

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL**No. 2590** Session of
2018

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

AS REPORTED FROM COMMITTEE ON COMMERCE, HOUSE OF
REPRESENTATIVES, AS AMENDED, SEPTEMBER 24, 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

1 \$1,000 to repair damage due to an improperly installed stucco
2 wall exterior; and

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

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

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

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

12 (2) Is located in this Commonwealth.

13 "Stucco." Exterior cement plaster material.

14 Section 3. Stucco Remediation Assistance Fund.

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

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

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

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

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

1 Section 4. Eligible Homeowner Grant Program.

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

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

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

17 Section 5. Low-Interest Loan Program.

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

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

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

1 (d) ~~Guidelines. Within 60 days of the effective date of~~ <--
2 ~~this section, the~~ REGULATIONS.--THE department shall establish <--
3 loan eligibility, application, terms and conditions and other
4 guidelines for the administration of this program THROUGH <--
5 REGULATION. The department may consider factors that it deems
6 relevant, including the current market interest rates and the
7 ability to maintain the money in the fund in a financially sound
8 manner.

9 Section 6. Appropriation.

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

12 Section 7. Effective date.

13 This act shall take effect in 60 days.