

No. 1978-191

AN ACT

HB 2371

Amending the act of October 5, 1972 (Sp.Sess. No.1, P.L.2019, No.4), entitled "An act implementing the provisions of clause (1) of subsection (a) of section 7 of Article VIII of the Constitution of the Commonwealth of Pennsylvania authorizing the incurring of debt for the rehabilitation of areas affected by the Great Storm and Floods of September, 1971 and June, 1972 through urban redevelopment assistance; imposing duties upon the Governor, the Auditor General and State Treasurer; prescribing the procedures for the issuance, sale and payment of general obligations bonds, the funding of debt and refunding of bonds; exempting said bonds from State and local taxation; creating certain funds; and making an appropriation," providing for the borrowing of an additional sum to rehabilitate areas affected by the Great Flood of July, 1977 and providing for the disposition and appropriation of the additional funds.

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

Section 1. The title, act of October 5, 1972 (Sp.Sess. No.1, P.L.2019, No.4), entitled "An act implementing the provisions of clause (1) of subsection (a) of section 7 of Article VIII of the Constitution of the Commonwealth of Pennsylvania authorizing the incurring of debt for the rehabilitation of areas affected by the Great Storm and Floods of September, 1971 and June, 1972 through urban redevelopment assistance; imposing duties upon the Governor, the Auditor General and State Treasurer; prescribing the procedures for the issuance, sale and payment of general obligations bonds, the funding of debt and refunding of bonds; exempting said bonds from State and local taxation; creating certain funds; and making an appropriation," is amended to read:

AN ACT

Implementing the provisions of clause (1) of subsection (a) of section 7 of Article VIII of the Constitution of the Commonwealth of Pennsylvania authorizing the incurring of debt for the rehabilitation of areas affected by the Great Storm and Floods of September, 1971 and June, 1972, **and the Great Flood of July, 1977** through urban redevelopment assistance; imposing duties upon the Governor, the Auditor General and State Treasurer; prescribing the procedures for the issuance, sale and payment of general obligations bonds, the funding of debt and refunding of bonds; exempting said bonds from State and local taxation; creating certain funds; and making an appropriation.

Section 2. Section 1 of the act, amended June 27, 1973 (P.L.88, No.38), is amended to read:

Section 1. **Borrowing of Money Authorized.**—Pursuant to the provisions of clause (1) of subsection (a) of section 7 of Article VIII of the Constitution of the Commonwealth of Pennsylvania, the Commonwealth is hereby authorized and directed to borrow, from time to time, money not exceeding in the aggregate *(i)* the sum of one hundred forty million dollars (\$140,000,000), as may be found necessary to carry out the rehabilitation of areas affected by the Great Storm and Floods of September, 1971 **[and]**, June, 1972 **and July, 1977** through urban redevelopment assistance, **and (ii) the sum of fifty million dollars (\$50,000,000) as may be found necessary to carry out the rehabilitation of areas affected by the Great Flood of July, 1977 through urban redevelopment assistance.**

Section 3. Subsection (b) of section 3 of the act is amended to read:

Section 3. **Disposition and Use of Proceeds.**—* * *

(b) The moneys in the Disaster Relief Fund are hereby specifically dedicated to meeting the costs of rehabilitation of areas affected by the September, 1971 and June, 1972 **and July 1977 [disaster] disasters**, for urban redevelopment assistance. The moneys shall be paid by the State Treasurer to the Department of Community Affairs to pay costs at such time as the department certifies the same to be legally due and payable.

* * *

Section 4. Section 3 of the act is amended by adding a subsection to read:

Section 3. **Disposition and Use of Proceeds.**—* * *

(d) Subject to the total limit of fifty million dollars (\$50,000,000), the funds authorized to be borrowed by subclause (ii) of section 1 shall be allocated as follows:

(1) No less than thirty million dollars (\$30,000,000) of the funds authorized to be borrowed under this act shall be used for housing demolition, construction, rehabilitation, relocation and services, and other purposes necessary to provide the infrastructure related thereto. The phrase "other purposes necessary to provide the infrastructure related thereto" shall be defined by the Department of Community Affairs.

(2) No more than three million dollars (\$3,000,000) of the funds authorized to be borrowed under this act shall be used for public streets, bridges, traffic signalization, curbs, sidewalks, street trees and benches, parks and recreation development.

(3) No more than nine million dollars (\$9,000,000) of the funds authorized to be borrowed under this act shall be used for flood protection works, including stream improvements.

(4) No more than six million dollars (\$6,000,000) of the funds authorized to be borrowed under this act shall be used for economic development activities, including commercial rehabilitation.

(5) No more than seven million dollars (\$7,000,000) of the funds authorized to be borrowed under this act shall be used for sanitary and storm sewers and water lines.

(6) Reasonable planning and administrative expenses, as determined by the Department of Community Affairs, may be expended from the funds authorized to be borrowed under this act by the department and by administering agencies, including requirements contained in the act of May 24, 1945 (P.L.991, No.385), known as the "Urban Redevelopment Law" and the act of June 22, 1964 (Sp.Sess. P.L.84, No.6), known as the "Eminent Domain Code," but not included elsewhere in this section.

Section 5. Section 12 of the act is amended to read:

Section 12. Appropriation of Moneys.—The net proceeds of the sale of the *one hundred forty million dollars (\$140,000,000)* of obligations herein authorized are hereby appropriated from the Disaster Relief Fund to the Department of Community Affairs to defray the costs of rehabilitation of areas affected by the September, 1971 and June, 1972 [disaster] *and July, 1977 disasters* through urban redevelopment assistance. *The net proceeds from the sale of the fifty million dollars (\$50,000,000) of obligations herein authorized are hereby appropriated from the Disaster Relief Fund to the Department of Community Affairs to defray the costs of rehabilitation of areas affected by the July, 1977 disaster through urban redevelopment assistance.* After reserving or paying the expenses of the sale of the obligation, the State Treasurer shall pay the moneys as required and certified by the Governor.

Section 6. This act shall take effect immediately.

APPROVED—The 4th day of October, A. D. 1978.

MILTON J. SHAPP