
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1706 Session of
2013

INTRODUCED BY BAKER, DAVIS, D. COSTA, KAUFFMAN, PICKETT,
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FARRY, KORTZ, LAWRENCE, MICOZZIE, MILNE, BRADFORD, SCHLEGEL
CULVER AND STEVENSON, SEPTEMBER 25, 2013

REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY
PREPAREDNESS, SEPTEMBER 25, 2013

AN ACT

1 Amending Title 35 (Health and Safety) of the Pennsylvania
2 Consolidated Statutes, in emergency services, changing
3 implementing authority from the Pennsylvania Emergency
4 Management Agency to the Office of the State Fire
5 Commissioner; further providing for assistance to volunteer
6 fire companies, ambulance service and rescue squads and for
7 powers and duties; and making editorial changes.

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

10 Section 1. The definition of "agency" in section 7363 of
11 Title 35 of the Pennsylvania Consolidated Statutes is amended
12 and the section is amended by adding definitions to read:

13 § 7363. Definitions.

14 The following words and phrases when used in this subchapter
15 shall have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 * * *

18 ["Agency." The Pennsylvania Emergency Management Agency.]

1 * * *

2 "Commissioner." The State Fire Commissioner.

3 * * *

4 "Office." The Office of the State Fire Commissioner.

5 * * *

6 Section 2. Section 7364(a) introductory paragraph, (1), (2),
7 (3), (5), (6) and (7), (b), (e), (f), (g) and (h) of Title 35
8 are amended and the section is amended by adding a subsection to
9 read:

10 § 7364. Assistance to volunteer fire companies, ambulance
11 service and rescue squads.

12 (a) General rule.--The [agency] office is authorized, upon
13 application of any volunteer fire company, volunteer ambulance
14 service or volunteer rescue squad, to make loans for the
15 following purposes:

16 (1) Establishing or modernizing facilities that house
17 firefighting equipment, ambulance or rescue vehicles. The
18 amount of a loan for establishing or modernizing facilities
19 made to any one volunteer fire company, ambulance service or
20 rescue squad shall not exceed 50% of the total cost of the
21 facilities or modernization or [~~\$200,000~~] \$400,000, whichever
22 is less, and a notarized financial statement filed under
23 subsection (c) shall show that the applicant has available
24 20% of the total cost of the facilities in unobligated funds.
25 Proceeds of the loan shall be used only for purposes of
26 structure or land acquisition or renovation or construction
27 and shall not be used for payment of fees for design,
28 planning, preparation of applications or any other cost not
29 directly attributable to structure or land acquisition or
30 renovation or construction.

1 (2) Purchasing firefighting apparatus, ambulances or
2 rescue vehicles. The amount of a loan made for purchasing
3 firefighting apparatus to any one volunteer fire company
4 shall not exceed [\$100,000] \$300,000 for any single
5 firefighting apparatus equipment or utility or special
6 service vehicle or heavy duty rescue vehicle as defined by
7 regulation or guideline, or 50% of the total cost of the
8 equipment or vehicle, whichever is less, except for loans for
9 aerial apparatus as defined by regulation or guideline, which
10 shall not exceed [\$150,000] \$300,000. The amount of a loan
11 made to any one volunteer fire company, ambulance service or
12 rescue squad for any ambulance or light duty rescue vehicle
13 as defined by regulation or guideline shall not exceed
14 [\$50,000] \$100,000 and for a watercraft rescue vehicle shall
15 not exceed [\$15,000] \$30,000 or 50% of the cost of the
16 ambulance or rescue vehicle, whichever is less, and a
17 notarized financial statement filed under subsection (c)
18 shall show that the applicant has available 20% of the total
19 cost of the vehicle in unobligated funds.

20 (3) Purchasing protective, accessory or communication
21 equipment. No volunteer fire company, ambulance service or
22 rescue squad shall receive a loan for protective, accessory
23 or communicative equipment more than once in any five-year
24 period. Each volunteer fire company, ambulance service or
25 rescue squad may apply for a loan for a mobile and portable
26 radio unit for each existing serviceable apparatus equipment,
27 ambulance or rescue vehicle. Radio equipment obtained through
28 loans under this subchapter shall be equipped with a
29 frequency or frequencies licensed by the Federal
30 Communications Commission for firefighting or emergency

1 response purposes. A notarized financial statement shall be
2 filed and loans under this subchapter for the purchase of
3 protective, accessory or communicative equipment shall not
4 exceed [~~\$10,000~~] \$20,000.

