
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 781

Session of
2003

INTRODUCED BY SEMMEL, McGEEHAN, TIGUE, SATHER, YOUNGBLOOD,
ALLEN, BAKER, BARD, BARRAR, BROWNE, CAWLEY, CIVERA, CORRIGAN,
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S. MILLER, REICHLEY, RUBLEY, SAINATO, SAYLOR, SOLOBAY,
WASHINGTON AND YUDICHAK, MARCH 10, 2003

AS REPORTED FROM COMMITTEE ON LABOR RELATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, SEPTEMBER 29, 2003

AN ACT

1 Providing for a loan program to assist colleges to install
2 automatic fire suppression systems in student residences.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Student
7 Residence Automatic Fire Suppression System Installation Loan
8 Program.

9 Section 2. Definitions.

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

13 "Automatic fire suppression system." An engineered system
14 using carbon dioxide, foam, wet or dry chemical, a halogenated
15 extinguishing agent, a clean extinguishing agent or an automatic

1 sprinkler system to detect and suppress a fire through fixed
2 piping and nozzles.

3 "College." A nonprofit educational institution situated
4 within this Commonwealth which is empowered to provide a program
5 of education beyond the high school level, which by virtue of
6 governing law and regulation is recognized by the State Board of
7 Education and which places no restrictions upon the admission of
8 students based upon race, creed or color.

9 "Department." The Department of ~~Labor and Industry~~ COMMUNITY ←
10 AND ECONOMIC DEVELOPMENT of the Commonwealth.

11 "Student residence." A building not owned by a college which
12 is utilized as a residence by five or more students who attend
13 college, which is not required by State law to have an automatic
14 fire suppression system installed.

15 Section 3. Automatic fire suppression system loan program.

16 (a) Program.--The department shall establish and administer
17 a loan program utilizing moneys from the Sprinkler Loan Fund for
18 the purpose of providing low-interest loans to owners of student
19 residences to install automatic fire suppression systems. Loans
20 under this program shall only be utilized to fund the
21 installation of automatic fire suppression systems in
22 preexisting buildings.

23 (b) Terms and conditions.--

24 (1) The loan shall be subject to an interest rate of 2%
25 per annum.

26 (2) The loan shall be repaid within 15 years of the date
27 of the loan.

28 (3) Any other terms and conditions as promulgated by the
29 department.

30 (c) Application.--The department shall develop an

1 application for loans from the fund. No loan shall be approved
2 by the department unless the applicant seeking the loan has
3 completed the terms and conditions required by the department.

4 Section 4. Sprinkler Loan Fund.

5 (a) Establishment.--The Sprinkler Loan Fund is established
6 as a separate fund in the State Treasury.

7 (b) Sources.--The following are sources of revenue for this
8 fund:

9 (1) Appropriations from the General Assembly.

10 (2) Revenues generated from the tax imposed under
11 section 5.

12 (c) Purpose.--The following are the purposes of the fund:

13 (1) To fund the automatic fire suppression loan program
14 under section 3.

15 (2) To fund the department's administrative cost to
16 implement this act.

17 (d) Continuing appropriation.--The money in the fund is
18 continuously appropriated to the fund. This appropriation shall
19 not lapse at the end of any fiscal year.

20 (e) Administration.--The department shall administer the
21 fund. The department shall manage the moneys in the fund in a
22 manner that ensures that approval for loans under section 3
23 gives priority to applicants who are owners of student
24 residences in municipalities which have enacted ordinances
25 requiring installation of automatic fire suppression
26 installation stricter than what is required under the act of
27 November 10, 1999 (P.L.491, No.45), known as the Pennsylvania
28 Construction Code Act.

29 Section 5. Additional cigarette tax imposed.

30 (a) Construction.--The tax imposed by this section shall be

1 in addition to any tax imposed by the Commonwealth pursuant to
2 Article XII of the act of March 4, 1971 (P.L.6, No.2), known as
3 the Tax Reform Code of 1971. The provisions of Article XII of
4 the Tax Reform Code of 1971 shall apply to the tax imposed by
5 this act.

6 (b) Cigarette tax.--There is hereby imposed and assessed an
7 excise tax upon the sale or possession of cigarettes as the
8 terms are defined in Article XII of the Tax Reform Code of 1971.
9 The tax shall be collected and shall be paid over to the
10 Commonwealth as provided in Article XII of the Tax Reform Code
11 of 1971.

12 (c) Rate.--The tax imposed by subsection (b) shall be at the
13 rate of one-twentieth of a cent per cigarette.

14 (d) Deposit of tax proceeds.--The department shall deposit
15 taxes collected under this section in the Sprinkler Loan Fund
16 pursuant to section 4.

17 (e) Rules and regulations.--The rules and regulations
18 promulgated under Article XII of the Tax Reform Code of 1971,
19 shall be applicable to the tax imposed by this section.

20 Section 6. Effective date.

21 This act shall take effect as follows:

22 (1) Section 3 shall take effect January 1, 2004.

23 (2) The remainder of this act shall take effect
24 immediately.