, the General Assembly deems it appropriate public 16 policy to provide a revolving relief fund in order to assist 17 18 these persons in meeting their particular economic needs.

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

3 Section 1. Short title.

4 This act shall be known and may be cited as the Senior5 Citizens Revolving Relief Fund Act.

6 Section 2. Definitions.

7 The following words and phrases when used in this act shall 8 have the meanings given to them in this section unless the 9 context clearly indicates otherwise:

10 "Department." The Department of Aging.

11 "Fund." The Senior Citizens Revolving Relief Fund.

12 Section 3. Loan program.

(a) Eligibility.--All persons who are currently 65 years of
age or older and those persons who are participating in the
property tax or rent rebate program as authorized by the act of
March 11, 1971 (P.L.104, No.3), known as the Senior Citizens
Rebate and Assistance Act, shall be eligible for a loan from the
fund. Application for the loans shall be made in the manner and
on the forms as are prescribed by the department.

(b) Limits on loans.--The department, following its review of each loan application, may approve any loan sought solely for the benefit of an eligible senior citizen or other eligible person.

(c) Interest and repayment period.--All loans approved by the department under this section shall bear interest at a rate substantially equal to the department's cost of administering this act and shall be repaid at the time as the borrower repays it or not later than the date on which the department determines that the estate and inheritance tax has been settled.

30 (d) Lien.--The department, prior to its approval of any loan 19830H1573B1953 - 2 -

application, will require that the applicant enter into an 1 agreement which would provide for a lien upon the property until 2 such time as the loan, together with interest, has been repaid. 3 The department shall record the lien provided for under this 4 5 section with the office of the prothonotary of the county wherein the eligible applicant resides and the lien shall be 6 given a priority exceeded only by claims of the Federal 7 Government insofar as the laws of the United States may give a 8 9 prior claim to the Federal Government. When an applicant repays 10 to the Commonwealth the amount of the loan, together with 11 interest, the department shall release the lien.

12 Section 4. Fund.

13 There is hereby established a separate account in the State 14 Treasury to be known as the Senior Citizens Revolving Relief 15 Fund.

16 Section 5. Rules and regulations.

17 The department may, in the manner provided by law, promulgate 18 the rules, regulations and forms necessary to carry out this 19 act.

20 Section 6. Appropriation.

(a) General rule.--Notwithstanding section 12 of the act of
August 26, 1971 (P.L.351, No.91), known as the State Lottery
Law, all funds from the annual lottery surplus are hereby
appropriated out of the Lottery Fund to the Senior Citizens
Revolving Relief Fund on a continuing basis.

(b) Balance reports.--On or before June 1, the State Treasurer shall notify the Department of Aging the amount of moneys collected in the Senior Citizens Revolving Relief Fund Restricted Account.

30 (c) Definition.--As used in this section "annual lottery 19830H1573B1953 - 3 - surplus" shall mean the balance of funds remaining in the
 Lottery Fund on June 30 of each year after having subtracted
 from the annual gross revenue derived from the operation of the
 State Lottery all prizes, program costs, other than the costs
 for the payment of loans, and administration expenses accrued as
 of said date.

- 7 Section 7. Effective date.
- 8 This act shall take effect in 60 days.