

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 908 Session of 2019

INTRODUCED BY REGAN, ARGALL, BLAKE, GORDNER, MARTIN, MENSCH, PHILLIPS-HILL, STEFANO, MASTRIANO, J. WARD, SCHWANK, PITTMAN, KILLION, BROWNE, BARTOLOTTA, K. WARD AND DINNIMAN, OCTOBER 18, 2019

AS AMENDED ON THIRD CONSIDERATION, JANUARY 27, 2020

AN ACT

1 Amending Title 35 (Health and Safety) of the Pennsylvania
2 Consolidated Statutes, in Commonwealth services, further
3 providing for scope of subchapter, for legislative findings
4 and declaration of purpose, for definitions, for assistance
5 to volunteer fire companies, ambulance service and rescue
6 squads, for Volunteer Companies Loan Fund, for powers and
7 duties of office, for disposition and use of proceeds, for
8 Volunteer Company Loan Sinking Fund and investments, for
9 repayment obligations for principal and interest, for
10 temporary financing authorization, for authorization of
11 contracts, reimbursement procedure and amount and for
12 reimbursement procedure and amount, providing for referendum
13 to expand loan assistance and for annual report and
14 distribution of information and further providing for
15 Pennsylvania Volunteer Loan Assistance Program; in volunteer
16 firefighters, further providing for definitions, for
17 statement of purpose, for funds and for audits and providing
18 for fire relief formula study; in grants to fire companies
19 and emergency medical services companies, further providing
20 for special provisions; and making editorial changes.

21 The General Assembly of the Commonwealth of Pennsylvania
22 hereby enacts as follows:

23 Section 1. The heading of Subchapter E of Title 35 of the
24 Pennsylvania Consolidated Statutes is amended to read:

SUBCHAPTER E

[VOLUNTEER FIRE COMPANY, AMBULANCE SERVICE

1 AND RESCUE SQUAD ASSISTANCE]

2 FIRE AND EMERGENCY MEDICAL SERVICES

3 LOAN ASSISTANCE PROGRAM

4 Section 2. Sections 7361 and 7362(b) of Title 35 are amended  
5 to read:

6 § 7361. Scope of subchapter.

7 This subchapter relates to [volunteer fire company, ambulance  
8 service and rescue squad assistance] fire companies and  
9 emergency medical services companies.

10 § 7362. Legislative findings and declaration of purpose.

11 \* \* \*

12 (b) Purpose.--[It is the purpose of this subchapter to  
13 implement section 5 of the act of September 25, 1975 (P.L.296,  
14 No.95), entitled "An act authorizing the indebtedness, with the  
15 approval of the electors, of ten million dollars for loans to  
16 volunteer fire companies, volunteer ambulance services and  
17 volunteer rescue squads for the purpose of establishing or  
18 modernizing facilities to house fire fighting apparatus  
19 equipment, ambulances, and rescue vehicles, and for purchasing  
20 new fire fighting apparatus equipment, ambulances, and rescue  
21 vehicles, protective and communications equipment, and any other  
22 accessory equipment necessary for the proper performance of such  
23 organizations' duties," section 5 of the act of June 30, 1981  
24 (P.L.138, No.44), entitled "An act authorizing the indebtedness,  
25 with the approval of the electors, of \$15,000,000 for loans to  
26 volunteer fire companies, volunteer ambulance services and  
27 volunteer rescue squads for the purpose of establishing or  
28 modernizing facilities to house firefighting apparatus  
29 equipment, ambulances, and rescue vehicles, and for purchasing  
30 firefighting apparatus equipment, ambulances, and rescue

1 vehicles, protective and communications equipment, and any other  
2 accessory equipment necessary for the proper performance of such  
3 organizations' duties," and section 7378.1(5) (relating to  
4 referendum for additional indebtedness), as well as to implement  
5 in part section 31.3 of the act of June 29, 2002 (P.L.559,  
6 No.89), entitled "An act amending the act of March 4, 1971  
7 (P.L.6, No.2), entitled 'An act relating to tax reform and State  
8 taxation by codifying and enumerating certain subjects of  
9 taxation and imposing taxes thereon; providing procedures for  
10 the payment, collection, administration and enforcement thereof;  
11 providing for tax credits in certain cases; conferring powers  
12 and imposing duties upon the Department of Revenue, certain  
13 employers, fiduciaries, individuals, persons, corporations and  
14 other entities; prescribing crimes, offenses and penalties,'  
15 further providing, in sales and use tax, for definitions, for  
16 imposition, for exclusions, for licenses, for collection, for  
17 bulk and auction sales and for crimes; providing, in local tax  
18 situs, for situs of mobile telecommunications services; further  
19 providing, in personal income tax, for definitions, for classes  
20 of income, for special tax provisions for poverty, for  
21 contributions, for bulk and auction sales and transfers; in  
22 corporate net income tax, for definitions, for imposition and  
23 for interest in unincorporated entities; and in capital stock  
24 and franchise tax, for definitions, for imposition, for deposit  
25 of proceeds, for interest in unincorporated entities and for  
26 applicability and expiration; establishing revenue-neutral  
27 reconciliation in utilities gross receipts tax; providing, in  
28 public utility realty tax and for surcharge; further providing,  
29 in realty transfer tax, for furnishing stamps; in cigarette tax,  
30 for incidence and rate, for floor tax, for commissions on sales