5 * * *

6 (5) Repair or rehabilitation of apparatus equipment.
7 Where it has been determined that existing apparatus
8 equipment no longer meets the standards of the National Fire
9 Protection Association and the repair or rehabilitation of
10 such equipment will bring it in compliance with National Fire
11 Protection Association standards, loans for the repair or
12 rehabilitation for a single apparatus equipment shall be for
13 at least [~~\$1,000~~] \$2,000 but shall not exceed the lesser of
14 [~~\$35,000~~] \$70,000 or 80% of the total cost of repair or
15 rehabilitation.

16 (6) Purchasing of used firefighting apparatus,
17 equipment, used ambulances, used rescue vehicles, used
18 communications equipment, used accessory equipment or used
19 protective equipment, except that the used vehicles and
20 equipment shall meet the National Fire Protection Association
21 (NFPA) standards and loans for the purchase of a used single
22 apparatus equipment shall not exceed [~~\$60,000~~] \$120,000 or
23 80% of the total cost of the equipment, whichever is less.

24 (7) Purchasing Pennsylvania Fire Information Reporting
25 System (PennFIRS) hardware and software. A volunteer fire
26 company shall be eligible to apply one time only for a loan
27 of not more than [~~\$2,000~~] \$4,000 or 75% of the cost of such
28 acquisition, whichever is less, and with a term not exceeding
29 five years for the purpose of acquiring the hardware and
30 software necessary to participate in the Pennsylvania Fire

1 Information Reporting System. The [Office of the State Fire
2 Commissioner] office shall develop, at its discretion, such
3 procedures and forms as it may deem necessary to facilitate
4 loans for PennFIRS hardware and software. The loans shall be
5 secured as required by law.

6 * * *

7 (b) Loans.--Loans made by the [agency] office in the amount
8 of [\$15,000] \$30,000 or less shall be for a period of not more
9 than [five] ten years. Loans in excess of [\$15,000] \$30,000 but
10 [for \$50,000 or less] not in excess of \$100,000 shall be for a
11 period of not more than [ten] 15 years. The payback period of
12 any loan in excess of [\$50,000] \$100,000, except a loan for
13 establishing or modernizing facilities, shall not exceed [15] 20
14 years. The payback period for any loan in excess of [\$100,000]
15 \$200,000 for establishing or modernizing facilities shall not
16 exceed 20 years. Loans shall be subject to the payment of
17 interest at 2% per year and shall be subject to such security as
18 shall be determined by the [agency] commissioner. The total
19 amount of interest earned by the investment or reinvestment of
20 all or any part of the principal of any loan shall be returned
21 to the [agency] office and transferred to the Volunteer
22 Companies Loan Fund and shall not be credited as payment of
23 principal or interest on the loan. Except as provided in
24 subsection (a) (5) and (7), the minimum amount of any loan shall
25 be [\$5,000] \$10,000.

26 * * *

27 (e) Payment.--Loans made by the [agency] office shall be
28 paid from the Volunteer Companies Loan Fund to the volunteer
29 fire companies, ambulance services and rescue squads in
30 accordance with [rules and regulations promulgated] guidelines

1 and procedures developed by the [agency] office.

2 (f) Deposit.--All payments of interest on the loans and the
3 principal thereof shall be deposited by the [agency] office in
4 the Volunteer Companies Loan Fund.

5 (g) Eligibility.--A volunteer fire company, ambulance
6 service and rescue squad shall be eligible for a loan regardless
7 of legal ownership in whole or in part by any political
8 subdivision of any facilities or apparatus equipment used by the
9 volunteer fire company, volunteer ambulance and volunteer rescue
10 squad. Any equipment or facilities financed may be transferred
11 to a political subdivision served by the volunteer fire company,
12 volunteer ambulance service or volunteer rescue squad subject to
13 such security as shall be determined by the [agency]
14 commissioner.

