

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1192 Session of
1993

INTRODUCED BY STOUT, LAVALLE, STEWART, AFFLERBACH, BODACK,
PECORA, REIBMAN, CORMAN, MADIGAN, TILGHMAN, PETERSON,
LINCOLN, MELLOW, DAWIDA AND FISHER, JUNE 2, 1993

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JUNE 20, 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 1993-1994.~~
4 ~~AMENDING THE ACT OF 19 (P.L. , NO.),~~ <—
5 ~~ENTITLED "AN ACT APPROPRIATING MONEY FROM THE SUNNY DAY FUND~~
6 ~~TO THE DEPARTMENT OF COMMERCE FOR VARIOUS PROJECTS THROUGHOUT~~
7 ~~THIS COMMONWEALTH FOR FISCAL YEAR 1994-1995," AMENDING~~
8 ~~CERTAIN DATES.~~
9 APPROPRIATING MONEY FROM THE SUNNY DAY FUND TO THE DEPARTMENT OF <—
10 COMMERCE FOR VARIOUS PROJECTS THROUGHOUT THIS COMMONWEALTH
11 FOR FISCAL YEAR 1994-1995.
12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:
14 Section 1. ~~The sums set forth in this act, or as much~~ <—
15 ~~thereof as may be necessary, are hereby specifically~~
16 ~~appropriated from the Sunny Day Fund to the Department of~~
17 ~~Commerce for the fiscal year July 1, 1993, to June 30, 1994, for~~
18 ~~the projects listed in this act to enhance economic development~~
19 ~~and the creation of jobs in this Commonwealth in accordance with~~
20 ~~the provisions of Chapter 1 of the act of July 1, 1985 (P.L.120,~~
21 ~~No.32), known as the Sunny Day Fund Act.~~

1 ~~Section 2. The following amounts are appropriated to the~~
2 ~~Department of Commerce to induce companies to locate large~~
3 ~~industrial, manufacturing or research and development~~
4 ~~enterprises within this Commonwealth:~~

5 ~~(1) For the purpose of making a loan to~~
6 ~~CONFAB/ICD Industries for the purchase of~~
7 ~~machinery and equipment to start up a new diaper~~
8 ~~line and consolidate existing operations to its~~
9 ~~new facility in King of Prussia, Upper Merion~~
10 ~~Township, Montgomery County. CONFAB/ICD Industries~~
11 ~~will invest at least \$30,000,000 into the project,~~
12 ~~which project will create 455 new jobs within~~
13 ~~three years of operation.~~

14 ~~State appropriation.....~~ \$6,825,000

15 ~~(2) For the purpose of making a loan to Union~~
16 ~~Switch and Signal for the construction of a new~~
17 ~~engineering and research and development facility~~
18 ~~at the Pittsburgh Technology Center site in the~~
19 ~~City of Pittsburgh, Allegheny County. Union Switch~~
20 ~~and Signal will invest at least \$15,000,000 into~~
21 ~~the project, which project will create at least~~
22 ~~250 new jobs within three years of operation.~~

23 ~~State appropriation.....~~ 4,500,000

24 ~~(3) For the purpose of making a loan to AEG~~
25 ~~Transportation Systems for the consolidation of~~
26 ~~its operations at Southpointe Business Park, Cecil~~
27 ~~Township, Washington County. AEG Transportation~~
28 ~~Systems will invest at least \$30,000,000 into the~~
29 ~~project, which project will create 350 new jobs~~
30 ~~within three years of operation.~~

1 State appropriation..... 7,000,000

2 ~~(4) For the purpose of making a loan to~~
3 ~~Agramer Ceramics, Inc. for the location of a new~~
4 ~~ceramic tile manufacturing facility in Hopewell~~
5 ~~Business and Industrial Park, Hopewell Township,~~
6 ~~Beaver County. Agramer Ceramics, Inc. will invest~~
7 ~~at least \$5,700,000 into the project, which~~
8 ~~project will create 160 new jobs within three~~
9 ~~years of operation.~~

