

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1888 Session of 1999

INTRODUCED BY BUNT, CLYMER, COY, CAPPABIANCA, LEH, BELFANTI, ARMSTRONG, CHADWICK, ADOLPH, CORRIGAN, ARGALL, DAILEY, DALLY, DeWEESE, DRUCE, FAIRCHILD, FICHTER, FREEMAN, GODSHALL, GORDNER, GRUCELA, HARHART, HASAY, HERMAN, HERSHEY, JOSEPHS, KREBS, LUCYK, MAJOR, MARKOSEK, MASLAND, McCALL, McILHINNEY, MELIO, NAILOR, PESCI, PHILLIPS, PLATTS, ROBERTS, ROHRER, SATHER, SCHRODER, SEYFERT, SHANER, B. SMITH, SNYDER, SOLOBAY, STABACK, STEELMAN, STERN, E. Z. TAYLOR, TRUE, WILLIAMS, WILT, WOJNAROSKI, YOUNGBLOOD, ZUG, ALLEN, BARD, BARRAR, BROWNE, CALTAGIRONE, CAWLEY, CLARK, DeLUCA, DEMPSEY, EGOLF, FEESE, GEORGE, GLADECK, HANNA, HARHAI, HENNESSEY, HESS, LAUGHLIN, LEDERER, LESCOVITZ, TRELLO, MAITLAND, MANDERINO, MANN, McGILL, MICOZZIE, R. MILLER, NICKOL, PETRARCA, RAMOS, REINARD, ROSS, SAYLOR, BAKER, STAIRS, STEIL, STRITTMATTER, STURLA, SURRA, TANGRETTI, THOMAS, TRAVAGLIO, VAN HORNE, WALKO, WRIGHT, YUDICHAK, L. I. COHEN, DALEY, VANCE, BASTIAN, ZIMMERMAN, SEMMEL, GRUITZA AND J. TAYLOR, SEPTEMBER 29, 1999

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES, OCTOBER 26, 1999

AN ACT

1 Providing for emergency drought relief as a result of weather
2 conditions in 1999, FOR LOANS AND GRANTS TO VICTIMS OF SMALL <—
3 DISASTERS, FOR POWERS AND DUTIES OF THE PENNSYLVANIA
4 EMERGENCY MANAGEMENT AGENCY AND OTHER STATE AGENCIES AND FOR
5 RESERVATION OF SURPLUS REVENUE; establishing the Agricultural
6 Drought Emergency Oversight Board; and making an <—
7 appropriation APPROPRIATIONS. <—

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

10 CHAPTER 1 <—

11 PRELIMINARY PROVISIONS

12 Section 101. Short title. <—

1 This act shall be known and may be cited as the Emergency
2 Drought Relief AND PENNCRISIS Act. <—

3 CHAPTER 3 <—

4 DROUGHT RELIEF

5 Section ~~2~~ 301. Legislative findings and purpose. <—

6 The General Assembly finds and declares as follows:

7 (1) Production agriculture is a mainstay of this
8 Commonwealth's economy, with nearly 50,000 family farms
9 generating \$44,000,000,000 in economic activity each year.

10 (2) The prolonged drought of 1999 is an unprecedented
11 natural disaster which caused an estimated \$500,000,000 in
12 crop losses AND IN THE REDUCTION OF THE GRADE QUALITY OF OUR <—
13 CROPS IN 1999 and threatens to destroy not only the
14 profitability of our farmers, but also the existence of
15 farmland in this Commonwealth.

16 (3) THE DROUGHT WILL CONTINUE TO AFFECT SOME PRODUCERS <—
17 FOR MANY YEARS DUE TO THE PARTIAL AND FULL LOSS OF TREES,
18 NURSERY STOCK AND OTHER MULTIYEAR PLANTING, AS WELL AS THE
19 DIMINISHED PRODUCTION OF FRUIT IN THE YEAR FOLLOWING A
20 DROUGHT.

21 ~~(3)~~ (4) It is in the public interest, from the <—
22 standpoint of the economic well-being of this Commonwealth,
23 to offer financial support to maintain the viability of this
24 critical industry.

25 Section ~~3~~ 302. Definitions. <—

26 The following words and phrases when used in this ~~act~~ CHAPTER <—
27 shall have the meanings given to them in this section unless the
28 context clearly indicates otherwise:

29 "Board." The Agricultural Drought Emergency Oversight Board
30 established in section ~~5~~ 304. <—

1 "Crop." Includes:

2 (1) Field crops, including corn, wheat, oats, rye,
3 barley, hay, potatoes, tobacco and dry beans.

4 (2) Fruits, including apples, peaches, grapes, cherries, <—
5 PEARS, APRICOTS, PLUMS and berries.

6 (3) Vegetables, including tomatoes, snap beans, cabbage,
7 carrots, beets, onions, peppers and mushrooms.

8 (4) Horticultural specialties, including nursery stock,
9 ornamental shrubs, ornamental trees, Christmas trees and
10 flowers.

11 (5) Pasture.

12 (6) Timber, wood and other wood products derived from
13 trees.

