
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1440 Session of
1991

INTRODUCED BY PUNT, BAKER, HOPPER, ROBBINS AND PETERSON,
NOVEMBER 20, 1991

REFERRED TO APPROPRIATIONS, NOVEMBER 20, 1991

AN ACT

1 Appropriating money from the Sunny Day Fund to the Department of
2 Commerce for various projects throughout this Commonwealth
3 for fiscal year 1991-1992.

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

6 Section 1. The sums set forth in this act, or as much
7 thereof as may be necessary, are hereby specifically
8 appropriated from the Sunny Day Fund to the Department of
9 Commerce for this fiscal year July 1, 1991, to June 30, 1992,
10 for the projects listed to enhance economic development and the
11 creation of jobs in this Commonwealth in accordance with the
12 provisions of Chapter 1 of the act of July 1, 1985 (P.L.120,
13 No.32), known as the Sunny Day Fund Act.

14 Section 2. The following amounts are appropriated to the
15 Department of Commerce to induce companies to locate large
16 industrial, manufacturing or research and development
17 enterprises within this Commonwealth:

18 (1) For the purpose of making a loan to

1 Little Tikes Company, a wholly owned subsidiary
2 of Rubbermaid, Inc., to establish a rotation
3 molding toy facility in Southampton Township,
4 Cumberland County. It is estimated that this
5 project will create 224 jobs within three years
6 of operation. \$2,000,000

7 (2) For the purpose of making a loan to
8 Astra/Merck, a joint venture of Merck &
9 Company, Incorporated, and AB Astra, to
10 establish a world headquarters office facility
11 in Tredyffrin Township, Chester County. It is
12 estimated that this project will create 300
13 jobs at the site within three years of
14 operation. 4,500,000

15 (3) For the purpose of making a loan to
16 Plastek Industries, Inc., to establish a
17 manufacturing facility in the City of Erie for
18 new lines of plastic-injected molded products.
19 It is estimated that this project will create
20 500 new jobs within three years of operation. 4,500,000

21 Section 3. It is the intent of the General Assembly that the
22 appropriations in section 2 shall be loaned at an annual
23 interest rate that in no case shall be less than the
24 Pennsylvania Industrial Development Authority's rate for the
25 area in which the project is located and for a term that shall
26 be no greater than the term for an equivalent Pennsylvania
27 Industrial Development Authority project, each as of the date of
28 enactment hereof. Private companies which receive Sunny Day Fund
29 assistance but fail to make the investment in the enterprise
30 development as specified in section 2 shall be liable for the

1 repayment of all Sunny Day Fund moneys, including any accrued
2 interest thereon and any penalties as provided in the loan
3 documents or as may be set by the Secretary of Commerce. Private
4 companies which receive Sunny Day Fund assistance but fail to
5 create the number of jobs specified in the approved loan or
6 other agreements with the Commonwealth shall be liable for a
7 penalty equal to an increase in the interest charged to 2%
8 greater than the current prime interest rate for the remainder
9 of the loan, unless the penalty is waived by the Secretary of
10 Commerce because the failure is due to circumstances outside the
11 control of the private company. The prime interest rate shall be
12 the highest rate known or declared to be prime by those banking
13 institutions located within this Commonwealth with assets in
14 excess of \$3,000,000,000 as of the date the penalty is assessed.
15 The Secretary of Commerce shall consult with the Chairman of the
16 Appropriations Committee of the Senate and the Chairman of the
17 Appropriations Committee of the House of Representatives prior
18 to the establishment of waiver of penalties.

19 Section 4. For a period equal to the term of assistance
20 provided each project approved under this act, the Department of
21 Commerce shall provide a written report on the status of each
22 project to the Secretary of the Senate and the Chief Clerk of
23 the House of Representatives by June 30 of each year. This
24 report shall contain, at a minimum, information pertaining to
25 the specific use of the Sunny Day Fund money, the interest rate
26 and term of the Sunny Day Fund loan, the amount of principal
27 outstanding and interest due on the loan and the number of jobs
28 created by the project. All recipients of funds under this act
29 shall be required to provide any and all information required by
30 the Department of Commerce for the purpose of this act.

1 Section 5. No funds under this act shall be awarded by the
2 Department of Commerce after June 30, 1992. Any funds from this
3 appropriation remaining unexpended or unencumbered on June 30,
4 1993, shall automatically lapse into the Sunny Day Fund.

5 Section 6. This act shall take effect immediately.