
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2590 Session of
2018

INTRODUCED BY KAMPF, BARRAR, GODSHALL, B. O'NEILL, ROE AND
STEPHENS, AUGUST 7, 2018

REFERRED TO COMMITTEE ON COMMERCE, AUGUST 7, 2018

AN ACT

1 Establishing the Stucco Remediation Assistance Fund;
2 establishing the Eligible Homeowner Grant Program;
3 establishing the Low-Interest Loan Program; and making an
4 appropriation.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Residential
9 Homeowner's Stucco Remediation Act.

10 Section 2. Definitions.

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

14 "Department." The Department of Community and Economic
15 Development of the Commonwealth.

16 "Eligible Homeowner." An owner of a residential building
17 who:

18 (1) has incurred remediation costs that total over
19 \$1,000 to repair damage due to an improperly installed stucco

1 wall exterior; and

2 (2) has no legal redress to recover the costs under
3 paragraph (1).

4 "Fund." The Stucco Remediation Assistance Fund established
5 under section 3.

6 "Residential building." As defined in the act of November
7 10, 1999 (P.L.491, No.45), known as the Pennsylvania
8 Construction Code Act, and meets all of the following
9 requirements:

10 (1) Is less than 22 years of age.

11 (2) Is located in this Commonwealth.

12 "Stucco." Exterior cement plaster material.

13 Section 3. Stucco Remediation Assistance Fund.

14 (a) Establishment.--The Stucco Remediation Assistance Fund
15 is established as a separate account in the State Treasury. The
16 fund shall be administered by the department to:

17 (1) Provide grant awards under the Eligible Homeowner
18 Grant Program, established under section 4.

19 (2) Provide loans under the the Low-Interest Loan
20 Program, established under section 5.

21 (b) Deposit of funding sources.--All money collected and
22 appropriated under this act shall be deposited into the fund and
23 used by the department for the purposes of this act and may not
24 be considered a part of the General Fund. All interest earned
25 from the investment or deposit of money accumulated in the fund
26 shall be deposited in the fund for the same use.

27 (c) Annual report.--The department shall annually submit a
28 financial statement to the Legislative Reference Bureau for
29 publication in the Pennsylvania Bulletin.

30 Section 4. Eligible Homeowner Grant Program.

1 (a) Establishment.--The Eligible Homeowner Grant Program is
2 established and shall be administered by the department. Grants
3 provided under this program shall be used to reimburse eligible
4 homeowners.

5 (b) Award of grant.--The department may award a grant to
6 each eligible homeowner for 50% of the homeowner's remediation
7 costs to repair damage due to an improperly installed stucco
8 wall exterior, with a maximum grant award of \$50,000.

9 (c) Guidelines.--Within 60 days of the effective date of
10 this section, the department shall establish grant eligibility,
11 application and other guidelines for the administration of this
12 program. The department may consider factors that it deems
13 relevant, including the ability to maintain the money in the
14 fund in a financially sound manner.

15 Section 5. Low-Interest Loan Program.

16 (a) Establishment.--The Low-Interest Loan Program is
17 established and shall be administered by the department. Loans
18 provided under this program shall be used to reimburse eligible
19 homeowners.

20 (b) Award of loan.--The department may award a loan to
21 eligible homeowners to assist in covering expenses directly
22 associated with repairing damage from an improperly installed
23 stucco exterior wall covering.

24 (c) Loan amount.--The amount of a loan made to an eligible
25 homeowner shall be the total remediation costs incurred to
26 repair damage due to an improperly installed stucco wall
27 exterior minus the amount of any grant received under section 4,
28 with a maximum loan amount of \$50,000.

29 (d) Guidelines.--Within 60 days of the effective date of
30 this section, the department shall establish loan eligibility,

1 application, terms and conditions and other guidelines for the
2 administration of this program. The department may consider
3 factors that it deems relevant, including the current market
4 interest rates and the ability to maintain the money in the fund
5 in a financially sound manner.

6 Section 6. Appropriation.

7 The sum of \$10,000,000 is appropriated to the fund from the
8 General Fund to carry out the purposes of this act.

9 Section 7. Effective date.

10 This act shall take effect in 60 days.