14 (7) ANY OTHER CROP INSURED UNDER COVERAGE OFFERED BY THE <—
15 FEDERAL CROP INSURANCE CORPORATION OF THE UNITED STATES
16 DEPARTMENT OF AGRICULTURE.

17 "Department." The Department of Agriculture of the
18 Commonwealth.

19 "Fund." The Emergency Drought Relief Fund established in
20 section 4 303. <—

21 "PASS." The Pennsylvania Agricultural Statistics Service.

22 "Producer." A person engaged in the business of producing
23 crops within this Commonwealth.

24 "Secretary." The Secretary of Agriculture of the
25 Commonwealth.

26 "USDA-FSA." The United States Department of Agriculture-Farm
27 Service Agency.
28 Section 4 303. Fund. <—

29 (a) Establishment.--The Emergency Drought Relief Fund is
30 established.

1 (b) Source.--The source of the fund shall be appropriations.

2 (c) Purpose.--The purpose of the fund is to provide grants
3 under section 7 306. <—

4 (d) Administration.--The fund shall be administered by the
5 department under section ~~6(2)~~ 305(2). <—

6 Section 5 304. Agricultural Drought Emergency Oversight Board. <—

7 (a) Establishment.--The Agricultural Drought Emergency
8 Oversight Board is established.

9 (b) Responsibilities.--The board shall provide oversight and
10 advice to the department with respect to administration of this
11 ~~act~~ CHAPTER and all financial assistance programs for producers <—
12 who have suffered financial losses as a result of the drought of
13 1999.

14 (c) Membership.--The board shall consist of the following
15 members:

16 (1) The secretary, who shall be chairperson.

17 (2) The Dean of the College of Agricultural Sciences at
18 The Pennsylvania State University.

19 (3) A representative of the USDA-FSA.

20 (4) One producer, appointed by the Governor.

21 (5) One producer, appointed by the Majority Leader of
22 the Senate.

23 (6) One producer, appointed by the Minority Leader of
24 the Senate.

25 (7) One producer, appointed by the Majority Leader of
26 the House of Representatives.

27 (8) One producer, appointed by the Minority Leader of
28 the House of Representatives.

29 (d) Meetings.--The secretary shall convene the board within
30 ten days of the effective date of this ~~act~~ CHAPTER. The board <—

1 shall meet monthly unless convened sooner by the secretary. Five
2 members of the board shall constitute a quorum.

3 (e) Regulations.--The secretary shall consult with the board
4 with respect to any regulations or policies relative to the
5 administration of this ~~aet~~ CHAPTER. <—

6 (f) Compensation.--Members of the board shall serve without
7 pay, but shall be entitled to compensation for expenses incurred
8 in the performance of duties under this ~~aet~~ CHAPTER. <—

9 Section ~~6~~ 305. Department. <—

10 The department has the following powers and duties:

11 (1) Promulgate, in consultation with the board, within
12 30 days of the effective date of this ~~aet~~ CHAPTER, <—
13 regulations to administer this ~~aet~~ CHAPTER. Initial <—
14 regulations under this paragraph shall not be subject to the
15 act of June 25, 1982 (P.L.633, No.181), known as the
16 Regulatory Review Act.

17 (2) Administer the fund. Up to .08% of the money in the
18 fund may be used by the department for administrative
19 expenses.

20 (3) Enter into agreements with Federal and State
21 agencies as necessary to implement this ~~aet~~ CHAPTER. <—

22 (4) Call upon the resources of other Commonwealth
23 agencies. Such agencies are hereby directed to assist the
24 department without cost to the department.

25 (5) By June 30, 2000, with the advice and consent of the
26 board, issue a comprehensive report to the General Assembly
27 on the results, including total dollars expended and number
28 of recipients, of the programs authorized under this ~~aet~~ <—
29 CHAPTER. <—

30 Section ~~7~~ 306. Grants. <—

1 (a) Amounts.--Proceeds from the fund shall be used to
2 provide grants to producers for losses sustained due to the 1999
3 drought. Individual grants shall be in the amount of:

4 (1) Using ~~only crop yield and crop loss~~ CROP YIELD, CROP ←
5 LOSS AND CROP VALUE data and irrespective of other
6 requirements, 20% of the amount of the loan for which the
7 producer would be eligible under the USDA-FSA Emergency Loan
8 Assistance Program or other Federal loan assistance program
9 intended to provide crop loss relief. If a producer does not
10 have sufficient individual crop yield and other data
11 available, then the department shall determine, using average
12 county crop yields, crop losses and crop values provided by
13 PASS and USDA-FSA, the loan amount for which the producer
14 would otherwise be eligible.

15 (2) Twenty percent of the value of the crop loss of
16 crops not eligible for assistance under any USDA-FSA disaster
17 relief program. This loss shall be documented using
18 procedures determined to be a fair loss evaluation by the
19 department, using average county yields, crop losses and crop
20 values as determined by PASS and USDA-FSA.

