

No. 2013-129

AN ACT

HB 1706

Amending Title 35 (Health and Safety) of the Pennsylvania Consolidated Statutes, in emergency services, changing implementing authority from the Pennsylvania Emergency Management Agency to the Office of the State Fire Commissioner; further providing for assistance to volunteer fire companies, ambulance service and rescue squads and for powers and duties; and making editorial changes.

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

Section 1. The definition of "agency" in section 7363 of Title 35 of the Pennsylvania Consolidated Statutes is amended and the section is amended by adding definitions to read:

§ 7363. Definitions.

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

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["Agency." The Pennsylvania Emergency Management Agency.]

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"Commissioner." The State Fire Commissioner.

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"Office." The Office of the State Fire Commissioner.

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Section 2. Section 7364(a) introductory paragraph, (1), (2), (3), (5), (6) and (7), (b), (e), (f), (g) and (h) of Title 35 are amended and the section is amended by adding a subsection to read:

§ 7364. Assistance to volunteer fire companies, ambulance service and rescue squads.

(a) General rule.—The **[agency] office** is authorized, upon application of any volunteer fire company, volunteer ambulance service or volunteer rescue squad, to make loans for the following purposes:

(1) Establishing or modernizing facilities that house firefighting equipment, ambulance or rescue vehicles. The amount of a loan for establishing or modernizing facilities made to any one volunteer fire company, ambulance service or rescue squad shall not exceed 50% of the total cost of the facilities or modernization or **[\$200,000] \$400,000**, whichever is less, and a notarized financial statement filed under subsection (c) shall show that the applicant has available 20% of the total cost of the facilities in unobligated funds. Proceeds of the loan shall be used only for purposes of structure or land acquisition or renovation or construction and shall not be used for payment of fees for design, planning, preparation of applications or any other cost not directly attributable to structure or land acquisition or renovation or construction.

(2) Purchasing firefighting apparatus, ambulances or rescue vehicles. The amount of a loan made for purchasing firefighting apparatus to any one volunteer fire company shall not exceed ~~[\$100,000]~~ **\$200,000** for any single firefighting apparatus equipment or utility or special service vehicle or heavy duty rescue vehicle as defined by regulation *or guideline*, or 50% of the total cost of the equipment or vehicle, whichever is less, except for loans for aerial apparatus as defined by regulation *or guideline*, which shall not exceed ~~[\$150,000]~~ **\$300,000**. The amount of a loan made to any one volunteer fire company, ambulance service or rescue squad for any ambulance or light duty rescue vehicle as defined by regulation *or guideline* shall not exceed ~~[\$50,000]~~ **\$100,000** and for a watercraft rescue vehicle shall not exceed ~~[\$15,000]~~ **\$30,000** or 50% of the cost of the ambulance or rescue vehicle, whichever is less, and a notarized financial statement filed under subsection (c) shall show that the applicant has available 20% of the total cost of the vehicle in unobligated funds.

(3) Purchasing protective, accessory or communication equipment. No volunteer fire company, ambulance service or rescue squad shall receive a loan for protective, accessory or communicative equipment more than once in any five-year period. Each volunteer fire company, ambulance service or rescue squad may apply for a loan for a mobile and portable radio unit for each existing serviceable apparatus equipment, ambulance or rescue vehicle. Radio equipment obtained through loans under this subchapter shall be equipped with a frequency or frequencies licensed by the Federal Communications Commission for firefighting or emergency response purposes. A notarized financial statement shall be filed and loans under this subchapter for the purchase of protective, accessory or communicative equipment shall not exceed ~~[\$10,000]~~ **\$20,000**.

* * *

(5) Repair or rehabilitation of apparatus equipment. Where it has been determined that existing apparatus equipment no longer meets the standards of the National Fire Protection Association and the repair or rehabilitation of such equipment will bring it in compliance with National Fire Protection Association standards, loans for the repair or rehabilitation for a single apparatus equipment shall be for at least ~~[\$1,000]~~ **\$2,000** but shall not exceed the lesser of ~~[\$35,000]~~ **\$70,000** or 80% of the total cost of repair or rehabilitation.

(6) Purchasing of used firefighting apparatus, equipment, used ambulances, used rescue vehicles, used communications equipment, used accessory equipment or used protective equipment, except that the used vehicles and equipment shall meet the National Fire Protection Association (NFPA) standards and loans for the purchase of a used single apparatus equipment shall not exceed ~~[\$60,000]~~ **\$120,000** or 80% of the total cost of the equipment, whichever is less.

(7) Purchasing Pennsylvania Fire Information Reporting System (PennFIRS) hardware and software. A volunteer fire company shall be eligible to apply one time only for a loan of not more than ~~[\$2,000]~~ **\$4,000** or 75% of the cost of such acquisition, whichever is less, and with

a term not exceeding five years for the purpose of acquiring the hardware and software necessary to participate in the Pennsylvania Fire Information Reporting System. The **[Office of the State Fire Commissioner] office** shall develop, at its discretion, such procedures and forms as it may deem necessary to facilitate loans for PennFIRS hardware and software. The loans shall be secured as required by law.