1 and for disposition of certain funds; in research and  
2 development tax credit, for time limitations and for  
3 termination; in inheritance tax, for definitions, for transfers  
4 not subject to tax and for estate tax and for estate tax  
5 returns; providing for immediate assessment, settlement or  
6 collection and for depreciation of certain property in cities of  
7 the first class; and making repeals," by providing for loans to  
8 volunteer fire, ambulance and rescue companies to protect the  
9 lives and property of the citizens of this Commonwealth pursuant  
10 to and to execute the above favorable referenda in subsection  
11 (a).] The General Assembly has determined that [volunteer] fire  
12 companies and emergency medical services companies are most in  
13 need of loans [and therefore intends that, to the extent  
14 possible, a significant portion of the Volunteer Companies Loan  
15 Fund be used to provide loans to volunteer fire companies and  
16 that the balance be allocated to provide loans to volunteer  
17 ambulance and volunteer rescue companies]. The General Assembly  
18 intends that the loans provided under this subchapter be used to  
19 replace outmoded or unsafe equipment and buildings of  
20 [volunteer] fire companies and [that the loans be provided to  
21 volunteer companies which are experiencing a need for equipment  
22 or facilities] emergency medical services companies to meet an  
23 increasing demand for a higher level of service in the  
24 communities which they serve.

25 Section 3. The definition of "Volunteer Companies Loan Fund"  
26 in section 7363 of Title 35 is amended and the section is  
27 amended by adding definitions to read:

28 § 7363. Definitions.

29 The following words and phrases when used in this subchapter  
30 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 \* \* \*

3 "Emergency medical services company" or "EMS company." A  
4 career, nonprofit or volunteer emergency medical services  
5 company.

6 \* \* \*

7 "Fire company." An organization serving a municipality that  
8 employs firefighters on a full-time or part-time basis. The term  
9 includes a volunteer fire company.

10 "Fund." The Emergency Services Loan Fund established under  
11 section 7365 (relating to Emergency Services Loan Assistance  
12 Fund).

13 "Municipality." A county, city, borough, incorporated town  
14 or township.

15 \* \* \*

16 ["Volunteer Companies Loan Fund." The fund established under  
17 section 7365 (relating to Volunteer Companies Loan Fund).]

18 Section 4. Sections 7364, 7365, 7366(a)(2) and (3.1) and (b)  
19 (2), 7371, 7374, 7376, 7378(d), 7378.2 and 7378.3 of Title 35  
20 are amended to read:

21 § 7364. Assistance to [volunteer] fire companies[, ambulance  
22 service and rescue squads] and EMS companies.

23 (a) General rule.--The office is authorized, upon  
24 application of any [volunteer] fire company[, volunteer  
25 ambulance service or volunteer rescue squad] or EMS company, to  
26 make loans for the following purposes:

27 (1) Establishing or modernizing facilities that house  
28 firefighting equipment, ambulance or rescue vehicles. The  
29 amount of a loan for establishing or modernizing facilities  
30 made to any one [volunteer] fire company[, ambulance service

1 or rescue squad] or EMS company shall not exceed 50% of the  
2 total cost of the facilities or modernization or [\$400,000]  
3 500,000, whichever is less, and a notarized financial  
4 statement filed under subsection (c) shall show that the  
5 applicant has available 20% of the total cost of the  
6 facilities in unobligated funds. Proceeds of the loan shall  
7 be used only for purposes of structure or land acquisition or  
8 renovation or construction and shall not be used for payment  
9 of fees for design, planning, preparation of applications or  
10 any other cost not directly attributable to structure or land  
11 acquisition or renovation or construction.

12 (2) Purchasing firefighting apparatus, ambulances or  
13 rescue vehicles. The amount of a loan made for purchasing  
14 firefighting apparatus to any one [volunteer] fire company  
15 shall not exceed [\$200,000] \$300,000 for any single  
16 firefighting apparatus equipment or utility or special  
17 service vehicle or heavy duty rescue vehicle as defined by  
18 regulation or guideline, or 50% of the total cost of the  
19 equipment or vehicle, whichever is less, except for loans for  
20 aerial apparatus as defined by regulation or guideline, which  
21 shall not exceed [\$300,000] \$400,000. The amount of a loan  
22 made to any one [volunteer] fire company[, ambulance service  
23 or rescue squad] or EMS company for any ambulance or light  
24 duty rescue vehicle as defined by regulation or guideline  
25 shall not exceed [\$100,000] \$200,000 and for a watercraft  
26 rescue vehicle shall not exceed [\$30,000] \$40,000 or 50% of  
27 the cost of the ambulance or rescue vehicle, whichever is  
28 less, and a notarized financial statement filed under  
29 subsection (c) shall show that the applicant has available  
30 20% of the total cost of the vehicle in unobligated funds.

1           (3) Purchasing protective, accessory or communication  
2 equipment. No [volunteer] fire company[, ambulance service or  
3 rescue squad] or EMS company shall receive a loan for  
4 protective, accessory or communicative equipment more than  
5 once in any five-year period. Each [volunteer] fire company[,  
6 ambulance service or rescue squad] or EMS company may apply  
7 for a loan for a mobile and portable radio unit for each  
8 existing serviceable apparatus equipment, ambulance or rescue  
9 vehicle. Radio equipment obtained through loans under this  
10 subchapter shall be equipped with a frequency or frequencies  
11 licensed by the Federal Communications Commission for  
12 firefighting or emergency response purposes. A notarized  
13 financial statement shall be filed and loans under this  
14 subchapter for the purchase of protective, accessory or  
15 communicative equipment shall not exceed [ \$20,000 ] \$25,000.