15 (h) Maximum amount.--Notwithstanding any other provision of
16 this section to the contrary, the maximum amount of any loan to
17 a volunteer fire company, volunteer ambulance service and
18 volunteer rescue squad for the purchase of firefighting
19 apparatus, ambulances or rescue vehicles manufactured or
20 assembled in this Commonwealth, may exceed the loan limits set
21 forth in this section by [~~\$10,000~~] \$20,000.

22 (i) Aggregation of loans.--

23 (1) Subject to paragraph (2), a fire company, volunteer
24 rescue service or volunteer ambulance service shall not be
25 eligible for more than three loans at one time.

26 (2) If more than one fire company, volunteer rescue
27 service or volunteer ambulance services merge or consolidate
28 into a single entity, as determined by the commissioner, the
29 entity shall be eligible for not more than ten loans at one
30 time for a period of ten years from the date of the merger or

1 consolidation.

2 Section 3. Section 7365(a) and (b) of Title 35 are amended
3 to read:

4 § 7365. Volunteer Companies Loan Fund.

5 (a) General rule.--There is created a special fund in the
6 Treasury Department to be known as the Volunteer Companies Loan
7 Fund to which shall be credited all appropriations made by the
8 General Assembly other than appropriations for expenses of
9 administering this subchapter or grants from other sources to
10 the [agency] office as well as repayment of principal and
11 interest on loans made under this subchapter.

12 (b) Requisition.--Upon approval of the loan, the [agency]
13 commissioner shall routinely requisition from the Volunteer
14 Companies Loan Fund such amounts as shall be allocated by the
15 [agency] office for loans to volunteer companies. When and as
16 the amounts so allocated as loans to volunteer companies are
17 repaid pursuant to the terms of the agreements made and entered
18 into with the [agency] office, the [agency] office shall pay
19 such amounts into the Volunteer Companies Loan Fund, it being
20 the intent of this subchapter that the Volunteer Companies Loan
21 Fund shall operate as a revolving fund whereby all
22 appropriations and payments made thereto may be applied and
23 reapplied to the purposes of this subchapter.

24 * * *

25 Section 4. Section 7366 heading, (a) introductory paragraph
26 and (4), (b) introductory paragraph and (2) of Title 35 are
27 amended and subsections (a) and (b) are amended by adding
28 paragraphs to read:

29 § 7366. Powers and duties of [agency] office.

30 (a) Mandatory.--The [powers and duties of the agency shall

1 be] office has the following duties:

2 * * *

3 (3.1) To establish criteria to determine need for
4 firefighting apparatus, ambulances and rescue vehicles and to
5 establish guidelines and procedures for volunteer companies
6 to show just cause to determine that need.

7 (4) To promulgate [such rules and] regulations and
8 develop guidelines and procedures as it deems necessary to
9 carry out its powers and duties under this subchapter.

10 (b) Discretionary.--The [powers and duties of the agency may

11 be] office has the following powers:

12 * * *

13 (2) To specify priority of liens against any facilities,
14 apparatus equipment, ambulances, rescue vehicles or any
15 equipment purchased by volunteer companies using funds loaned
16 under this subchapter to pay all or any part of the purchase
17 price, as the [agency] office may require by [regulation.]
18 established guidelines and procedures. The commissioner may
19 specify the type of liens or collateral authorized as
20 security under this paragraph.

21 (3) To reject a loan application based on the criteria
22 established under subsection (a).

23 Section 5. Section 7376 of Title 35 is amended to read:

24 § 7376. Repayment obligations for principal and interest.

25 The General Assembly shall appropriate an amount equal to
26 moneys received from the [agency] office under section 7365
27 (relating to Volunteer Companies Loan Fund) and such other
28 moneys as may be necessary to meet repayment obligations for
29 principal and interest into the Volunteer Company Loan Sinking
30 Fund.

1 Section 6. The Legislative Reference Bureau shall replace
2 references to the Pennsylvania Emergency Management Agency with
3 references to the Office of the State Fire Commissioner in 4 Pa.
4 Code Ch. 113 (relating to volunteer fire company, ambulance
5 service and rescue squad assistance).

6 Section 7. This act shall take effect in 60 days.