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(b) Loans.—Loans made by the **[agency] office** in the amount of **[\$15,000] \$30,000** or less shall be for a period of not more than **[five] ten** years. Loans in excess of **[\$15,000] \$30,000** but **[for \$50,000 or less] not in excess of \$100,000** shall be for a period of not more than **[ten] 15** years. The payback period of any loan in excess of **[\$50,000] \$100,000**, except a loan for establishing or modernizing facilities, shall not exceed **[15] 20** years. The payback period for any loan in excess of **[\$100,000] \$200,000** for establishing or modernizing facilities shall not exceed 20 years. Loans shall be subject to the payment of interest at 2% per year and shall be subject to such security as shall be determined by the **[agency] commissioner**. 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 **[agency] office** and transferred to the Volunteer Companies Loan Fund and shall not be credited as payment of principal or interest on the loan. Except as provided in subsection (a)(5) and (7), the minimum amount of any loan shall be **[\$5,000] \$10,000**.

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(e) Payment.—Loans made by the **[agency] office** shall be paid from the Volunteer Companies Loan Fund to the volunteer fire companies, ambulance services and rescue squads in accordance with **[rules and regulations promulgated] guidelines and procedures developed** by the **[agency] office**.

(f) Deposit.—All payments of interest on the loans and the principal thereof shall be deposited by the **[agency] office** in the Volunteer Companies Loan Fund.

(g) Eligibility.—A volunteer fire company, ambulance service and rescue squad shall be eligible for a loan regardless of legal ownership in whole or in part by any political subdivision of any facilities or apparatus equipment used by the volunteer fire company, volunteer ambulance and volunteer rescue squad. Any equipment or facilities financed may be transferred to a political subdivision served by the volunteer fire company, volunteer ambulance service or volunteer rescue squad subject to such security as shall be determined by the **[agency] commissioner**.

(h) Maximum amount.—Notwithstanding any other provision of this section to the contrary, the maximum amount of any loan to a volunteer fire company, volunteer ambulance service and volunteer rescue squad for the purchase of firefighting apparatus, ambulances or rescue vehicles manufactured or assembled in this Commonwealth, may exceed the loan limits set forth in this section by **[\$10,000] \$20,000**.

(i) *Aggregation of loans.*—

(1) Subject to paragraph (2), a fire company, volunteer rescue service or volunteer ambulance service shall not be eligible for more than three loans at one time.

(2) If more than one fire company, volunteer rescue service or volunteer ambulance service merge or consolidate into a single entity, as determined by the commissioner, the entity shall be eligible for not more than ten loans at one time for a period of ten years from the date of the merger or consolidation.

Section 3. Section 7365(a) and (b) of Title 35 are amended to read:
 § 7365. Volunteer Companies Loan Fund.

(a) General rule.—There is created a special fund in the Treasury Department to be known as the Volunteer Companies Loan Fund to which shall be credited all appropriations made by the General Assembly other than appropriations for expenses of administering this subchapter or grants from other sources to the [agency] office as well as repayment of principal and interest on loans made under this subchapter.

(b) Requisition.—Upon approval of the loan, the [agency] commissioner shall routinely requisition from the Volunteer Companies Loan Fund such amounts as shall be allocated by the [agency] office for loans to volunteer companies. When and as the amounts so allocated as loans to volunteer companies are repaid pursuant to the terms of the agreements made and entered into with the [agency] office, the [agency] office shall pay such amounts into the Volunteer Companies Loan Fund, it being the intent of this subchapter that the Volunteer Companies Loan Fund shall operate as a revolving fund whereby all appropriations and payments made thereto may be applied and reapplied to the purposes of this subchapter.

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Section 4. Section 7366 heading, (a) introductory paragraph and (4), (b) introductory paragraph and (2) of Title 35 are amended and subsections (a) and (b) are amended by adding paragraphs to read:

§ 7366. Powers and duties of [agency] office.

(a) Mandatory.—The [powers and duties of the agency shall be] office has the following duties:

* * *

(3.1) To establish criteria to determine need for firefighting apparatus, ambulances and rescue vehicles and to establish guidelines and procedures for volunteer companies to show just cause to determine that need.

(4) To promulgate [such rules and] regulations and develop guidelines and procedures as it deems necessary to carry out its powers and duties under this subchapter.

(b) Discretionary.—The [powers and duties of the agency may be] office has the following powers:

* * *

(2) To specify priority of liens against any facilities, apparatus equipment, ambulances, rescue vehicles or any equipment purchased by volunteer companies using funds loaned under this subchapter to pay all or any part of the purchase price, as the [agency] office may require by [regulation.] established guidelines and procedures. The commissioner may specify the type of liens or collateral authorized as security under this paragraph.

(3) To reject a loan application based on the criteria established under subsection (a).

Section 5. Section 7376 of Title 35 is amended to read:

§ 7376. Repayment obligations for principal and interest.

The General Assembly shall appropriate an amount equal to moneys received from the [agency] office under section 7365 (relating to Volunteer Companies Loan Fund) and such other moneys as may be necessary to meet repayment obligations for principal and interest into the Volunteer Company Loan Sinking Fund.

Section 6. The Legislative Reference Bureau shall replace references to the Pennsylvania Emergency Management Agency with references to the Office of the State Fire Commissioner in 4 Pa. Code Ch. 113 (relating to volunteer fire company, ambulance service and rescue squad assistance).

Section 7. This act shall take effect in 60 days.

APPROVED—The 23rd day of December, A.D. 2013

TOM CORBETT