16           (4) Refinancing debt incurred or contracts entered into  
17 after November 4, 1975, and used for the purchase of  
18 apparatus equipment or for the construction or modernization  
19 of facilities or for modification of apparatus equipment in  
20 order to comply with National Fire Protection Association  
21 standards.

22           (5) Repair or rehabilitation of apparatus equipment.  
23 Where it has been determined that existing apparatus  
24 equipment no longer meets the standards of the National Fire  
25 Protection Association and the repair or rehabilitation of  
26 such equipment will bring it in compliance with National Fire  
27 Protection Association standards, loans for the repair or  
28 rehabilitation for a single apparatus equipment shall be for  
29 at least [ \$2,000 ] \$2,500 but shall not exceed the lesser of  
30 [ \$70,000 ] \$75,000 or 80% of the total cost of repair or

1 rehabilitation.

2 (6) Purchasing of used firefighting apparatus,  
3 equipment, used ambulances, used rescue vehicles, used  
4 communications equipment, used accessory equipment or used  
5 protective equipment, except that the used vehicles and  
6 equipment shall meet the National Fire Protection Association  
7 (NFPA) standards and loans for the purchase of a used single  
8 apparatus equipment shall not exceed ~~[\$120,000]~~ \$150,000 or  
9 80% of the total cost of the equipment, whichever is less.

10 [(7) Purchasing Pennsylvania Fire Information Reporting  
11 System (PennFIRS) hardware and software. A volunteer fire  
12 company shall be eligible to apply one time only for a loan  
13 of not more than \$4,000 or 75% of the cost of such  
14 acquisition, whichever is less, and with a term not exceeding  
15 five years for the purpose of acquiring the hardware and  
16 software necessary to participate in the Pennsylvania Fire  
17 Information Reporting System. The office shall develop, at  
18 its discretion, such procedures and forms as it may deem  
19 necessary to facilitate loans for PennFIRS hardware and  
20 software. The loans shall be secured as required by law.]

21 (a.1) Limitation.--Loans under this subchapter may be made  
22 for any of the purposes of subsection (a) undertaken by a  
23 [volunteer] fire company[, volunteer ambulance service and  
24 volunteer rescue squad] or EMS company on or after November 4,  
25 1975.

26 (b) Loans.--Loans made by the office in the amount of  
27 ~~[\$30,000]~~ \$50,000 or less shall be for a period of not more than  
28 ten years. Loans in excess of ~~[\$30,000]~~ \$50,000 but not in  
29 excess of ~~\$100,000 shall be for a period of not more than 15~~ <--  
30 ~~years. The payback period of any loan in excess of~~ ~~[\$100,000]~~

1 ~~\$500,000, except a loan for establishing or modernizing~~  
2 ~~facilities, shall not exceed 20 years. The payback period for~~  
3 ~~any loan in excess of [\$200,000] \$500,000 for establishing or~~  
4 ~~modernizing facilities shall not exceed 20 years. [\$100,000] <--~~  
5 \$300,000 SHALL BE FOR A PERIOD OF NOT MORE THAN 15 YEARS. THE  
6 PAYBACK PERIOD OF ANY LOAN IN EXCESS OF [\$100,000, EXCEPT A LOAN  
7 FOR ESTABLISHING OR MODERNIZING FACILITIES,] \$300,000 SHALL NOT  
8 EXCEED 20 YEARS. [THE PAYBACK PERIOD FOR ANY LOAN IN EXCESS OF  
9 \$200,000 FOR ESTABLISHING OR MODERNIZING FACILITIES SHALL NOT  
10 EXCEED 20 YEARS.] Loans shall be subject to the payment of  
11 interest at 2% per year and shall be subject to such security as  
12 shall be determined by the commissioner. The total amount of  
13 interest earned by the investment or reinvestment of all or any  
14 part of the principal of any loan shall be returned to the  
15 office and transferred to the [Volunteer Companies Loan Fund]  
16 Emergency Services Loan Fund and shall not be credited as  
17 payment of principal or interest on the loan. Except as provided  
18 in subsection (a) (5) and (7), the minimum amount of any loan  
19 shall be [\$10,000] \$25,000.

