

No. 159

## AN ACT

HB 1326

Providing for grants to nonprofit organizations which own real or personal property damaged or destroyed by certain floods; establishing the amount of the grants and making an appropriation.

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

Section 1. Declaration of Purpose.—It is the intent of the General Assembly to assist certain nonprofit organizations that sustained damage to certain facilities in the floods of September, 1971 and June, 1972, in order to help these organizations restore such facilities to their pre-flood conditions.

Section 2. Eligibility for Grants.—(a) A nonprofit organization, as defined by subsection (b) of this section, which owns at the time of application, and did own at the time of the flood of September, 1971 or June, 1972, any personal or real property damaged or destroyed by the flood of September, 1971 or June, 1972, may, by sworn application, apply for a grant to cover up to sixty per cent of the loss exceeding the amount of disaster loan Federal forgiveness which was granted or could have been granted, if application had been made, to the organization by the Small Business Administration: Provided, That the total grant shall not exceed two hundred fifty thousand dollars (\$250,000) for any single nonprofit organization. Where a nonprofit organization is so structured that it provides services, as defined by subsection (b) of this section, through distinct suborganizations, each of which, at the time of the floods of September, 1971 or June, 1972, occupied and utilized geographically distinct and separate facilities, the aforesaid grant limitation shall apply to the loss in real or personal property occupied or utilized by each suborganization.

(b) A nonprofit organization is any organization which provides, on a nondiscriminatory basis, a health, welfare, or educational (excluding public or nonpublic schools) service for the public, including religious organizations and cemeteries, and which held at the time of the aforementioned floods and which currently holds a valid ruling from the Internal Revenue Service of the United States Department of Treasury exempting it from income taxation under the provisions of section 501(c)(3) or section 501(c)(13) of the Internal Revenue Code of 1954.

(c) The loss subject to a grant under this act shall not include any pre-flood indebtedness which has been consolidated with the property loss nor shall it include any loss covered by an insurance policy or by any Federal or State grant. A nonprofit organization shall be eligible for a grant to compensate for any loss of real or personal property to the extent

that such property was used for purposes as set forth in subsection (b) of this section. If real property was condemned under eminent domain proceedings and the measure of damages is calculated under section 602, act of June 22, 1964 (P.L.84, No.6), known as the "Eminent Domain Code," said nonprofit organization shall not be eligible for the grant for such real property as was condemned.

Section 3. Application of Grant.—The nonprofit organization receiving a grant may apply the grant to any indebtedness accrued or which may be accrued for the reconstruction, replacement or rehabilitation of the property damaged or destroyed. Any portion of the grant not used for the discharge of the aforesaid indebtedness may be used by the nonprofit organization as it shall determine.

Section 4. Administration.—All grants under this act shall be administered by the Pennsylvania Department of Community Affairs and that department shall promulgate regulations pertaining to this act within sixty days of the effective date of this act. All applications for grants shall be submitted to that department within one hundred twenty days after the adoption of said regulations, and no application will be accepted after said one hundred twenty days. Amount of grants shall be initially determined for all applicants and, if sufficient funds are not provided herein, distribution shall be determined on a pro rata basis. If eligibility of any applicants is subject to question, funds for such applicants shall be held in escrow and not affect distribution to other applicants under this act. If ineligibility of applicants is determined, in whole or in part, funds for which such applicants are ineligible shall be distributed pro rata to the eligible applicants to an extent consistent with section 2 of this act. If the department deems that it is administratively infeasible to make distribution of the escrowed funds available, then there shall be no proration and the funds shall be returned to the Emergency Disaster Relief Fund. Any funds unencumbered or unexpended after all claims under this act have been finally determined shall be returned to the Emergency Disaster Relief Fund for further assistance to victims of the floods of September 1971 or June 1972.

Section 5. A sum not to exceed five million dollars (\$5,000,000) may be allocated by the Governor for the purposes of administering and implementing this act from funds made available under the act of July 7, 1972 (P.L.64, No.18-A), entitled "An act making appropriations for emergency and disaster relief in connection with flooding and tropical storm disaster in the Commonwealth."

Section 6. Any authorized agent of a nonprofit organization who knowingly and wilfully gives any false or incorrect information in any application for a grant under the provisions of this act, whether such statement is verified or not, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine of not less than one thousand dollars (\$1,000) and not more than two thousand dollars (\$2,000) or imprisonment for not more than one year, or both.

Any nonprofit organization making a false claim under the provisions of this act shall repay twice the amount of the grant with interest at the rate of six per cent from the date of the grant; such repayment may be enforced by the Commonwealth in an assumpsit action and collected in the manner that other debts due and owing the Commonwealth are collected.

Section 7. This act shall take effect immediately.

APPROVED—The 12th day of January, A. D. 1974.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 159.

A handwritten signature in black ink, reading "C. McLaughlin Tucker". The signature is written in a cursive style with a large initial "C" and a prominent "T" at the end.

*Secretary of the Commonwealth.*