21 (b) Lessees.--Proceeds from the fund shall be used to
22 provide grants to producers leasing State-owned land for losses
23 sustained due to the 1999 drought. Individual grants shall be as
24 follows:

25 (1) A rebate shall be equal to 50% of the 1999 annual
26 rent on State-owned land if the land is in a county with at
27 least a 10% and not more than a 49% crop loss, as determined
28 by the USDA-FSA. If the State-owned land is in a county with
29 an average crop loss of at least 50%, as determined by USDA-
30 FSA, the entire 1999 rental fee shall be rebated.

1 (2) In the case of a multiyear lease, the actual
2 prorated rent paid in 1999 shall be the basis for the rebate.
3 In the case of share-of-crop or other types of lease
4 arrangements, the rebate shall be the cash equivalent of the
5 value of the portion of the crop which the producer supplied
6 to the lessor in 1999, as determined by actual yield and
7 State or county average values for the crop.

8 (c) Roughage.--

9 (1) Proceeds from the fund shall be used to provide
10 grants to producers to refund \$30 per ton of hay purchased
11 after August 1, 1999, if the producer:

12 (i) certifies that the hay is to be fed to the
13 producer's own dairy cattle or livestock to make up
14 deficiencies in homegrown roughage and is not for resale;
15 and

16 (ii) provides appropriate weight slips, paid
17 invoices and other documentation as the department
18 requires; and

19 (iii) has not received a subsidy or rebate for the
20 hay under any other Commonwealth program.

21 (2) Proceeds from the fund shall be used to provide
22 grants to producers to refund \$10 per ton of silage or other
23 nonhay roughage purchased after August 1, 1999, if the
24 producer:

25 (i) certifies that the roughage is to be fed to the
26 producer's own dairy cattle or livestock to make up
27 deficiencies in homegrown roughage and is not for resale;
28 and

29 (ii) provides appropriate weight slips, paid
30 invoices and other documentation as the department

1 requires.

2 (d) Seeds, plants and fertilizers.--Proceeds from the fund
3 shall be used to provide grants to producers to rebate a portion
4 of 1999 crop year expenses incurred for the purchase of seed,
5 plants, seedlings, fertilizer, weed and other pest control used
6 for crops in 1999. The rebate calculation shall include all
7 direct costs and the costs of application of such products. The
8 following shall apply:

9 (1) If the individual farm crop loss for an individual
10 crop is certified by the producer to the department or to
11 USDA-FSA to be at least 50%, or if there are not individual
12 farm yield and loss data available and the average loss for
13 that crop for the county is determined to be at least 50%, a
14 producer shall be eligible for 20% reimbursement of total
15 cash costs incurred.

16 (2) If the individual farm crop loss for an individual
17 crop is certified by the producer to the department or to
18 USDA-FSA to be at least 10% and not more than 49%, or if
19 there are not individual farm yield data available and the
20 average loss for that crop for the county is determined to be
21 at least 10% and not more than 49%, a producer shall be
22 eligible for a 10% reimbursement of total cash costs
23 incurred.

24 (3) The recipient of a rebate must document, according
25 to methods determined by the department to be appropriate,
26 that expenses were incurred for crops planted on land owned
27 or leased by the producer for the production of a crop.

28 (e) Crops and small grains.--

29 (1) Proceeds from the fund shall be used to provide
30 incentive cost-share grants to producers to plant cover crops

1 and small grains in the fall of 1999 or spring of 2000 for
2 nutrient uptake, spring or fall grazing or harvest as
3 roughage. The following shall apply:

4 (i) Individual cost-share grants shall be in the
5 amount of \$10 per acre.

6 (ii) Eligible crops are rye, wheat, barley, spring
7 oats, triticale and others approved by the department.

8 (2) In order to receive a grant under this subsection,
9 the producer must certify to the department all of the
10 following:

11 (i) The actual acreage planted.

12 (ii) That no additional chemical fertilizer will be
13 applied to the crop.

14 (iii) That the crop will be used only for grazing or
15 harvested for roughage.

16 (F) TREES.--

←

17 (1) PROCEEDS FROM THE FUND SHALL BE USED TO PROVIDE
18 GRANTS TO REIMBURSE PRODUCERS FOR THE COST OF REMOVING FRUIT
19 TREES, NURSERY STOCK AND CHRISTMAS TREES, OR BLOCKS OF FRUIT
20 TREES OF A SIMILAR AGE AND VARIETY THAT HAVE BEEN PLANTED
21 TOGETHER AS A PRODUCTIVE UNIT, THAT HAVE DIED OR LOST
22 SIGNIFICANT PRODUCTIVE CAPACITY DUE TO THE DROUGHT OR AN
23 ATTENUATING DISEASE OCCURRING IN CONJUNCTION WITH THE
24 DROUGHT, AND FOR THE COST OF REPLANTING THE TREES. THE
25 FOLLOWING SHALL APPLY:

26 (I) IF THE INDIVIDUAL FARM LOSS FOR AN INDIVIDUAL
27 CROP IS CERTIFIED BY THE PRODUCER TO THE DEPARTMENT OR TO
28 USDA-FSA TO BE AT LEAST 50%, A PRODUCER SHALL BE ELIGIBLE
29 FOR 75% REIMBURSEMENT OF ALL DIRECT COSTS INCURRED.