20 (b.1) Inflation adjustment.--Beginning one year after the  
21 effective date of this subsection and annually thereafter, all  
22 loan limits under this section shall increase at the rate of  
23 inflation as outlined in the Consumer Price Index for All Urban  
24 Consumers in the Northeast Region FOR THE PHILADELPHIA-CAMDEN- <--  
25 WILMINGTON, PA-NJ-DE-MD AREA for the most recent 12-month period  
26 for which the figures have been reported by the United States  
27 Department of Labor, Bureau of Labor Statistics. If the rate of  
28 inflation does not increase, all loan limits shall remain the  
29 same as they were for the previous year. The office shall  
30 transmit notice of loan limit increases to the Legislative

1 Reference Bureau for publication in the Pennsylvania Bulletin.

2 (c) Applications.--Every application for a loan shall be  
3 accompanied by a notarized financial statement of the  
4 [volunteer] fire company[, ambulance service or rescue squad] or  
5 EMS company and a financial plan to show the amount of assets  
6 and projected revenues for the repayment of the loan, any other  
7 obligations of the [volunteer] fire company or EMS company and  
8 operating expenses over the period of the loan. Every  
9 application shall be accompanied by evidence sufficient to show  
10 that all costs except the amount of the loan have been obtained  
11 by assets of the [volunteer] fire company or EMS company and  
12 other loans or sources of revenue. If a [volunteer] fire  
13 company[, ambulance service or rescue squad] or EMS company is  
14 unable to meet the 20% requirement of subsection (a), then a  
15 political subdivision which is served by the [volunteer] fire  
16 company or EMS company may pledge its credit in the amount of  
17 funds necessary to satisfy the 20% requirement and, if it does  
18 so, shall cosign the application submitted by the [volunteer]  
19 fire company or EMS company.

20 (c.1) Application review committee.--The office shall  
21 establish an application review committee to review loan  
22 applications and recommendations on loan applications under this  
23 section. The application review committee shall regularly meet  
24 at least quarterly to review loan applications and make  
25 recommendations on loan applications to the office. The  
26 application review committee shall be chaired by the  
27 commissioner or the commissioner's designee and include the  
28 following members:

29 (1) The chair of the Veterans Affairs and Emergency  
30 Preparedness Committee of the Senate or the chair's designee.

1           (2) The minority chair of the Veterans Affairs and  
2 Emergency Preparedness Committee of the Senate or the  
3 minority chair's designee.

4           (3) The chair of the Veterans Affairs and Emergency  
5 Preparedness Committee of the House of Representatives or  
6 the chair's designee.

7           (4) The minority chair of the Veterans Affairs and  
8 Emergency Preparedness Committee OF THE HOUSE OF           <--  
9 REPRESENTATIVES or the minority chair's designee.

10           (5) The director of the Bureau of Emergency Services in  
11 the Department of Health of the Commonwealth or the  
12 director's designee.

13           (6) A representative of the Pennsylvania Fire and  
14 Emergency Services Institute.

15           (7) A representative of the Firemans' Association of the  
16 State of Pennsylvania.

17           (8) A representative of the Ambulance Association of  
18 Pennsylvania.

19           (9) A representative of the Pennsylvania Emergency  
20 Health Services Council.

21       (d) Use.--Loans shall be used for the acquisition by  
22 [volunteer] fire companies or EMS companies of new or used  
23 apparatus equipment, new or used ambulances, new or used rescue  
24 vehicles, new or used communications equipment, new or used  
25 accessory equipment or new or used protective equipment or for  
26 the acquisition and renovation of existing structures to house  
27 firefighting equipment, ambulance or rescue vehicles or for the  
28 construction or modernization of facilities and, except as  
29 provided in subsection (a) (4), shall not be used for operating  
30 expenses or for the refinancing of renovated structures,

1 refinancing of construction or modernization of facilities,  
2 apparatus equipment, communication equipment, accessory  
3 equipment, nor, except as provided in subsection (a)(4), shall  
4 be made or used to reduce any debt or other obligations issued  
5 prior to the effective date of this subchapter.

6 (e) Payment.--Loans made by the office shall be paid from  
7 the [Volunteer Companies Loan Fund] Emergency Services Loan  
8 Assistance Fund to the [volunteer] fire companies[, ambulance  
9 services and rescue squads] and EMS companies in accordance with  
10 guidelines and procedures developed by the office.

11 (f) Deposit.--All payments of interest on the loans and the  
12 principal thereof shall be deposited by the office in the  
13 [Volunteer Companies Loan Fund] Emergency Services Loan  
14 Assistance Fund.

15 (g) Eligibility.--A [volunteer] fire company[, ambulance  
16 service and rescue squad] or EMS company shall be eligible for a  
17 loan regardless of legal ownership in whole or in part by any  
18 political subdivision of any facilities or apparatus equipment  
19 used by the [volunteer] fire company[, volunteer ambulance and  
20 volunteer rescue squad] or EMS company. Any equipment or  
21 facilities financed may be transferred to a political  
22 subdivision served by the [volunteer] fire company[, volunteer  
23 ambulance service or volunteer rescue squad] or EMS company  
24 subject to such security as shall be determined by the  
25 commissioner.

26 (h) Maximum amount.--Notwithstanding any other provision of  
27 this section to the contrary, the maximum amount of any loan to  
28 a [volunteer] fire company[, volunteer ambulance service and  
29 volunteer rescue squad] or EMS company for the purchase of  
30 firefighting apparatus, ambulances or rescue vehicles

1 manufactured or assembled in this Commonwealth, may exceed the  
2 loan limits set forth in this section by \$20,000.

3 (i) Aggregation of loans.--

4 (1) Subject to paragraph (2), a fire company[, volunteer  
5 rescue service or volunteer ambulance service] or EMS company  
6 shall not be eligible for more than three loans at one time.

7 (2) If more than one fire company[, volunteer rescue  
8 service or volunteer ambulance service] or EMS company merge  
9 or consolidate into a single entity, as determined by the  
10 commissioner, the entity shall be eligible for not more than  
11 ten loans at one time for a period of ten years from the date  
12 of the merger or consolidation.

