

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1358 Session of 2020

INTRODUCED BY MARTIN, STEFANO, AUMENT, KILLION, YUDICHAK,  
 ARNOLD, J. WARD, MENSCH, SCAVELLO, ARGALL, PITTMAN, BAKER AND  
 REGAN, OCTOBER 30, 2020

REFERRED TO APPROPRIATIONS, OCTOBER 30, 2020

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled  
 2 "An act relating to the finances of the State government;  
 3 providing for cancer control, prevention and research, for  
 4 ambulatory surgical center data collection, for the Joint  
 5 Underwriting Association, for entertainment business  
 6 financial management firms, for private dam financial  
 7 assurance and for reinstatement of item vetoes; providing for  
 8 the settlement, assessment, collection, and lien of taxes,  
 9 bonus, and all other accounts due the Commonwealth, the  
 10 collection and recovery of fees and other money or property  
 11 due or belonging to the Commonwealth, or any agency thereof,  
 12 including escheated property and the proceeds of its sale,  
 13 the custody and disbursement or other disposition of funds  
 14 and securities belonging to or in the possession of the  
 15 Commonwealth, and the settlement of claims against the  
 16 Commonwealth, the resettlement of accounts and appeals to the  
 17 courts, refunds of moneys erroneously paid to the  
 18 Commonwealth, auditing the accounts of the Commonwealth and  
 19 all agencies thereof, of all public officers collecting  
 20 moneys payable to the Commonwealth, or any agency thereof,  
 21 and all receipts of appropriations from the Commonwealth,  
 22 authorizing the Commonwealth to issue tax anticipation notes  
 23 to defray current expenses, implementing the provisions of  
 24 section 7(a) of Article VIII of the Constitution of  
 25 Pennsylvania authorizing and restricting the incurring of  
 26 certain debt and imposing penalties; affecting every  
 27 department, board, commission, and officer of the State  
 28 government, every political subdivision of the State, and  
 29 certain officers of such subdivisions, every person,  
 30 association, and corporation required to pay, assess, or  
 31 collect taxes, or to make returns or reports under the laws  
 32 imposing taxes for State purposes, or to pay license fees or  
 33 other moneys to the Commonwealth, or any agency thereof,

1 every State depository and every debtor or creditor of the  
2 Commonwealth," in emergency COVID-19 response, providing for  
3 Food Service, Hospitality and Tourism Economic Emergency  
4 Grant Program and for appropriations from the account.

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

7 Section 1. The act of April 9, 1929 (P.L.343, No.176), known  
8 as The Fiscal Code, is amended by adding a section to read:

9 Section 134-C. Food Service, Hospitality and Tourism Economic  
10 Emergency Grant Program.

11 (a) Establishment of program.--The county shall establish  
12 the program as a countywide competitive grant program and may  
13 contract with a third-party entity to administer the grant  
14 program under this section.

15 (b) Use of funds.--The money appropriated to counties for  
16 COVID Relief - Food Service, Hospitality and Tourism Economic  
17 Emergency Block Grant Program shall be used to make grants under  
18 this section.

19 (c) Purpose of program.--The program shall receive  
20 applications and award grants to eligible businesses in  
21 accordance with this section.

22 (d) Application.--The county shall develop an application  
23 for eligible businesses to apply for grants under this section  
24 within 30 days of the effective date of this section. The  
25 application shall be made available and posted on the county's  
26 publicly accessible Internet website and shall be in a form that  
27 can be completed electronically or through the United States  
28 mail or other means as determined by the county.

29 (e) Application deadline.--Each county shall receive  
30 applications on a rolling basis until all grant money received  
31 by the county under section 190.3-C is exhausted, or until  
32 December 30, 2020, whichever occurs first.

1 (f) Guidelines.--The county shall establish guidelines that  
2 are consistent with the provisions of this section within 30  
3 days of the effective date of this section. The guidelines shall  
4 be posted on the county's publicly accessible Internet website.

5 (g) Eligibility.--To be considered for a grant the applicant  
6 must certify in good faith all of the following as of the date  
7 of the application, that the business:

8 (1) Is open or has a plan to reopen in the next 60 days,  
9 and does not intend to permanently cease operations within  
10 one year of the date of the application.

