
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1063 Session of
2021

INTRODUCED BY MALAGARI, N. NELSON, LONGIETTI, ISAACSON, HILL-
EVANS, SANCHEZ, BURGOS, GALLOWAY, SCHLOSSBERG, T. DAVIS,
D. WILLIAMS, CIRESI, MERSKI, PASHINSKI, SHUSTERMAN, STEPHENS,
DRISCOLL, DELLOSO, PARKER, FREEMAN, DAY, WEBSTER, SIMS,
WARREN, DEASY, ROZZI, PISCIOTTANO, OTTEN AND MARKOSEK,
MARCH 31, 2021

REFERRED TO COMMITTEE ON COMMERCE, MARCH 31, 2021

AN ACT

1 Establishing the Local Business COVID-19 Loan Interest Grant
2 Program and the Local Business COVID-19 Loan Interest Grant
3 Program Account; and providing for powers and duties of the
4 Department of Community and Economic Development.

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 Local
9 Business COVID-19 Loan Interest Grant Program 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 "Account." The Local Business COVID-19 Loan Interest Grant
15 Program Account established under section 5.

16 "COVID-19 disaster emergency." The proclamation of disaster
17 emergency issued by the Governor on March 6, 2020, published at

1 50 Pa.B. 1644 (March 21, 2020), and any renewal of the state of
2 disaster emergency.

3 "Department." The Department of Community and Economic
4 Development of the Commonwealth.

5 "Program." The Local Business COVID-19 Loan Interest Grant
6 Program established under section 3.

7 "Small business." A person that:

8 (1) is engaged in a for-profit enterprise;

9 (2) employs 100 or fewer individuals; and

10 (3) has been granted a loan for assistance during the
11 COVID-19 disaster emergency.

12 Section 3. Local Business COVID-19 Loan Interest Grant Program.

13 (a) Establishment.--The Local Business COVID-19 Loan
14 Interest Grant Program is established within the department for
15 the purpose of distributing grants to small businesses to
16 subsidize interest charged on loans for assistance during the
17 COVID-19 disaster emergency.

18 (b) Eligibility.--To be eligible for a grant, a small
19 business must meet all of the following:

20 (1) Have been impacted by the COVID-19 disaster
21 emergency.

22 (2) Be registered and in good standing with the
23 Department of Revenue.

24 (3) Have applied to and been approved for a loan during
25 the COVID-19 disaster emergency.

26 (c) Procedure.--The following shall apply:

27 (1) A small business shall apply for a grant under this
28 section on a form furnished by the department providing the
29 facts establishing eligibility. An application under this
30 paragraph is subject to 18 Pa.C.S. § 4904 (relating to

1 unsworn falsification to authorities).

2 (2) The department shall review the application to
3 determine eligibility.

4 (3) Within 30 days of receipt of the application, the
5 department shall make an eligibility and grant determination.

6 (d) Grants.--The following shall apply:

7 (1) The maximum grant amount to be awarded under the
8 program to a small business is \$20,000 or the aggregate
9 amount of interest charged on a loan to the small business,
10 whichever is less.

11 (2) Grant applications shall be reviewed and grants
12 approved on a first-come, first-served basis until available
13 money is exhausted.

14 Section 4. Powers and duties of department.

15 The department shall adopt guidelines to administer the
16 program.

17 Section 5. Local Business COVID-19 Loan Interest Grant Program
18 Account.

19 A restricted account is established in the State Treasury to
20 be known as the Local Business COVID-19 Loan Interest Grant
21 Program Account. Money in the account shall be used to award
22 grants under the program.

23 Section 6. Appropriation.

24 The sum of \$7,500,000, or as much as may be necessary, is
25 appropriated to the department from the Small Business First
26 Fund to carry out the purpose of this act.

27 Section 7. Termination.

28 The program and account shall terminate December 31, 2021, or
29 one year following the expiration or termination of the COVID-19
30 disaster emergency, whichever is later, and the money remaining

1 in the account shall be transferred to the Small Business First
2 Fund.

3 Section 8. Effective date.

4 This act shall take effect immediately.