13 § 7365. [Volunteer Companies Loan Fund] Emergency Services Loan  
14 Assistance Fund.

15 (a) General rule.--There is created a special fund in the  
16 Treasury Department to be known as the [Volunteer Companies Loan  
17 Fund] Emergency Services Loan Assistance Fund to which shall be  
18 credited all appropriations made by the General Assembly other  
19 than appropriations for expenses of administering this  
20 subchapter or grants from other sources to the office as well as  
21 repayment of principal and interest on loans made under this  
22 subchapter.

23 (b) Requisition.--Upon approval of the loan, the  
24 commissioner shall routinely requisition from the [Volunteer  
25 Companies Loan Fund] fund such amounts as shall be allocated by  
26 the office for loans to [volunteer] fire companies or EMS  
27 companies. When and as the amounts so allocated as loans to  
28 [volunteer] fire companies or EMS companies are repaid pursuant  
29 to the terms of the agreements made and entered into with the  
30 office, the office shall pay such amounts into the [Volunteer

1 [Companies Loan Fund] fund, it being the intent of this  
2 subchapter that the [Volunteer Companies Loan Fund] fund shall  
3 operate as a revolving fund whereby all appropriations and  
4 payments made thereto may be applied and reapplied to the  
5 purposes of this subchapter.

6 (c) Administration.--Each fiscal year, the State Fire  
7 Commissioner may use an amount up to \$250,000 from the  
8 [Volunteer Companies Loan Fund] fund for the administrative cost  
9 of implementing the loan program under this subchapter.

10 ~~(d) Restriction. Money in the fund shall not be transferred <--~~  
11 ~~for General Fund use by the Commonwealth.~~

12 § 7366. Powers and duties of office.

13 (a) Mandatory.--The office has the following duties:

14 \* \* \*

15 (2) To accept grants from the Federal Government and any  
16 other individual, agency or government for use in the  
17 [Volunteer Companies Loan Fund] fund.

18 \* \* \*

19 (3.1) To establish criteria to determine need for  
20 firefighting apparatus, ambulances and rescue vehicles and to  
21 establish guidelines and procedures for [volunteer] fire  
22 companies or EMS companies to show just cause to determine  
23 that need.

24 \* \* \*

25 (b) Discretionary.--The office has the following powers:

26 \* \* \*

27 (2) To specify priority of liens against any facilities,  
28 apparatus equipment, ambulances, rescue vehicles or any  
29 equipment purchased by [volunteer] fire companies using funds  
30 loaned under this subchapter to pay all or any part of the

1 purchase price, as the office may require by established  
2 guidelines and procedures. The commissioner may specify the  
3 type of liens or collateral authorized as security under this  
4 paragraph.

5 \* \* \*

6 § 7371. Disposition and use of proceeds.

7 (a) General rule.--The proceeds realized from the sale of  
8 bonds under this subchapter shall be paid into the [Volunteer  
9 Companies Loan Fund] fund and are specifically dedicated to the  
10 purposes of the referenda of November 4, 1975, November 3, 1981,  
11 November 6, 1990, and November 5, 2002, and the referendum  
12 specified under section 7378.4 (relating to referendum to expand  
13 loan assistance), as implemented by this subchapter. The moneys  
14 shall be paid by the State Treasurer periodically to those  
15 agencies or authorities authorized to expend the moneys at such  
16 times and in such amounts as may be necessary to satisfy the  
17 funding needs of the agency or authority.

18 (b) Investing.--Pending their application to the purposes  
19 authorized, moneys held or deposited by the State Treasurer may  
20 be invested or reinvested as are other funds in the custody of  
21 the State Treasurer in the manner provided by law. All earnings  
22 received from the investment or deposit of such funds shall be  
23 paid into the State treasury to the credit of the [Volunteer  
24 Companies Loan Fund] fund.

25 § 7374. [Volunteer Company Loan Sinking Fund] Emergency  
26 Services Loan Assistance Sinking Fund and  
27 investments.

28 All bonds issued under this subchapter shall be redeemed at  
29 maturity and all interest due from time to time on such bonds  
30 shall be paid from the [Volunteer Company Loan Sinking Fund]

1 Emergency Services Loan Assistance Sinking Fund, which is hereby  
2 created. For the specific purpose of redeeming bonds issued  
3 under this subchapter at maturity and paying all interest  
4 thereon in accordance with the information received from the  
5 Governor, the General Assembly shall appropriate moneys to the  
6 [Volunteer Company Loan Sinking Fund] Emergency Services Loan  
7 Assistance Sinking Fund for the payment of interest on such  
8 bonds and the principal thereof at maturity. All moneys paid  
9 into the [Volunteer Company Loan Sinking Fund] Emergency  
10 Services Loan Assistance Sinking Fund and all of such moneys not  
11 necessary to pay accruing interest shall be invested by the  
12 Board of Finance and Revenue in such securities as are provided  
13 by law for the investment of the sinking funds of the  
14 Commonwealth.

15 § 7376. Repayment obligations for principal and interest.