10 State appropriation..... 2,400,000

11 ~~(5) For the purpose of making a loan to Carol~~
12 ~~Cable for the expansion and renovation of its~~
13 ~~Montoursville, Lycoming County, facility to~~
14 ~~accommodate new product lines. Carol Cable will~~
15 ~~invest at least \$4,000,000 into the project, which~~
16 ~~project will create 200 new jobs within three~~
17 ~~years of operation.~~

18 State appropriation..... 3,000,000

19 ~~(6) For the purpose of making a loan to MACK~~
20 ~~Trucks for the purchase, upgrading and~~
21 ~~installation of machinery and equipment to be used~~
22 ~~at the assembly plant located in Lower Macungie~~
23 ~~Township, Lehigh County and at the engineering and~~
24 ~~research and development operations located in the~~
25 ~~City of Allentown, Lehigh County. MACK Trucks will~~
26 ~~invest at least \$30,000,000 into the project,~~
27 ~~which project will create 140 new jobs within~~
28 ~~three years of operation.~~

29 State appropriation..... 2,700,000

30 ~~(7) For the purpose of making a loan to~~

1 ~~Saratan, Inc. for the purchase of machinery and~~
2 ~~equipment to be used at its medium density~~
3 ~~fiberboard facility and chip mill to be~~
4 ~~constructed in Allegheny Industrial Park located~~
5 ~~in Mt. Jewett, McKean County. Saratan, Inc. will~~
6 ~~invest at least \$38,000,000 into the project,~~
7 ~~which project will create 139 new jobs within~~
8 ~~three years of operation.~~

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

10 ~~(8) For the purpose of making a loan to~~
11 ~~BioScience Contract Production Corporation for the~~
12 ~~purchase of machinery and equipment to be used at~~
13 ~~its new facility to be located in the Penn State~~
14 ~~Research Park, College Township, Centre County.~~
15 ~~BioScience Contract Production Corporation will~~
16 ~~invest at least \$6,000,000 into the project, which~~
17 ~~project will create 100 new jobs within three~~
18 ~~years of operation.~~

19 State appropriation..... 1,500,000

20 ~~Section 3. It is the intent of the General Assembly that the~~
21 ~~appropriations in section 2 shall be loaned at an annual~~
22 ~~interest rate that in no case shall be less than the~~
23 ~~Pennsylvania Industrial Development Authority's rate for the~~
24 ~~area in which the project is located. Private companies which~~
25 ~~receive Sunny Day Fund assistance but fail to make the~~
26 ~~investment in the enterprise development as specified in section~~
27 ~~2 shall be liable for the repayment of all Sunny Day Fund~~
28 ~~moneys, including any accrued interest thereon and any penalties~~
29 ~~set by the Secretary of Commerce. Private companies which~~
30 ~~receive Sunny Day Fund assistance but fail to create the number~~

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

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

23 ~~Section 5. No funds under this act shall be awarded by the~~
24 ~~Department of Commerce after June 30, 1995. Any funds from this~~
25 ~~appropriation remaining unexpended or unencumbered on June 30,~~
26 ~~1995, shall automatically lapse into the Sunny Day Fund.~~

27 ~~Section 6. This act shall take effect immediately.~~

28 ~~SECTION 1. THE TITLE AND SECTION 1 OF THE ACT OF~~
29 ~~_____ 19 _____ (P.L. _____, NO. _____), ENTITLED "AN ACT~~
30 ~~APPROPRIATING MONEY FROM THE SUNNY DAY FUND TO THE DEPARTMENT OF~~

<—

1 ~~COMMERCE FOR VARIOUS PROJECTS THROUGHOUT THIS COMMONWEALTH FOR~~
2 ~~FISCAL YEAR 1994 1995," ARE AMENDED TO READ:~~

3 ~~AN ACT~~

4 ~~APPROPRIATING MONEY FROM THE SUNNY DAY FUND TO THE DEPARTMENT OF~~
5 ~~COMMERCE FOR VARIOUS PROJECTS THROUGHOUT THIS COMMONWEALTH~~
6 ~~FOR FISCAL YEAR [1994 1995] 1993 1994.~~

