

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 962 Session of 2021

INTRODUCED BY LANGERHOLC, STEFANO, ARGALL, GORDNER, MENSCH, SCHWANK AND COSTA, DECEMBER 1, 2021

SENATOR YUDICHAK, COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT, AS AMENDED, JANUARY 25, 2022

AN ACT

1 Establishing the Rural Coworking and Innovation Center Grant
2 Program; AND providing for requirements and imposing duties <--
3 on the Department of Community and Economic Development.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Rural
8 Coworking and Innovation Center Grant Program Act.

9 Section 2. Definitions.

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

13 "Coworking and innovation center." A facility designed to
14 provide individuals with the infrastructure and equipment to
15 participate in an online workforce.

16 "Department." The Department of Community and Economic
17 Development of the Commonwealth.

18 "Entity." A municipality, institution of higher education,

1 private business, a nonprofit corporation organized for
2 community development purposes under section 501(c)(3) of the
3 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1
4 et seq.) or a redevelopment authority created and organized
5 under the act of May 24, 1945 (P.L.991, No.385), known as the
6 Urban Redevelopment Law.

7 "Grant." A grant awarded as part of the Rural Coworking and
8 Innovation Center Grant Program.

9 "Grant program." The Rural Coworking and Innovation Center
10 Grant Program.

11 "INSTITUTION OF HIGHER EDUCATION." AN INDEPENDENT <--
12 INSTITUTION OF HIGHER EDUCATION, A COMMUNITY COLLEGE, A STATE-
13 RELATED INSTITUTION OR A MEMBER INSTITUTION OF THE STATE SYSTEM
14 OF HIGHER EDUCATION.

15 "Municipality." A county, city, borough, incorporated town,
16 township or home rule, optional plan or optional charter
17 municipality, municipal authority in this Commonwealth and an
18 entity formed under 53 Pa.C.S. Ch. 23 Subch. A (relating to
19 intergovernmental cooperation).

20 "Rural county." A county that is defined as rural by the
21 Center for Rural Pennsylvania according to the most recent
22 census.

23 "RURAL MUNICIPALITY." A MUNICIPALITY, LOCATED WITHIN A <--
24 NONRURAL COUNTY, THAT IS DEFINED AS RURAL BY THE CENTER FOR
25 RURAL PENNSYLVANIA, ACCORDING TO THE MOST RECENT CENSUS.

26 Section 3. The Rural Coworking and Innovation Center Grant
27 Program.

28 (a) Establishment.--The Rural Coworking and Innovation
29 Center Grant Program is established and shall be administered by
30 the department.

1 (b) Objectives.--The department may accomplish the following
2 objectives when administering the grant program:

3 (1) Construct or renovate a facility in one or more
4 rural counties OR A RURAL MUNICIPALITY to create one or more <--
5 coworking and innovation centers.

6 (2) Extend and improve utilities and broadband service
7 connections to a coworking and innovation center in a rural
8 county OR A RURAL MUNICIPALITY. <--

9 (3) Purchase equipment, furniture and security systems
10 as part of a coworking and innovation center in a rural
11 county OR A RURAL MUNICIPALITY. <--

12 Section 4. Requirements.

13 ~~(a) Regulations. The department may promulgate rules and <--~~
14 ~~regulations establishing criteria for an entity to receive a~~
15 ~~grant under this act. The rules and regulations shall include:~~

16 ~~(1) The application form for submission to the~~
17 ~~department.~~

18 ~~(2) Entities that are eligible to apply for a grant.~~

19 ~~(3) The method and formula for determining a grant~~
20 ~~award amount.~~

21 ~~(4) The reporting requirements of grant recipients.~~

22 (A) GUIDELINES.--THE DEPARTMENT MAY ISSUE GUIDELINES <--
23 ESTABLISHING CRITERIA FOR AN ENTITY TO RECEIVE A COMPETITIVE
24 GRANT UNDER THIS ACT. THE GUIDELINES SHALL INCLUDE:

25 (1) THE APPLICATION FORM FOR SUBMISSION TO THE
26 DEPARTMENT, WHICH SHALL INCLUDE A DESCRIPTION OF OTHER
27 FUNDING SOURCES AND ANY ADDITIONAL INFORMATION REQUIRED BY
28 THE DEPARTMENT.

29 (2) ENTITIES THAT ARE ELIGIBLE TO APPLY FOR A GRANT.

30 (3) THE METHOD AND FORMULA FOR DETERMINING A GRANT

1 AWARD AMOUNT.

2 (4) THE REPORTING REQUIREMENTS OF GRANT RECIPIENTS.

3 (5) ADDITIONAL INFORMATION REQUIRED BY THE DEPARTMENT.

4 (B) OPERATION.--

5 (1) THE DEPARTMENT SHALL ESTABLISH OPERATIONAL
6 GUIDELINES FOR THE EFFECTIVE USE OF COWORKING AND INNOVATION
7 CENTERS ASSISTED UNDER THIS ACT.

8 (2) THE ENTITY SHALL BE RESPONSIBLE FOR THE ONGOING
9 OPERATION AND MAINTENANCE OF THE COWORKING AND INNOVATION
10 CENTER.

11 ~~(b)~~ (C) Prioritization.--In determining the amount of a <--
12 grant award, the department may prioritize projects:

13 ~~(1) That will serve underserved communities.~~ <--

14 ~~(2)~~ (1) That demonstrate comprehensive planning by an <--
15 applicant that has limited access to financial resources,
16 including financial resources from ~~local or county~~ FEDERAL, <--
17 COUNTY OR LOCAL government.

18 ~~(3)~~ (2) That maximize economic development opportunities <--
19 in collaboration with the economic development needs or plans
20 of an educational institution, county or municipality.

21 ~~(e)~~ (D) Limitations.--A grant award may not be more than <--
22 \$500,000 and may only be awarded:

23 (1) If the grant program recipient agrees to provide a
24 combination of funds, land, buildings or in-kind work in an
25 amount equal to at least ~~25%~~ 100% of the grant award. <--

26 (2) For a grant awarded for construction or renovation
27 of a coworking and innovation center, if the center will be
28 open and offered for an individual's use for seven or more
29 years in the rural county OR RURAL MUNICIPALITY where the <--
30 center is located.

1 (3) For a grant awarded for extending or improving
2 utilities or broadband service connections to a coworking and
3 innovation center or for purchasing equipment, furniture or
4 security systems for a coworking and innovation center, if
5 the center will be open and offered for an individual's use
6 for five or more years in the rural county OR RURAL <--
7 MUNICIPALITY where the center is located.

8 ~~(d)~~ (E) Ongoing operation.--Grant money may not be awarded <--
9 for the ongoing operation or maintenance of a coworking and
10 innovation center.

11 ~~(e)~~ (F) Audit.--Grant money awarded under this act shall be <--
12 subject to audit by the department.

13 (G) FAILURE TO REMAIN OPEN.--IF A COWORKING AND INNOVATION <--
14 CENTER FAILS TO REMAIN OPEN FOR THE REQUIRED TIME OUTLINED IN
15 SUBSECTION (D) (2) AND (3), THE ENTITY SHALL RETURN THE FUNDS
16 RECEIVED TO THE DEPARTMENT IN A TIMELY MANNER.

17 Section 5. Effective date.

18 This act shall take effect in 90 days.