16 The General Assembly shall appropriate an amount equal to  
17 moneys received from the office under section 7365 (relating to  
18 [Volunteer Companies Loan Fund] Emergency Services Loan  
19 Assistance Fund) and such other moneys as may be necessary to  
20 meet repayment obligations for principal and interest into the  
21 [Volunteer Company Loan Sinking Fund] Emergency Services Loan  
22 Assistance Sinking Fund.

23 § 7378. Temporary financing authorization.

24 \* \* \*

25 (d) Proceeds.--The proceeds of all such temporary borrowings  
26 shall be paid into the [Volunteer Companies Loan Fund] fund.

27 § 7378.2. Authorization of contracts, reimbursement procedure  
28 and amount.

29 The following shall apply:

30 (1) The Secretary of General Services is authorized to

1 enter into contracts with local [volunteer fire, ambulance  
2 and rescue companies] fire companies or emergency medical  
3 services companies to provide services necessary to  
4 extinguish fires or perform any other allied services on  
5 State-owned property.

6 (2) The Secretary of Transportation is authorized to  
7 enter into contracts with local [volunteer] fire[, ambulance  
8 and rescue] companies or emergency medical services companies  
9 to provide services necessary to extinguish fires or perform  
10 any other allied services on limited access highways, other  
11 than the Pennsylvania Turnpike.

12 § 7378.3. Reimbursement procedure and amount.

13 The following shall apply:

14 (1) A contract between the Secretary of General Services  
15 or the Secretary of Transportation and a local [volunteer]  
16 fire[, ambulance and rescue] company or emergency medical  
17 services company shall provide that the Department of General  
18 Services or the Department of Transportation shall, monthly,  
19 upon receipt of proper proof, reimburse each contracted  
20 [volunteer] fire[, ambulance and rescue] company or emergency  
21 medical services company attending and providing fire control  
22 or other allied services on State-owned property or limited  
23 access highways, as the case may be, a minimum amount of \$50  
24 for each verified fire or emergency call and the cost of any  
25 special extinguishing agents utilized, which the [volunteer]  
26 fire[, ambulance and rescue] company or emergency medical  
27 services company made in the preceding month as certified by  
28 the person in charge at the particular State-owned property  
29 or by an individual or individuals designated by the  
30 Secretary of Transportation to verify services rendered on

1 limited access highways.

2 (2) A contract between the Department of General  
3 Services or the Department of Transportation and a [local  
4 volunteer ambulance or rescue] emergency medical services  
5 company shall also provide that the ambulance or rescue  
6 company request reimbursement from collectible insurance  
7 proceeds available as a result of the fire or emergency  
8 situation for which the [ambulance or rescue] emergency  
9 medical services company provided allied services. Proceeds  
10 payable to the [ambulance or rescue] emergency medical  
11 services company shall be deducted from the reimbursement for  
12 services provided pursuant to a contract entered into under  
13 this subchapter. Prior to payment for services rendered, the  
14 [local volunteer ambulance or rescue] emergency medical  
15 services company shall provide proof that they requested  
16 reimbursement from collectible insurance proceeds.

17 (3) A false alarm on State-owned property to which a  
18 [volunteer] fire[, ambulance or rescue] company or emergency  
19 medical services company responds shall constitute a fire or  
20 emergency call and shall be reimbursed at a rate set by the  
21 contract with the Secretary of General Services, but shall  
22 not be less than \$25 for each occurrence.

23 Section 5. Title 35 is amended by adding sections to read:

24 § 7378.4. Referendum to expand loan assistance.

25 (a) Referendum.--The question of expanding the use of the  
26 indebtedness authorized under sections 7367 (relating to  
27 authority to borrow) and 7378.1 (relating to referendum for  
28 additional indebtedness) for volunteer loan assistance under  
29 this subchapter to include paid fire companies and emergency  
30 medical services companies for the purpose of establishing and

1 modernizing facilities to house firefighting apparatus  
2 equipment, ambulances and rescue vehicles, protective and  
3 communications equipment and any other accessory equipment  
4 necessary for the proper performance of such organizations'  
5 duties, shall be submitted to the electorate at the next  
6 primary, municipal or general election held after November 5,  
7 2019.

8 (b) Certification.--The Secretary of the Commonwealth shall  
9 certify the question to the county boards of election.

10 (c) Question to the electorate.--The question shall be in  
11 substantially the following form:

12 Do you favor expanding the use of the indebtedness  
13 authorized under the referendum for loans to volunteer  
14 fire companies, volunteer ambulance services and  
15 volunteer rescue squads under 35 Pa.C.S. § 7378.1  
16 (relating to referendum for additional indebtedness) to  
17 include loans to fire companies that provide services  
18 through paid personnel and emergency medical services  
19 companies for the purpose of establishing and modernizing  
20 facilities to house firefighting apparatus equipment,  
21 ambulances and rescue vehicles, protective and  
22 communications equipment and any other accessory  
23 equipment necessary for the proper performance of the  
24 duties of the fire companies and emergency medical  
25 services companies?

26 (d) Election procedure.--The referendum under this section  
27 shall be conducted in accordance with the act of June 3, 1937  
28 (P.L.1333, No.320), known as the Pennsylvania Election Code,  
29 except that the time limits for advertisement of notice of the  
30 referendum may be waived as to the question.

<--

1 (e) Construction.--This section shall not be construed as  
2 authorizing any additional borrowing for loan assistance to fire  
3 companies or emergency medical services companies.

