

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1216 Session of
2023

INTRODUCED BY SALISBURY, HILL-EVANS, PROBST, MADDEN, KRUEGER,
FREEMAN, BOROWSKI, SANCHEZ, BRENNAN, McNEILL, KHAN, MALAGARI,
HADDOCK AND SCOTT, MAY 23, 2023

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MAY 23, 2023

AN ACT

1 Establishing the Municipal Grant Assistance Program and the
2 Municipal Grant Assistance Program Fund; imposing duties on
3 the Department of Community and Economic Development; and
4 making an appropriation.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Municipal
9 Grant Assistance Program Act.

10 Section 2. Declarations.

11 The General Assembly finds and declares as follows:

12 (1) Many municipalities lack the expertise and resources
13 to effectively seek grants for which they may be qualified.

14 (2) This gap in expertise and resources creates a
15 disparity in the opportunity to pursue economic development
16 and community enhancement opportunities between those
17 municipalities obtaining State funds and those who may have a
18 greater need.

(3) The availability of professional grant writers increases the opportunities for a municipality to obtain grant funding.

Section 3. Definitions.

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

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

"Eligible grant writer." An individual registered with the Bureau of Charitable Organizations within the Department of State under section 8 of the act of December 19, 1990 (P.L.1200, No.202), known as the Solicitation of Funds for Charitable Purposes Act.

"Fund." The Municipal Grant Assistance Program Fund established under section 6.

"Low-income census tract." A census tract where:

(1) the poverty rate is at least 20%;

(2) for tracts not located within a metropolitan area, the median family income does not exceed 80% of Statewide median family income; or

(3) for tracts located within a metropolitan area, the median family income does not exceed 80% of the greater of Statewide median family income or the metropolitan area median family income.

"Municipality." A city of the third class, borough, incorporated town or township.

"Program." The Municipal Grant Assistance Program established under section 4.

Section 4. Establishment.

1 The Municipal Grant Assistance Program is established within
2 the department and shall be administered by the department. The
3 department may establish the program within existing
4 departmental municipal technical assistance programs in whole or
5 in part. The program shall consist of financial assistance to
6 municipalities to obtain grant writing services and to develop a
7 training program to teach municipal employees and officials how
8 to develop projects, find grant application opportunities and
9 apply for grants.

10 Section 5. Administration of program.

11 (a) Personnel.--The department may hire new personnel,
12 dedicate current personnel or contract with third parties for
13 the implementation and administration of the program.

14 (b) Guidelines.--The department shall, within 90 days of the
15 effective date of this section, develop and publish guidelines
16 for the implementation and administration of the program, which
17 shall include:

18 (1) a listing of eligible grant writers participating in
19 the program within this Commonwealth;

20 (2) application procedures and guidelines for
21 municipalities;

22 (3) the development and delivery of grant writing
23 training to commence within six months following the
24 effective date of this section;

25 (4) criteria for fund allocations and municipal matching
26 fund requirements;

27 (5) limitations on fund use; and

28 (6) disbursements from the fund.

29 (c) Eligibility.--To be eligible for the program, a
30 municipality may not have an employee whose primary

responsibility is grant writing. In addition, a municipality must meet at least one of the following qualifications:

(1) Adopted and is implementing an active Strategic Management Planning Program plan, recovery plan, exit plan or receivership plan adopted under the act of July 10, 1987 (P.L.246, No.47), known as the Municipalities Financial Recovery Act.

(2) At least 25% of all census tracts within the municipality are designated as low-income census tracts.

(3) Has not received any competitive State grant funding in the past two years.

(d) Contracts.--A municipality or the department may enter into a contract with an eligible grant writer for a single grant or multiple grants. Grant writers shall be paid according to the department's funding criteria under subsection (b) (4).

(e) Reimbursement.--If a municipality is awarded a grant through the assistance of a grant writer under the program, the municipality shall reimburse the fund within 180 days of receipt of the grant with an amount equal to 5% of the value of an awarded grant, not to exceed \$3,000. The maximum dollar reimbursement shall increase by 2% annually, beginning with the fiscal year following the effective date of this section. The department may establish reimbursement waiver guidelines for municipalities showing financial need.

(f) Advisory committee.--The department may establish an advisory committee to accept stakeholder input on the administration of the program, to include municipal officials, representatives from the Bureau of Charitable Organizations within the Department of State, municipal associations, economic development agencies and chambers of business and industry.

1 Section 6. Municipal Grant Assistance Program Fund.

2 The Municipal Grant Assistance Program Fund is established as
3 a fund in the State Treasury. Any interest earned on money in
4 the fund shall be deposited into the fund. All money in the fund
5 shall be used for the purposes of this act.

6 Section 7. Reports.

7 Within five years of the effective date of this section, the
8 Local Government Commission shall provide a report to the
9 General Assembly on the funding and effect of the program.

10 Section 8. Initial appropriation.

11 (a) Appropriations.--The fund shall be funded by the General
12 Assembly through an appropriation of money to the department.

13 (b) Initial appropriation.--An initial appropriation of
14 \$1,000,000 is appropriated to the fund for the purposes of this
15 act for fiscal year July 1, 2024, through June 30, 2025, and
16 continuing each year thereafter. The department may utilize the
17 appropriated funds to cover the administrative costs associated
18 with the program and the department's responsibilities under
19 this act.

20 (c) Nonlapsing.--The appropriation shall not lapse at the
21 end of any fiscal year.

22 (d) Account.--The department shall keep an accurate account
23 of the disbursements from the fund.

24 Section 9. Administrative expenses.

25 The expenses of the administration of the program may be paid
26 wholly or in part from the fund. If the department establishes
27 the program within an existing departmental municipal technical
28 assistance program, money from the fund shall not be used for
29 other programs within the department.

30 Section 10. Limitation on grants awarded.

1 The total expenditure for grants awarded in any given fiscal
2 year shall not exceed 65% of the sum of the following:

3 (1) the fund balance at the conclusion of the previous
4 fiscal year; and

5 (2) the annual appropriation assigned to the fund for
6 the current fiscal year, if any.

7 Section 11. Effective date.

8 This act shall take effect in 60 days.