30 (II) IF THE INDIVIDUAL FARM LOSS FOR AN INDIVIDUAL

1 CROP IS CERTIFIED BY THE PRODUCER TO THE DEPARTMENT OR
2 USDA-FSA TO BE AT LEAST 10% AND NOT MORE THAN 49%, A
3 PRODUCER SHALL BE ELIGIBLE FOR 25% REIMBURSEMENT OF ALL
4 DIRECT COSTS INCURRED.

5 (2) THE RECIPIENT OF A GRANT MUST DOCUMENT, ACCORDING TO
6 METHODS DETERMINED BY THE DEPARTMENT TO BE APPROPRIATE, THAT
7 EXPENSES WERE INCURRED FOR TREES PLANTED ON LAND OWNED OR
8 LEASED BY THE PRODUCER FOR THE PRODUCTION OF A CROP, AND THAT
9 THE RECIPIENT CERTIFIES THAT THE TREES WILL BE REPLANTED AS
10 SOON AS DETERMINED APPROPRIATE BY THE DEPARTMENT.

11 ~~(f)~~ (G) Eligibility.--Eligibility for or receipt of other <—
12 drought relief assistance, whether Federal or State, shall not
13 invalidate a producer's eligibility for assistance under this
14 ~~act~~ CHAPTER. <—

15 CHAPTER 5 <—

16 PENNCRISIS FUND

17 SECTION 501. LEGISLATIVE FINDINGS.

18 THE GENERAL ASSEMBLY FINDS THAT MANY COMMUNITIES IN THIS
19 COMMONWEALTH FREQUENTLY ARE SUBJECT TO NATURAL AND MANMADE
20 DISASTERS WHICH CAUSE SIGNIFICANT DAMAGE AND DISRUPTION IN THE
21 LIFE OF THE COMMUNITY BUT WHICH ARE NOT OF SUFFICIENT MAGNITUDE
22 TO QUALIFY FOR FEDERAL DISASTER ASSISTANCE PROGRAMS.

23 NEVERTHELESS, THESE LOSSES ARE OF CONSIDERABLE IMPORTANCE TO
24 THOSE DIRECTLY AFFECTED AND THEIR COMMUNITIES AND TO THE HEALTH
25 AND WELFARE OF THE CITIZENS OF THIS COMMONWEALTH'S MANY SMALL
26 COMMUNITIES.

27 SECTION 502. DEFINITIONS.

28 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
29 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
30 CONTEXT CLEARLY INDICATES OTHERWISE:

1 "AGENCY." THE PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY.

2 "FUND." THE SMALL DISASTER ASSISTANCE FUND CREATED UNDER
3 THIS CHAPTER.

4 "SMALL DISASTER." AN EVENT WHICH FALLS BELOW THE CURRENT
5 FEDERAL GUIDELINES FOR FEDERAL DISASTER ASSISTANCE BUT WHICH
6 INVOLVES:

7 (1) DAMAGE EXCEEDING 40% OF THE VALUE OF A STRUCTURE AND
8 CONTENTS OF AT LEAST FIVE HOMES OR TWO BUSINESSES;

9 (2) LOSS OF LIFE; OR

10 (3) TOTAL ESTIMATED DAMAGES OF AT LEAST \$500,000 TO
11 PUBLIC FACILITIES.

12 SECTION 503. SMALL DISASTER ASSISTANCE FUND.

13 (A) FUND CREATED.--THERE IS CREATED WITHIN THE PENNCRISIS
14 PROGRAM A SMALL DISASTER ASSISTANCE FUND TO ASSIST THE VICTIMS
15 OF NATURAL AND MANMADE DISASTERS WITH LOW-INTEREST LOANS AND
16 GRANTS. ASSISTANCE SHALL NOT BE AVAILABLE TO A PERSON THAT OWNS
17 PROPERTY WITHIN A 100-YEAR FLOOD PLAIN AND THAT DOES NOT HAVE
18 FLOOD INSURANCE.

19 (B) COORDINATION AND ADMINISTRATION OF FUND.--ALL FIELD AND
20 OTHER ACTIVITIES OF THE FUND SHALL BE COORDINATED BY THE AGENCY,
21 INCLUDING BUDGETARY ALLOCATIONS FROM THE PENNCRISIS FUND TO THE
22 VARIOUS OBJECTS OF PENNCRISIS AND REPORTS TO THE GENERAL
23 ASSEMBLY ON PROGRAM PERFORMANCE AND NEEDS. FINAL AUTHORITY ON
24 ALL INDIVIDUAL REQUESTS FOR ASSISTANCE FROM THE FUND SHALL REST
25 WITH THE ADMINISTERING AGENCIES. PROGRAM ELEMENTS OF THE FUND
26 SHALL BE ADMINISTERED AS FOLLOWS:

27 (1) FOR RESIDENTIAL HOUSING NEEDS, THE PENNSYLVANIA
28 HOUSING FINANCE AGENCY.