11 (2) Operates no more than three locations under an  
12 identical name within this Commonwealth.

13 (3) Employs no more than 150 full-time equivalent  
14 employees per business location.

15 (4) Suffered an adverse economic impact due to COVID-19,  
16 which makes this grant request necessary to support the  
17 ongoing operations of the business.

18 (5) Will use the grant in accordance with subsection  
19 (i).

20 (6) Is one of the following entities:

21 (i) A restaurant.

22 (ii) A bar.

23 (iii) A hotel.

24 (iv) A tourism-focused business.

25 (h) Award of grants.--The award of grants shall be in  
26 accordance with the following:

27 (1) The county may award a grant to an eligible business  
28 not to exceed \$10,000 but no less than \$5,000.

29 (2) The county shall award grants and make grant  
30 payments under this section no later than December 30, 2020.

1           (3) Priority in the awarding of grants shall be given to  
2 eligible applicants that:

3           (i) have not received a loan or grant issued under  
4 the authority of the Commonwealth or the Commonwealth's  
5 political subdivisions or by the Federal Government under  
6 the CARES Act;

7           (ii) were subject to closure by the proclamation of  
8 disaster emergency issued by the Governor on March 6,  
9 2020, published at 50 Pa.B. 1644 (March 21, 2020), and  
10 any renewal of the state of disaster emergency; or

11           (iii) can demonstrate one of the following:

12           (A) A loss of revenue of 50% or more for the  
13 period beginning after March 31, 2020, and ending  
14 before September 1, 2020, in comparison to the period  
15 beginning after March 31, 2019, and ending before  
16 September 1, 2019.

17           (B) If the business was not in operation in  
18 calendar year 2019, a loss of revenue of 50% or more  
19 for the period beginning after March 31, 2020, and  
20 ending before September 1, 2020, in comparison to the  
21 period beginning after January 31, 2020, and ending  
22 before April 1, 2020.

23           (i) Grant restrictions.--The following restrictions shall  
24 apply:

25           (1) Grants awarded to an eligible business shall only be  
26 used for:

27           (i) Payroll costs.

28           (ii) Payment of interest on mortgage obligation,  
29 which may not include any prepayment of or payment of  
30 principal on a covered mortgage obligation.

1           (iii) Payment on a rent obligation.

2           (iv) Payment for utilities.

3           (v) Costs incurred for training and retrofitting the  
4 business facilities to operate safely during the COVID-19  
5 pandemic.

6           (2) An eligible business that receives a grant and fails  
7 to comply with paragraph (1) shall repay the amount of the  
8 grant to the county.

9           (3) An eligible business who is awarded a grant under  
10 this section is not eligible for any additional grants under  
11 the Food Service, Hospitality and Tourism Economic Emergency  
12 Block Grant Program.

13           (4) A grant may not be awarded to a business that  
14 received funding through the COVID Relief - Statewide Small  
15 Business Assistance Program.

16           (j) Expiration.--This section shall expire after the money  
17 transferred to the county under subsection (a) has been  
18 exhausted or December 31, 2020, whichever occurs first.

19           (k) Reporting.--The following shall apply:

20           (1) A county providing grants under this section shall  
21 compile a report which shall include the following:

22           (i) A list of all grants awarded under the program.

23           (ii) The name and address of each grant recipient.

24           (iii) The amount of the grant awarded.

25           (iv) The name of the third-party contractor, if any,  
26 that processed the grant.

27           (2) The report required under paragraph (1) shall be  
28 submitted to the chairperson and minority chairperson of the  
29 Appropriations Committee of the Senate and the chairperson  
30 and minority chairperson of the Appropriations Committee of

1 the House of Representatives by January 31, 2021. The report  
2 shall also be posted and maintained on the county's publicly  
3 accessible Internet website.

4 (3) A third-party contractor processing grants on behalf  
5 of a county under this section shall provide documentation to  
6 the Department of the Auditor General, upon request, for  
7 purposes of an audit review.

8 (l) Review.--This section may not be subject to the  
9 following:

10 (1) Article II of the act of July 31, 1968 (P.L.769,  
11 No.240), known as the Commonwealth Documents Law.

12 (2) Sections 204(b) and 301(10) of the act of October  
13 15, 1980 (P.L.950, No.164), known as the Commonwealth  
14 Attorneys Act.