7 ~~SECTION 1. THE SUMS SET FORTH IN THIS ACT, 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]~~
11 ~~JULY 1, 1993, TO JUNE 30, 1994, FOR THE PROJECTS LISTED TO~~
12 ~~ENHANCE ECONOMIC DEVELOPMENT AND THE CREATION OF JOBS IN THIS~~
13 ~~COMMONWEALTH IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 1 OF~~
14 ~~THE ACT OF JULY 1, 1985 (P.L.120, NO.32), KNOWN AS THE SUNNY DAY~~
15 ~~FUND ACT.~~

16 ~~SECTION 2. THIS ACT SHALL APPLY PROSPECTIVELY OR~~
17 ~~RETROACTIVELY TO THE ACT OF _____ 19 _____ (P.L.~~
18 ~~_____, NO. _____), ENTITLED "AN ACT APPROPRIATING MONEY FROM THE SUNNY~~
19 ~~DAY FUND TO THE DEPARTMENT OF COMMERCE FOR VARIOUS PROJECTS~~
20 ~~THROUGHOUT THIS COMMONWEALTH FOR FISCAL YEAR 1994 1995," UPON~~
21 ~~THE EFFECTIVE DATE OF THAT ACT, WHENEVER IT OCCURS.~~

22 ~~SECTION 3. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.~~

23 SECTION 1. THE SUMS SET FORTH IN THIS ACT, OR AS MUCH ←
24 THEREOF AS MAY BE NECESSARY, ARE HEREBY SPECIFICALLY
25 APPROPRIATED FROM THE SUNNY DAY FUND TO THE DEPARTMENT OF
26 COMMERCE FOR THE FISCAL YEAR JULY 1, 1994, TO JUNE 30, 1995, FOR
27 THE PROJECTS LISTED TO ENHANCE ECONOMIC DEVELOPMENT AND THE
28 CREATION OF JOBS IN THIS COMMONWEALTH IN ACCORDANCE WITH THE
29 PROVISIONS OF CHAPTER 1 OF THE ACT OF JULY 1, 1985 (P.L.120,
30 NO.32), KNOWN AS THE SUNNY DAY FUND ACT.

1 SECTION 2. THE FOLLOWING AMOUNTS ARE APPROPRIATED TO THE
2 DEPARTMENT OF COMMERCE TO INDUCE COMPANIES TO LOCATE LARGE
3 INDUSTRIAL, MANUFACTURING OR RESEARCH AND DEVELOPMENT
4 ENTERPRISES WITHIN THIS COMMONWEALTH.

5 (1) FOR THE PURPOSE OF MAKING A
6 LOAN TO J & L SPECIALTY STEEL, INC.,
7 TO PURCHASE MACHINERY AND EQUIPMENT
8 FOR A FACILITY LOCATED IN BEAVER
9 COUNTY. THE TOTAL PROJECT COST IS
10 APPROXIMATELY \$67,000,000. IT IS
11 ESTIMATED THAT THIS PROJECT WILL
12 CREATE 120 NEW JOBS WITHIN FIVE YEARS
13 OF OPERATION.

14 STATE APPROPRIATION..... 2,500,000

15 (2) FOR THE PURPOSE OF MAKING A
16 LOAN TO STARBUCKS COFFEE COMPANY,
17 INC., TO CONSTRUCT A FACILITY TO BE
18 LOCATED IN ANTRIM TOWNSHIP, FRANKLIN
19 COUNTY, OR EAST MANCHESTER TOWNSHIP,
20 YORK COUNTY. THE TOTAL PROJECT COST IS
21 APPROXIMATELY \$20,000,000. IT IS
22 ESTIMATED THAT THIS PROJECT WILL
23 CREATE 275 NEW JOBS WITHIN THREE YEARS
24 OF OPERATION.

25 STATE APPROPRIATION..... 5,000,000

26 (3) FOR THE PURPOSE OF MAKING A
27 LOAN TO MASCOTECH SINTERED COMPONENTS,
28 INC., TO PURCHASE MACHINERY AND
29 EQUIPMENT FOR ITS FACILITY LOCATED IN
30 RIDGWAY, ELK COUNTY. THE TOTAL PROJECT

1 COST IS APPROXIMATELY \$10,900,000. IT
2 IS ESTIMATED THAT THIS PROJECT WILL
3 CREATE 110 NEW JOBS WITHIN THREE YEARS
4 OF OPERATION.