29 (2) FOR RESIDENTIAL CONTENTS AND VEHICLES, THE
30 DEPARTMENT OF PUBLIC WELFARE.

1 (3) FOR BUSINESS AND MUNICIPAL PROGRAMS, THE DEPARTMENT
2 OF COMMUNITY AND ECONOMIC DEVELOPMENT.

3 (C) SMALL DISASTER DECLARATIONS.--A COUNTY EMERGENCY
4 MANAGEMENT DIRECTOR MAY PETITION THE AGENCY FOR A DECLARATION OF
5 A SMALL DISASTER. THE AGENCY'S DETERMINATION ON THE PETITION
6 SHALL BE DEEMED A FINAL ORDER, SUBJECT TO REVIEW UNDER 2 PA.C.S.
7 CH. 7 SUBCH. A (RELATING TO JUDICIAL REVIEW OF COMMONWEALTH
8 AGENCY ACTION).

9 SECTION 504. LOW-INTEREST LOANS TO SMALL DISASTER VICTIMS.

10 ALL LOANS SHALL BEAR INTEREST FOR THE ENTIRE TERM AT A RATE
11 NO GREATER THAN THE ANNUAL COST OF LIVING IN THE YEAR IN WHICH
12 THE LOAN IS GRANTED. INTEREST RATES SHALL BE REVIEWED BY THE
13 ADMINISTERING AGENCY AT THE BEGINNING OF EACH FISCAL YEAR BASED
14 ON GUIDANCE FROM THE OFFICE OF THE BUDGET AND ADJUSTED IN
15 ACCORDANCE WITH THE PRIOR YEAR'S COST OF LIVING. ALL LOANS SHALL
16 COVER ONLY THAT PORTION OF LOSS NOT COVERED BY INSURANCE. LOANS
17 TO BUSINESSES AND RESIDENTIAL LOANS SHALL BE EXTENDED TO
18 INCORPORATE EXISTING DEBT ON THE REAL PROPERTY AND CONTENTS.

19 SECTION 505. BUSINESS AND MUNICIPAL LOANS.

20 (A) BUSINESS LOANS.--

21 (1) LOANS TO BUSINESSES AND MUNICIPALITIES SHALL BE FOR
22 A TERM OF NO MORE THAN 15 YEARS, EXCEPT WHERE THE TERM IS
23 EXTENDED BY HARDSHIP SUSPENSIONS OF PAYMENTS. BUSINESS LOANS
24 SHALL BE SECURED BY A MORTGAGE ON REAL PROPERTY OF THE
25 BUSINESS OR OTHER SUITABLE COLLATERAL.

26 (2) BUSINESS LOANS MAY BE USED TO REPAIR OR REPLACE ALL
27 OF THE FOLLOWING WHEN LOST OR SERIOUSLY DAMAGED DUE TO A
28 SMALL DISASTER:

29 (I) FIXED EQUIPMENT.

30 (II) MAJOR MOVEABLE EQUIPMENT.

1 (III) FURNISHINGS.

2 (IV) REAL PROPERTY.

3 (V) LEASEHOLD IMPROVEMENTS.

4 (VI) INVENTORY, IF IT CAN BE SHOWN THAT AN INSURANCE
5 POLICY AT A REASONABLE PREMIUM IN RELATION TO VALUE WAS
6 NOT AVAILABLE TO REPLACE THE INVENTORY.

7 (3) AT THE DISCRETION OF THE DEPARTMENT OF COMMUNITY AND
8 ECONOMIC DEVELOPMENT, INDIVIDUAL BUSINESS LOANS MAY BE
9 INCREASED UP TO 150% OF ELIGIBLE REPAIR OR REPLACEMENT COSTS
10 TO ASSIST IN BUSINESS RETENTION AND RECOVERY. THE SUM OF ALL
11 BUSINESS LOANS MAY NOT EXCEED MORE THAN ONE-HALF OF ALL FUNDS
12 AVAILABLE FOR EXPENDITURE IN THE PENNCRISIS FUND IN ANY
13 FISCAL YEAR.

14 (B) MUNICIPAL LOANS.--MUNICIPAL AND COUNTY LOANS MAY BE USED
15 FOR REPAIRING OR REPLACING ALL OF THE FOLLOWING WHEN LOST OR
16 SERIOUSLY DAMAGED DUE TO A SMALL DISASTER:

17 (1) BUILDINGS.

18 (2) MAJOR EQUIPMENT OTHER THAN VEHICLES, PLOWS, BACKHOES
19 AND SIMILAR GASOLINE OR DIESEL POWERED MOBILE MACHINERY.

20 (3) OFFICE MACHINES.

21 (4) STREETS.

22 (5) WATER AND SEWER LINES.

23 (6) RECREATIONAL FACILITIES.