4 § 7378.5. Annual report and distribution of information.

5 (a) Annual report.--

6 (1) The office shall produce an annual report, which  
7 shall include all of the following information:

8 (i) How much money is in the fund at the beginning  
9 of each fiscal year and the balance in the fund at the  
10 end of each fiscal year.

11 (ii) How many loan applications were received by the  
12 office.

13 (iii) How many loans were issued under the program.

14 (iv) The fire companies and EMS companies to which  
15 the loans were issued by the office.

16 (v) The total amount of loans issued by the office.

17 (vi) The number and amount of loans for facilities,  
18 apparatus and equipment.

19 (2) The report shall be posted on the office's publicly  
20 accessible Internet website and sent to all of the following:

21 (i) The chair and minority chair of the Veterans  
22 Affairs and Emergency Preparedness Committee of the  
23 Senate.

24 (ii) The chair and minority chair of the Veterans  
25 Affairs and Emergency Preparedness Committee of the House  
26 of Representatives.

27 (b) Distribution.--The office shall annually distribute  
28 information on the fund to all fire companies and emergency  
29 medical services in this Commonwealth, including notice of the  
30 program and the amounts that can be borrowed under the program.

1 Section 6. Section 7385 heading, (a) and (c) of Title 35 are  
2 amended to read:

3 § 7385. Pennsylvania [Volunteer] Fire and Emergency Loan  
4 Assistance Program.

5 (a) Creation.--There shall be a loan assistance program,  
6 which shall be implemented by the commissioner, for [volunteer  
7 agencies, known as the Pennsylvania Volunteer Loan Assistance  
8 Program,] fire companies and emergency medical services  
9 companies, known as the Pennsylvania Fire and Emergency Medical  
10 Services Loan Assistance Program, which shall make loans under  
11 Subchapter E (relating to volunteer fire [company, ambulance  
12 service and rescue squad assistance). The Pennsylvania Volunteer  
13 Loan Assistance Program and the powers and duties previously  
14 vested in the Department of Community Affairs, which were  
15 transferred to the agency under Reorganization Plan No.7 of 1981  
16 (P.L.615) and which are set forth under Subchapter E, are hereby  
17 transferred to and vested in the commissioner.] companies and  
18 emergency medical services companies).

19 \* \* \*

20 [(c) Regulations.--The Volunteer Loan Assistance Program  
21 regulations found in 4 Pa. Code Ch. 113 (relating to volunteer  
22 fire company, ambulance service and rescue squad assistance) are  
23 hereby transferred to the commissioner from the agency. The  
24 commissioner shall fully implement and administer those  
25 regulations on or before January 12, 1996. The commissioner may  
26 be substituted for the agency throughout the regulations and the  
27 regulations may be renumbered and published in the Pennsylvania  
28 Bulletin as final regulations without those regulatory changes  
29 being subject to the provisions of the act of June 25, 1982  
30 (P.L.633, No.181), known as the Regulatory Review Act.]

1 Section 7. The heading of Subchapter B of Chapter 74 of  
2 Title 35 is amended to read:

3 SUBCHAPTER B  
4 Fire FIRE RELIEF ASSOCIATION <--

5 Section 8. Section 7412 of Title 35 is amended by adding  
6 definitions to read:

7 § 7412. Definitions.

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

11 "Commissioner." The State Fire Commissioner.

12 \* \* \*

13 "Length of service award program." A program established to  
14 provide tax-deferred income benefits to active volunteer members  
15 of a fire service.

16 \* \* \*

17 Section 9. Section 7413 introductory paragraph and (1) of  
18 Title 35 are amended and the section is amended by adding a  
19 paragraph to read:

20 § 7413. Statement of purpose.

21 The purpose of this subchapter is to encourage individuals to  
22 take part in the fire service as volunteer firefighters by  
23 establishing criteria and standards for orderly administration  
24 and conduct of affairs of firefighters' relief associations to  
25 ensure, as far as circumstances will reasonably permit, that  
26 funds shall be available for the assistance to and protection of  
27 volunteer firefighters and their heirs in order to provide:

28 (1) Financial assistance to volunteer firefighters who  
29 may suffer physical or mental injury or misfortune by reason  
30 of their participation in the fire service.

1 \* \* \*

2 (8) Financial assistance to recruit and retain volunteer  
3 firefighters.

4 Section 10. Section 7416(a) and (f)(13) and (14) of Title 35  
5 are amended and subsection (f) is amended by adding paragraphs  
6 to read:

7 § 7416. Funds.

8 (a) General rule.--A volunteer firefighters' relief  
9 association may solicit and receive gifts and contributions from  
10 any source, including municipal corporations, but shall not have  
11 the right to receive any portion of the money distributed to  
12 political subdivisions of this Commonwealth under Chapter 7 of  
13 the act of December 18, 1984 (P.L.1005, No.205), known as the  
14 Municipal Pension Plan Funding Standard and Recovery Act, unless  
15 and until the governing body of at least one political  
16 subdivision shall have certified to the [Auditor General]  
17 commissioner that the association is a bona fide volunteer  
18 firefighters' relief association, affiliated with a fire company  
19 which affords protection against fire to all or a portion of the  
20 political subdivision.

