
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 3122 Session of 1994

INTRODUCED BY STURLA, LAUGHLIN, CAPPABIANCA, KIRKLAND, DEMPSEY, HASAY, WOZNIAK, CAWLEY, SERAFINI, B. SMITH, SAYLOR, STETLER, COLAFELLA, VEON, LaGROTTA, O'BRIEN, MERRY, SCRIMENTI, BEBKO-JONES, KELLER, MELIO AND LESCOVITZ, OCTOBER 3, 1994

SENATOR TILGHMAN, APPROPRIATIONS, IN SENATE, RE-REPORTED AS AMENDED, NOVEMBER 22, 1994

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 1994-1995; making an appropriation from the
4 General Fund to the Sunny Day Fund; and making repeals.

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

7 Section 1. The sums set forth in section 2, or as much
8 thereof as may be necessary, are hereby specifically
9 appropriated from the Sunny Day Fund to the Department of
10 Commerce for the fiscal year July 1, 1994, to June 30, 1995, for
11 the projects listed to enhance economic development and the
12 creation of jobs in this Commonwealth in accordance with the
13 provisions of Chapter 1 of the act of July 1, 1985 (P.L.120,
14 No.32), known as the Sunny Day Fund Act.

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

1 enterprises within this Commonwealth:

2 (1) For the purpose of making a loan to
3 AEP Industries, Inc., to construct a
4 manufacturing facility in Luzerne County. The
5 total project cost is in excess of \$17,000,000.
6 It is estimated that this project will create
7 220 new jobs within three years of operation.

8 State appropriation..... 3,300,000

9 (2) For the purpose of making a loan to
10 Tate Access Floor, Inc., to acquire an existing
11 manufacturing facility in York County. The
12 total project cost is \$12,950,000. It is
13 estimated that this project will create 123 new
14 jobs within three years of operation.

15 State appropriation..... 2,750,000

16 (3) For the purpose of making a loan to
17 Brodart Company to expand its existing
18 manufacturing facility in Lycoming County. The
19 total project cost is \$17,300,000. It is
20 estimated that this project will create 200 new
21 jobs within three years of operation.

22 State appropriation..... 2,000,000

23 (4) For the purpose of making a loan to
24 Worldclass Steel, Inc., to commence operation
25 of a steel mini-mill located in Beaver County.
26 The total project cost is \$290,000,000. It is
27 estimated that this project will create 350 new
28 jobs within three years of operation.

29 ~~State appropriation..... 6,000,000~~ <—

30 STATE APPROPRIATION..... 11,800,000 <—

(5) For the purpose of making a loan to Crown, Cork & Seal Company, Inc., to construct new headquarters and consolidate its operations in Philadelphia County. The total project cost is in excess of \$20,000,000. It is estimated that this project will create 391 new jobs within three years of operation.

State appropriation..... 4,250,000

(6) For the purpose of making a loan to R. R. Donnelley & Sons Company to expand its existing manufacturing facility located in Lancaster County. The total project cost is \$69,000,000. It is estimated that this project will create 112 new jobs within three years of operation.

State appropriation..... 2,000,000

~~(7) For the purpose of making a loan to American Steel & Wire, Inc., to locate a steel mini mill in Erie County. Although the site for the proposed facility is presently zoned industrial, a lack of available private funds to finance the development of the site has resulted in an economically undesirable nonindustrial use of the site. It is, therefore, anticipated that this project will, in part, be financed by tax increment bonds. The total project cost is \$243,300,000. It is estimated that this project will create 350 new jobs within three years of operation.~~

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~~State appropriation..... 6,000,000~~

~~(8)~~ (7) For the purpose of making a loan to Metro Machine of Pennsylvania, Inc., to locate a manufacturing facility in Delaware County, with the possibility of locating an additional facility in Philadelphia County, both of which facilities would produce double hull tanker mid-bodies. The total project cost is \$103,490,000. It is estimated that this project will create 1,000 new jobs within three years of operation.

State appropriation.....	5,000,000
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~~(9)~~ (8) For the purpose of making a loan to BRW Steel to acquire and modernize the Bethlehem Steel facility in Cambria County. The total project cost is \$114,850,000. It is estimated that this project will create 525 new jobs within five years of operation.