24 SECTION 506. RESIDENTIAL LOANS.

25 (A) GENERAL RULE.--RESIDENTIAL LOANS MAY BE MADE ONLY FOR
26 THE REPLACEMENT OR REPAIR OF THE STRUCTURE OF A PRIMARY
27 RESIDENCE AND MUST BE SECURED BY A MORTGAGE ON THE REAL PROPERTY
28 THAT IS THE SUBJECT OF THE LOAN. TENANTS WHO HAVE BEEN FORCED
29 FROM A PRIMARY RENTAL RESIDENCE BY A SMALL DISASTER ARE ELIGIBLE
30 FOR LOANS TO PURCHASE A HOME APPROXIMATELY EQUIVALENT TO THEIR

1 PRIOR RESIDENCE IN SIZE BUT NO SMALLER THAN 400 SQUARE FEET PER
2 INDIVIDUAL OF INTERIOR LIVING SPACE.

3 (B) EXCEPTION.--REPAIRS TO LANDSCAPING, PONDS, POOLS AND
4 OUTBUILDINGS ARE NOT ELIGIBLE FOR PENNCRISIS FUNDING, EXCEPT TO
5 RESPOND TO SERIOUS HAZARDS RESULTING FROM SMALL DISASTER DAMAGE.
6 SECTION 507. GRANTS TO SMALL DISASTER VICTIMS.

7 (A) RESIDENTIAL GRANTS.--

8 (1) PERSONS, INCLUDING TENANTS, WHO HAVE LOST CLOTHING,
9 FURNITURE, APPLIANCES, FURNACES, HOT WATER HEATERS OR OTHER
10 CONTENTS OF THEIR PRIMARY RESIDENCES AS THE RESULT OF A SMALL
11 DISASTER SHALL BE ELIGIBLE FOR GRANTS NOT TO EXCEED \$7,500
12 PER PERSON IN MULTIPERSON HOUSEHOLDS AND NOT TO EXCEED
13 \$15,000 FOR SINGLE PERSONS. THE TOTAL AMOUNT OF A SINGLE
14 GRANT SHALL NOT EXCEED \$25,000.

15 (2) PERSONS WITH DOCUMENTABLE LOSSES ABOVE THE
16 THRESHOLDS ESTABLISHED UNDER PARAGRAPH (1) SHALL BE ELIGIBLE
17 FOR LOW-INTEREST LOANS UNDER THE TERMS AND CONDITIONS
18 PRESCRIBED FOR REAL PROPERTY IN SECTION 506, EXCEPT THAT
19 CONTENTS LOANS SHALL NOT BE COLLATERALIZED AND SHALL BEAR
20 INTEREST AT A RATE OF TWO TIMES THE ANNUAL COST OF LIVING,
21 BUT NOT TO EXCEED 7%. LOANS FOR CONTENTS UNDER THIS SECTION
22 SHALL NOT EXCEED ONE-THIRD OF THE ESTIMATED MARKET VALUE OF
23 THE RESIDENCE PRIOR TO THE SMALL DISASTER.

24 (3) PERSONAL ITEMS ELIGIBLE FOR RESIDENTIAL GRANTS AND
25 LOANS SHALL NOT INCLUDE JEWELRY OR OTHER LUXURY ITEMS OR
26 SPORTING EQUIPMENT.

27 (B) BUSINESS GRANTS.--NONPROFIT ORGANIZATIONS AND SMALL
28 BUSINESSES WITH FEWER THAN 15 FULL-TIME EQUIVALENT EMPLOYEES MAY
29 BE ELIGIBLE FOR GRANTS TO COVER LOSS OR DAMAGE FROM A SMALL
30 DISASTER TO FURNISHINGS, OFFICE EQUIPMENT AND NONINVENTORY

1 SUPPLIES. GRANTS UNDER THIS SUBSECTION SHALL NOT EXCEED \$25,000.
2 SECTION 508. SMALL DISASTER MITIGATION LOANS AND GRANTS.

3 (A) GENERAL RULE.--MUNICIPALITIES AFFECTED BY A SMALL
4 DISASTER MAY APPLY FOR LOANS AND GRANTS TO RECTIFY CONDITIONS OR
5 INADEQUATE PUBLIC FACILITIES THAT LED DIRECTLY TO THE SMALL
6 DISASTER OR CONTRIBUTED SUBSTANTIALLY TO ITS OCCURRENCE OR THE
7 INABILITY OF LOCAL OFFICIALS TO BRING THE DAMAGE UNDER CONTROL.
8 SUBJECTS OF SUCH ASSISTANCE SHALL INCLUDE, BUT ARE NOT LIMITED
9 TO, THE FOLLOWING:

10 (1) MISSING OR INADEQUATE STORM SEWERS OR OTHER WATER
11 MANAGEMENT STRUCTURES, INCLUDING WORK WITHIN STREAM CHANNELS.

12 (2) INADEQUATE FIRE HYDRANTS OR RELATED WATER LINES.

13 (3) WATERSHED PLANS.

14 (4) ENGINEERING STUDIES AND DESIGNS NECESSARY TO EFFECT
15 MITIGATION IMPROVEMENTS.

