

No. 1994-145

AN ACT

HB 2340

Amending the act of July 15, 1976 (P.L.1036, No.208), entitled, as amended, "An act authorizing the indebtedness, with the approval of the electors, of fifty million dollars for loans to volunteer fire companies, volunteer ambulance services and volunteer rescue squads for the purpose of establishing or modernizing facilities to house fire fighting apparatus equipment, ambulances, and rescue vehicles, and for purchasing new fire fighting apparatus equipment, ambulances, and rescue vehicles, protective and communications equipment, and any other accessory equipment necessary for the proper performance of such organizations' duties," further providing for loan assistance to volunteer fire companies, ambulance service and rescue squads and for powers and duties of the Pennsylvania Emergency Management Agency.

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

Section 1. Section 4(b) of the act of July 15, 1976 (P.L.1036, No.208), known as the Volunteer Fire Company, Ambulance Service and Rescue Squad Assistance Act, amended July 11, 1990 (P.L.415, No.100), is amended to read:

Section 4. Assistance to Volunteer Fire Companies, Ambulance Service and Rescue Squads.—* * *

(b) Loans made by the department in the amount of **[\$100,000 or more shall be for a period of not more than 15 years, loans less than \$100,000 shall be for a period of ten years, and any loan of the amount of] \$15,000 or less shall be for a period of not more than five years. *Loans made by the department in excess of \$15,000 but for \$50,000 or less shall be for a period of not more than ten years. The payback period of any loan in excess of \$50,000, except a loan for establishing or modernizing facilities, shall not exceed 15 years. The payback period for any loan in excess of \$100,000 for establishing or modernizing facilities shall not exceed 20 years.*** Loans shall be subject to the payment of interest at 2% per annum and shall be subject to such security as shall be determined by the department. The total amount of interest earned by the investment or reinvestment of all or any part of the principal of any loan shall be returned to the department and transferred to the Volunteer Companies Loan Fund, and shall not be credited as payment of principal or interest on the loan. The minimum amount of any loan shall be \$5,000.

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Section 2. Section 6(a) of the act, amended March 5, 1992 (P.L.6, No.4), is amended to read:

Section 6. Powers and Duties of the Department.—(a) The powers and duties of the department shall be:

(1) to appoint agents, employees, necessary to the administration of this act, and to prescribe their duties and to fix their compensation within the limitations provided by law;

(2) to accept grants from the Federal Government and any other individual, agency, or government for use in the Volunteer Companies Loan Fund;

(3) to loan money over a term of years, but in no case in excess of [15] 20 years; and

(4) to promulgate such rules and regulations as it deems necessary to carry out its powers and duties under this act.

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Section 3. This act shall take effect in 60 days.

APPROVED—The 12th day of December, A.D. 1994.

ROBERT P. CASEY