State appropriation.....	13,000,000
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(10) (9) For the purpose of making a standby grant to National Westminster Bancorp, Inc., to cover customized job training costs in excess of those available to be funded in Fiscal Year 1994-1995 from the Customized Job Training Program. The grant shall only be drawn down, if and to the extent, National Westminster Bancorp, Inc.'s, training costs in Fiscal Year 1994-1995 exceed ~~\$1,750,000~~ \$1,550,000. Any Sunny Day funds disbursed for this purpose to National Westminster Bancorp, Inc., shall reduce, dollar for dollar, the

Department of Education's four-year commitment to provide customized job training to National Westminster Bancorp, Inc. The combined maximum amount which the Commonwealth will provide to National Westminster Bancorp, Inc., from either the Customized Job Training Program or the Sunny Day Fund for customized job training in no event shall be greater than \$4,500,000.

~~State appropriation.....~~ 950,000 <—

STATE APPROPRIATION..... 1,150,000 <—

~~(11)~~ (10) For the purpose of making a loan <—

to Starbucks Coffee Company, Inc., to construct a facility to be located in East Manchester Township, York County. The total project cost is approximately \$20,000,000. It is estimated that this project will create 275 new jobs within three years of operation.

State appropriation..... 6,250,000

Section 3. It is the intent of the General Assembly that the appropriations in section 2 shall be loaned at an annual interest rate that in no case shall be less than the Pennsylvania Industrial Development Authority's rate for the area in which the project is located and for a term that shall be the same as the term for an equivalent Pennsylvania Industrial Development Authority project. Private companies which receive Sunny Day Fund assistance but fail to make the investment in the enterprise development as specified in section 2 shall be liable for the repayment of all Sunny Day Loan Fund moneys, including any accrued interest thereon and any penalties set by the Secretary of Commerce. Private companies which

1 receive Sunny Day Fund assistance but fail to create the number
2 of jobs specified in the approved loan or other agreements with
3 the Commonwealth shall be liable for a penalty equal to an
4 increase in the interest rate charged to 2% greater than the
5 current prime interest rate for the remainder of the loan,
6 unless the penalty is waived by the Secretary of Commerce
7 because the failure is due to circumstances outside the control
8 of the private company. The Secretary of Commerce shall consult
9 with the chairmen of the Appropriations Committee of the Senate
10 and the Appropriations Committee of the House of Representatives
11 prior to the establishment of waiver of penalties.

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

24 Section 5. No loan funds under this act shall be awarded by
25 the Department of Commerce after June 30, 1996. Any funds from
26 this appropriation remaining unexpended or unencumbered on June
27 30, 1996, shall automatically lapse into the Sunny Day Fund.

28 Section 6. All sums of money expended under section 2(1) and
29 (6) of the act of April 22, 1994 (P.L. , No.3A), entitled "An
30 act appropriating money from the Sunny Day Fund to the

1 Department of Commerce for various projects throughout this
2 Commonwealth for fiscal year 1994-1995," or section 2(2) of the
3 act of July 1, 1994 (P.L. , No.50A), entitled "An act
4 appropriating money from the Sunny Day Fund to the Department of
5 Commerce for various projects throughout this Commonwealth for
6 fiscal year 1994-1995," shall be credited against the similar
7 appropriations in section 2 of this act.

8 Section 7. The following acts and parts of acts are
9 repealed:

10 Sections 2(1) and (6) of the act of April 22, 1994 (P.L. ,
11 No.3A), entitled "An act appropriating money from the Sunny Day
12 Fund to the Department of Commerce for various projects
13 throughout this Commonwealth for fiscal year 1994-1995."

14 Section 2(2) of the act of July 1, 1994 (P.L. , No.50A),
15 entitled "An act appropriating money from the Sunny Day Fund to
16 the Department of Commerce for various projects throughout this
17 Commonwealth for fiscal year 1994-1995."

18 Section 8. The sum of ~~\$19,600,000~~ \$12,500,000, or as much <—
19 thereof as may be necessary, is hereby specifically appropriated
20 from the General Fund to the Sunny Day Fund for the fiscal
21 period July 1, 1994, to June 30, 1995. This appropriation shall
22 be in addition to any sums appropriated in section 209 of the
23 act of June 16, 1994 (P.L. , No.6A), known as the General
24 Appropriation Act of 1994.

25 Section 9. This act shall take effect immediately.