15 (3) The act of June 25, 1982 (P.L.633, No.181), known as  
16 the Regulatory Review Act.

17 (m) Definitions.--As used in this section, the following  
18 words and phrases shall have the meanings given to them in this  
19 subsection unless the context clearly indicates otherwise:

20 "Bar." An establishment that primarily serves alcohol for  
21 on-site consumption. The term includes a tavern or night club.

22 "COVID-19." The novel coronavirus identified in the  
23 proclamation of Disaster Emergency issued by the Governor on  
24 March 6, 2020, published at 50 Pa.B. 1644 (March 21, 2020), and  
25 any renewal of the state of disaster emergency.

26 "Department." The Department of Community and Economic  
27 Development of the Commonwealth.

28 "Eligible business." An entity meeting the requirements of  
29 subsections (g) and (i)(3) and (4).

30 "Full-time equivalent employee." The quotient obtained by

1 dividing the total number of hours for which employees were  
2 compensated for employment over the preceding 12-month period by  
3 2,080.

4 "Grant." Money awarded under the Food Service, Hospitality  
5 and Tourism Economic Emergency Block Grant Program established  
6 under this act.

7 "Hotel." A place of business within this Commonwealth having  
8 a NAICS designation from the United States Census Bureau within  
9 the Accommodation subsector (721) and where accommodation is  
10 provided for the public, with or without charge.

11 "NAICS." A classification within the North American Industry  
12 Classification System developed for use by Federal statistical  
13 agencies for the collection, analysis and publication of  
14 statistical data related to the United States economy.

15 "Program." The Food Service, Hospitality and Tourism  
16 Economic Emergency Block Grant Program established under this  
17 section.

18 "Restaurant." A place within this Commonwealth that receives  
19 a NAICS designation from the United States Census Bureau within  
20 the Food Services and Drinking Places subsector (722) and where  
21 food or drink is served to or provided for the public, with or  
22 without charge. The term does not include dining cars operated  
23 by a railroad company in interstate commerce.

24 "Tourism-focused business." A for-profit or non-profit  
25 business, government or private organization, including a  
26 convention center or amusements, as determined by the county.

27 Section 2. Article 1-C of the act is amended by adding a  
28 subarticle to read:

29 SUBARTICLE L

30 APPROPRIATIONS FROM THE ACCOUNT

1 Section 190.2-C. Definitions.

2 The following words and phrases when used in this subarticle  
3 shall have the meanings given to them in this section unless the  
4 context clearly indicates otherwise:

5 "Current fiscal year." The fiscal year beginning July 1,  
6 2020, and ending June 30, 2021.

7 "Department." The Department of Community and Economic  
8 Development of the Commonwealth.

9 Section 190.3-C. Construction with the General Appropriation  
10 Act of 2020.

11 All appropriations contained in this subarticle from the  
12 General Fund shall be in addition to any appropriation under the  
13 act of May 29, 2020 (P.L. , No.1A), known as the General  
14 Appropriation Act of 2020, and the act of May 29, 2020 (P.L. ,  
15 No.2A), known as the COVID-19 Emergency Supplement to the  
16 General Appropriation Act of 2019.

17 Section 190.4-C. Appropriations from the account.

18 (a) Federal appropriation.--To the department for the  
19 current fiscal year, \$500,000,000 of Federal amounts is  
20 appropriated from the COVID-19 Response Restricted Account for  
21 COVID Relief - Food Service, Hospitality and Tourism Economic  
22 Emergency Block Grant Program. Each county shall receive an  
23 amount equal to the population proportion as determined under  
24 paragraph (2). The following shall apply:

25 (1) The department shall distribute the funding to  
26 counties under this subsection within 10 days of the  
27 effective day of this section.

28 (2) For the purposes of this subsection, the population  
29 proportion shall be determined as follows:

30 (i) the population estimate of the county; divided

1           by

2                   (ii) the sum of the population estimates of all  
3           counties.

4           (3) For the purposes of this subsection, the population  
5           of the county shall be equal to the published estimate by the  
6           United States Census Bureau population estimates for calendar  
7           year 2019.

8           (b) (Reserved).

9           Section 3. This act shall take effect immediately.