16 (B) LIMITATION.--SMALL DISASTER MITIGATION ASSISTANCE MAY BE
17 USED ONLY FOR MUNICIPALLY OWNED OR CONTROLLED IMPROVEMENTS.
18 FIREFIGHTING APPARATUS AND OTHER EMERGENCY SERVICES EQUIPMENT
19 AND VEHICLES, INCLUDING TRUCKS, TANKERS AND OTHER VEHICLES, ARE
20 NOT ELIGIBLE FOR MITIGATION ASSISTANCE.

21 (C) CHRONIC FLOODING.--THE COORDINATING AGENCY MAY CONSULT
22 WITH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION TO IDENTIFY
23 AREAS OF CHRONIC FLOODING THAT RESULT IN FREQUENT DAMAGE TO
24 COMMUNITIES BUT WHICH DO NOT RISE TO THE LEVEL OF A SMALL
25 DISASTER. THE COORDINATING AGENCY, IN CONJUNCTION WITH THE
26 DEPARTMENT OF ENVIRONMENTAL PROTECTION, MAY USE UP TO 25% OF THE
27 PENNCRISIS FUND ANNUAL REVENUE, EXCLUSIVE OF CARRYOVER RESERVES,
28 TO PROVIDE GRANTS AND LOANS TO MUNICIPALITIES TO CORRECT SUCH
29 CONDITIONS. ASSISTANCE SHALL FOLLOW THE FORMULA SET FORTH IN
30 SUBSECTION (E).

1 (D) HAZARD MITIGATION.--HAZARD MITIGATION LOANS AND GRANTS
2 SHALL BE SUBJECT TO THE FOLLOWING:

3 (1) GRANTS FOR HAZARD MITIGATION WORK SHALL BE NO MORE
4 THAN \$5,000,000 PER EVENT.

5 (2) LOW-INTEREST LOANS SHALL BE AVAILABLE FOR THE
6 BALANCE OF PROJECT WORK NOT COVERED BY A MITIGATION GRANT.

7 (3) HAZARD MITIGATION LOANS SHALL BEAR INTEREST AT A
8 RATE FIXED AT THE CURRENT YEAR'S COST OF LIVING AND SHALL BE
9 FOR A TERM OF 20 YEARS.

10 (E) FORMULA.--GRANTS AND LOANS SHALL BE AWARDED ON THE
11 FOLLOWING FORMULA:

12 (1) MUNICIPALITIES WITH MEDIAN PER CAPITA PERSONAL
13 INCOME GREATER THAN 20% ABOVE THE STATE MEDIAN PER CAPITA
14 PERSONAL INCOME FOR THE PRECEDING YEAR SHALL BE ELIGIBLE FOR
15 A MITIGATION GRANT OF 50% OF TOTAL PROJECT COSTS.

16 (2) MUNICIPALITIES WITH MEDIAN PER CAPITA PERSONAL
17 INCOME OF BETWEEN 20% LESS THAN AND 20% GREATER THAN THE
18 STATE MEDIAN PER CAPITA PERSONAL INCOME FOR THE PRECEDING
19 YEAR SHALL BE ELIGIBLE FOR A MITIGATION GRANT OF 60% OF TOTAL
20 PROJECT COST.

21 (3) MUNICIPALITIES WITH MEDIAN PER CAPITA PERSONAL
22 INCOME MORE THAN 20% LESS THAN THE STATE MEDIAN PER CAPITA
23 PERSONAL INCOME FOR THE PRECEDING YEAR SHALL BE ELIGIBLE FOR
24 A MITIGATION GRANT OF 70% OF TOTAL PROJECT COST.

25 SECTION 509. THE PENNCRISIS FUND.

26 THERE IS ESTABLISHED UNDER THE JURISDICTION OF THE AGENCY A
27 FUND TO BE CALLED THE PENNCRISIS FUND.

28 (1) BEGINNING WITH SURPLUS REVENUES RECEIVED DURING THE
29 1999-2000 FISCAL YEAR, REVENUE FOR THE PENNCRISIS FUND SHALL
30 BE GENERATED BY RESERVING 20% OF EACH YEAR'S SURPLUS REVENUES

1 TO THE COMMONWEALTH GENERATED BY ALL TAXES AND FEES DEPOSITED
2 INTO THE GENERAL FUND.

3 (2) IN A FISCAL YEAR, THE BALANCE OF THE PENNCRISIS FUND
4 SHALL NOT EXCEED \$100,000,000; AND THE SUM AVAILABLE FOR
5 EXPENDITURE SHALL NOT EXCEED \$50,000,000.

6 (3) REVENUE SHALL BE PLACED INTO A DEDICATED FUND
7 RESERVED FOR THE PROGRAMS AUTHORIZED UNDER THE PENNCRISIS
8 FUND. DEPOSITS INTO THE FUND SHALL NOT LAPSE BUT BE CARRIED
9 FORWARD FROM YEAR TO YEAR. UP TO ONE-HALF OF FUNDS ON RESERVE
10 AND TO BE EARNED BY THE END OF ANY FISCAL YEAR MAY BE USED TO
11 PAY THE COMMONWEALTH'S MATCHING SHARE FOR ANY MAJOR DISASTER
12 DECLARED ELIGIBLE FOR FEDERAL ASSISTANCE BY THE PRESIDENT OF
13 THE UNITED STATES. THE NEED FOR FEDERAL MATCHING FUNDS FOR
14 ANY SPECIFIC MAJOR DISASTER EVENT MAY NOT ENCUMBER PENNCRISIS
15 REVENUES IN YEARS BEYOND THE YEAR OF THE MAJOR EVENT.

