

No. 1987-41

AN ACT

SB 940

Amending the act of July 2, 1984 (P.L.555, No.111), entitled, as amended, "An act creating a small business incubator program; providing for grants, loans and loan guarantees to small business incubators; specifying the conditions of and requirements for grants and loans; providing for seed grants; and making appropriations," further providing for small business incubator grants and loans and for the powers and duties of the board; further providing for loans and grants; and extending the expiration date of the act.

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

Section 1. Section 4(a)(1) and (c)(1) of the act of July 2, 1984 (P.L.555, No.111), known as the Small Business Incubators Act, amended July 9, 1986 (P.L.1193, No.101), are amended to read:

Section 4. Incubator grants, loans and loan guarantees.

(a) Application.—A local sponsor may submit an application to the board to obtain a grant, loan or loan guarantee to establish an incubator. Each application shall:

(1) Demonstrate that:

(i) a facility exists that can be transformed into an incubator at a specified cost; or

(ii) *in the case of new and expansion construction, appropriate existing facilities are not available within the geographic area and an incubator facility will be constructed or expanded at a specified cost.*

(c) Grant and loan conditions.—

(1) Grants and loans awarded or guaranteed shall be used only for the acquisition and leasing of land and [existing] buildings, the *construction, rehabilitation and expansion* of buildings or other facilities and the purchase of equipment and furnishings, which are necessary for the creation and operation of the incubator.

Section 2. Section 7(2) of the act is amended to read:

Section 7. General powers and duties of the board.

The board shall:

(2) Make loans and loan guarantees *or grants or a combination of loans and grants* to local sponsors for incubators and award seed capital challenge grants *and, in the sole discretion of the board, provide for the conversion of any liens issued on or after November 1, 1985, into grants or into a combination of grants and loans.*

Section 3. Section 12 of the act is amended to read:

Section 12. Time limit on approvals.

No assistance under section 4 shall be approved by the board after June 30, ~~1987~~ 1989.

Section 4. This act shall be retroactive as follows:

(1) Section 2 (relating to section 7) of this act shall be retroactive to November 1, 1985.

(2) The remainder of this act shall be retroactive to June 30, 1987.

Section 5. This act shall take effect immediately.

APPROVED—The 9th day of July, A. D. 1987.

ROBERT P. CASEY