21 \* \* \*

22 (f) Use.--Funds of any volunteer firefighters' relief  
23 association may be spent:

24 \* \* \*

25 (13) To maintain comprehensive health, physical fitness  
26 and physical monitoring programs that provide for physical  
27 fitness activities, nutrition education and supplies and  
28 instruction and health and fitness evaluation and monitoring,  
29 provided that the programs have been approved by the nearest  
30 State-licensed health care facility which is authorized to

1 provide that service.

2 (14) To purchase exercise and fitness equipment for use  
3 by volunteer firefighters[, except that expenditures for  
4 exercise and fitness equipment shall not exceed \$2,000 in any  
5 two-year period].

6 \* \* \*

7 (18) To provide financial assistance for activities and  
8 materials needed to aid in the recruitment and retention of  
9 volunteer firefighters.

10 (19) To establish and pay for length of service award  
11 programs.

12 (20) To pay for facilities for storage of emergency  
13 vehicles, equipment, training and meetings.

14 (21) To pay for vehicles used for emergency response.

15 (22) To purchase equipment used for emergency response.

16 (23) To defray the cost of obtaining or renewing a  
17 commercial driver's licenses under 75 Pa.C.S. Ch. 16  
18 (relating to commercial drivers) for volunteer firefighters  
19 who are residents of this Commonwealth to operate fire or  
20 emergency vehicles registered to fire departments or  
21 municipalities.

22 (24) To pay for stipends to volunteer firefighters, not  
23 to exceed \$1,500 per year.

24 Section 11. Section 7418(b) of Title 35 is amended to read:

25 § 7418. Audits.

26 \* \* \*

27 (b) Findings.--If the Auditor General finds that any money  
28 received by a volunteer firefighters' relief association has  
29 been expended for a purpose other than one authorized by this  
30 subchapter, the commissioner, upon receiving notice of the

1 findings from the Auditor General, shall [immediately notify the  
2 Governor and shall] decline to approve [further requisitions  
3 calling for] payment to the volunteer firefighters' relief  
4 association until the improperly expended amount has been  
5 reimbursed to the relief association fund.

6 Section 12. Title 35 is amended by adding a section to read:  
7 § 7419.1. Fire relief formula study.

8 (a) Study.--The Fire Safety Advisory Committee shall have  
9 the following duties:

10 (1) Review and make findings and recommendations  
11 regarding the fire relief funding formula and fire relief  
12 services in this Commonwealth.

13 (2) Hold public meetings regarding the fire relief  
14 funding formula and fire relief services in different regions  
15 of this Commonwealth.

16 (3) Consult with and utilize experts to assist the  
17 committee in carrying out its duties under this section.

18 (4) Receive input from interested parties and take into  
19 consideration the diverse nature of fire services in this  
20 Commonwealth.

21 (5) Draft proposed legislation based on the committee's  
22 findings and recommendations regarding the fire relief  
23 funding formula and fire relief services.

24 (6) No later than November 30, 2020, issue a report on  
25 the committee's findings and recommendations regarding the  
26 fire relief funding formula and fire relief services to all  
27 of the following:

28 (i) The Governor.

29 (ii) The commissioner.

30 (iii) The President pro tempore of the Senate.

1           (iv) The Majority Leader and Minority Leader of the  
2           Senate.

3           (v) The Veterans Affairs and Emergency Preparedness  
4           Committee of the Senate.

5           (vi) The Speaker of the House of Representatives.

6           (vii) The Majority Leader and Minority Leader of the  
7           House of Representatives.

8           (viii) The Veterans Affairs and Emergency  
9           Preparedness Committee of the House of Representatives.

10          (b) Construction.--Nothing in this section shall be  
11          construed to authorize a fire relief funding formula to go into  
12          effect without being approved by an act of the General Assembly.

13          Section 13. Section 7842(b) of Title 35 is amended to read:  
14          § 7842. Special provisions.

15          \* \* \*

16          (b) Delinquency.--An applicant for a grant under this  
17          chapter who is delinquent in loan payments to the Pennsylvania  
18          [Volunteer Loan Assistance Program established under the act of  
19          July 15, 1976 (P.L.1036, No.208), known as the Volunteer Fire  
20          Company, Ambulance Service and Rescue Squad Assistance Act,]  
21          Fire and Emergency Medical Services Loan Assistance Program,  
22          must use its grant funds to pay any arrears to the Commonwealth  
23          or it will not be qualified to receive a grant. Any organization  
24          that fails to comply with this subsection shall be disqualified  
25          from applying to the grant program for a period of [~~three~~] five  
26          years.

27          \* \* \*

28          Section 14. This act shall take effect as follows:

29                  (1) The amendment or addition of the following shall  
30          take effect in six months:

- 1 (i) 35 Pa.C.S. Ch. 74 Subch. B heading.  
2 (ii) 35 Pa.C.S. § 7412.  
3 (iii) 35 Pa.C.S. § 7413 introductory paragraph, (1)  
4 and (8)  
5 (iv) 35 Pa.C.S. § 7416(a) and (f) (13), (14), (18),  
6 (19), (20), (21), (22), (23) and (24).  
7 (v) 35 Pa.C.S. § 7418(b).  
8 (vi) 35 Pa.C.S. § 7419.1.  
9 (2) This section shall take effect immediately.  
10 (3) The remainder of this act shall take effect in 60  
11 days.