16 SECTION 510. TRAINING, ADMINISTRATION AND OPERATIONS.

17 (A) SPECIALIZED STAFF.--THE AGENCY AND EACH ADMINISTERING
18 AGENCY UNDER SECTION 503 SHALL RECRUIT, TRAIN AND DEVELOP STAFF
19 SPECIALIZING IN SMALL DISASTER ASSISTANCE IN THEIR RESPECTIVE
20 PROGRAM AREAS. THE STAFF SECTIONS SHALL BE DEPLOYED BY EACH
21 ADMINISTERING AGENCY IN RESPONSE TO A DECLARED SMALL DISASTER,
22 AS DIRECTED BY THE AGENCY. THESE PERSONNEL SHALL ALSO BE
23 AVAILABLE TO THE AGENCY AT THE DIRECTION OF THE GOVERNOR TO
24 RESPOND TO ANY MAJOR DISASTER IN THIS COMMONWEALTH.

25 (B) FUNDING FOR STAFF.--THE AGENCY AND EACH ADMINISTERING
26 AGENCY SHALL RECEIVE \$1,000,000 ANNUALLY, OR AS MUCH THEREOF AS
27 IS NECESSARY, FROM THE PENNCRISIS FUND TO CREATE A PERMANENTLY
28 STAFFED SMALL DISASTER RESPONSE TEAM. WHEN EACH AGENCY'S SMALL
29 DISASTER RESPONSE TEAM IS DEPLOYED ON ASSIGNMENT, THE
30 COORDINATING AGENCY SHALL REIMBURSE THE AGENCY FROM THE

1 PENNCRISIS FUND FOR STANDARD AND NECESSARY TRAVEL AND LIVING
2 COSTS FOR EACH TEAM DEPLOYED TO THE SMALL DISASTER. EXPENDITURES
3 UNDER THIS CATEGORY SHALL NOT EXCEED 10% OF THE REVENUE RECEIVED
4 BY THE PENNCRISIS FUND IN A FISCAL YEAR.

5 (C) AUTHORITY TO APPROVE EXPENDITURES.--IN RESPONSE TO ANY
6 SMALL DISASTER, THE AGENCY SHALL HAVE FINAL AUTHORITY TO APPROVE
7 EXPENDITURES OF PENNCRISIS FUNDS FOR ANY ADDITIONAL PURPOSES IT
8 DEEMS NECESSARY TO SMALL DISASTER RECOVERY UNLESS THE USES ARE
9 NOT SPECIFICALLY PROHIBITED BY THIS CHAPTER.

10 CHAPTER 51

11 MISCELLANEOUS PROVISIONS

12 ~~Section 8. Appropriation.~~ <—

13 ~~(a) General. The sum of \$160,000,000~~

14 SECTION 5101. APPROPRIATIONS. <—

15 (A) GENERAL.--

16 (1) THE SUM OF \$163,000,000 is appropriated to the
17 Emergency Drought Relief Fund. The money in the fund is
18 continuously appropriated to the fund to carry out the
19 purposes of ~~this act~~ CHAPTER 3. This appropriation shall not <—
20 lapse at the end of any fiscal year.

21 (2) THE SUM OF \$10,000,000, OR AS MUCH THEREOF AS MAY BE <—
22 NECESSARY, IS HEREBY APPROPRIATED TO THE PENNCRISIS FUND FOR
23 THE FISCAL YEAR JULY 1, 1999, TO JUNE 30, 2000, TO CARRY OUT
24 THE PROVISIONS OF CHAPTER 5.

25 (b) Specific.--The appropriation UNDER SUBSECTION (A)(1) <—
26 shall be divided in the following manner:

27 (1) Up to \$100,000,000 may be used for the purposes of
28 section ~~7(a)~~ 306(A). <—

29 (2) Up to \$1,000,000 may be used for the purposes of
30 section ~~7(b)~~ 306(B). <—

1 (3) Up to \$5,000,000 may be used for the purposes of
2 section 7(e) 306(C). <—

3 (4) Up to \$50,000,000 may be used for the purposes of
4 section 7(d) 306(D). <—

5 (5) Up to \$4,000,000 may be used for the purposes of
6 section 7(e). 306(E). <—

7 (6) UP TO \$3,000,000 MAY BE USED FOR THE PURPOSES OF
8 SECTION 306(F).

9 ~~Section 9. Effective date.~~ <—

10 ~~This act shall take effect immediately.~~

11 SECTION 5102. EFFECTIVE DATE. <—

12 THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

13 (1) CHAPTER 5 SHALL TAKE EFFECT IN 60 DAYS.

14 (2) THE REMAINDER OF THIS ACT SHALL TAKE IMMEDIATELY.