5 STATE APPROPRIATION..... 2,500,000

6 SECTION 3. IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE
7 APPROPRIATIONS IN SECTION 2 SHALL BE LOANED AT AN ANNUAL
8 INTEREST RATE THAT IN NO CASE SHALL BE LESS THAN THE
9 PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY'S RATE FOR THE
10 AREA IN WHICH THE PROJECT IS LOCATED AND FOR A TERM THAT SHALL
11 BE THE SAME AS THE TERM FOR AN EQUIVALENT PENNSYLVANIA
12 INDUSTRIAL DEVELOPMENT AUTHORITY PROJECT. PRIVATE COMPANIES
13 WHICH RECEIVE SUNNY DAY FUND ASSISTANCE BUT FAIL TO MAKE THE
14 INVESTMENT IN THE ENTERPRISE DEVELOPMENT AS SPECIFIED IN SECTION
15 2 SHALL BE LIABLE FOR THE REPAYMENT OF ALL SUNNY DAY FUND
16 MONEYS, INCLUDING ANY ACCRUED INTEREST THEREON AND ANY PENALTIES
17 SET BY THE SECRETARY OF COMMERCE. PRIVATE COMPANIES WHICH
18 RECEIVE SUNNY DAY FUND ASSISTANCE BUT FAIL TO CREATE THE NUMBER
19 OF JOBS SPECIFIED IN THE APPROVED LOAN OR OTHER AGREEMENTS WITH
20 THE COMMONWEALTH SHALL BE LIABLE FOR A PENALTY EQUAL TO AN
21 INCREASE IN THE INTEREST CHARGED TO 2% GREATER THAN THE CURRENT
22 PRIME INTEREST RATE FOR THE REMAINDER OF THE LOAN, UNLESS THE
23 PENALTY IS WAIVED BY THE SECRETARY OF COMMERCE BECAUSE THE
24 FAILURE IS DUE TO CIRCUMSTANCES OUTSIDE THE CONTROL OF THE
25 PRIVATE COMPANY. THE SECRETARY OF COMMERCE SHALL CONSULT WITH
26 THE CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE SENATE AND
27 THE CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
28 REPRESENTATIVES PRIOR TO THE ESTABLISHMENT OF WAIVER OF
29 PENALTIES.

30 SECTION 4. FOR A PERIOD EQUAL TO THE TERM OF ASSISTANCE

1 PROVIDED EACH PROJECT APPROVED UNDER THIS ACT, THE DEPARTMENT OF
2 COMMERCE SHALL PROVIDE A WRITTEN REPORT ON THE STATUS OF EACH
3 PROJECT TO THE SECRETARY OF THE SENATE AND THE CHIEF CLERK OF
4 THE HOUSE OF REPRESENTATIVES BY JUNE 30 OF EACH YEAR. THIS
5 REPORT SHALL CONTAIN, AT A MINIMUM, INFORMATION PERTAINING TO
6 THE SPECIFIC USE OF THE SUNNY DAY FUND MONEY, THE INTEREST RATE
7 AND TERM OF THE SUNNY DAY FUND LOAN, THE AMOUNT OF PRINCIPAL
8 OUTSTANDING AND INTEREST DUE ON THE LOAN AND THE NUMBER OF JOBS
9 CREATED BY THE PROJECT. ALL RECIPIENTS OF FUNDS UNDER THIS ACT
10 SHALL BE REQUIRED TO PROVIDE ANY AND ALL INFORMATION REQUIRED BY
11 THE DEPARTMENT OF COMMERCE FOR THE PURPOSES OF THIS ACT.

12 SECTION 5. NO FUNDS UNDER THIS ACT SHALL BE AWARDED BY THE
13 DEPARTMENT OF COMMERCE AFTER JUNE 30, 1996. ANY FUNDS FROM THIS
14 APPROPRIATION REMAINING UNEXPENDED OR UNENCUMBERED ON JUNE 30,
15 1996, SHALL AUTOMATICALLY LAPSE INTO THE SUNNY DAY FUND.

16 SECTION 6. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.