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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 377 Session of  
2023

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INTRODUCED BY LANGERHOLC, BARTOLOTTA, VOGEL, STEFANO, PENNYCUICK  
AND SCHWANK, FEBRUARY 21, 2023

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REFERRED TO COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT,  
FEBRUARY 21, 2023

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AN ACT

1 Establishing the Rural Coworking and Innovation Center Grant  
2 Program; and providing for requirements and imposing duties  
3 on the Department of Community and Economic Development.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Rural  
8 Coworking and Innovation Center Grant Program Act.

9 Section 2. Definitions.

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

13 "Coworking and innovation center." A facility designed to  
14 provide individuals with the infrastructure and equipment to  
15 participate in an online workforce.

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

18 "Entity." A municipality, institution of higher education,

1 private business, a nonprofit corporation organized for  
2 community development purposes under 26 U.S.C. § 501 (relating  
3 to exemption from tax or corporations, certain trusts, etc.) or  
4 a redevelopment authority created and organized under the act of  
5 May 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment  
6 Law.

7 "Grant." A grant awarded as part of the Rural Coworking and  
8 Innovation Center Grant Program.

9 "Grant program." The Rural Coworking and Innovation Center  
10 Grant Program.

11 "Institution of higher education." An independent  
12 institution of higher education, a community college, a State-  
13 related institution or a member institution of the State System  
14 of Higher Education.

15 "Municipality." A county, city, borough, incorporated town,  
16 township or home rule, optional plan or optional charter  
17 municipality, municipal authority in this Commonwealth and an  
18 entity formed under 53 Pa.C.S. Ch. 23 Subch. A (relating to  
19 intergovernmental cooperation).

20 "Rural county." A county that is defined as rural by the  
21 Center for Rural Pennsylvania according to the most recent  
22 census.

23 "Rural municipality." A municipality, located within a  
24 nonrural county, that is defined as rural by the Center for  
25 Rural Pennsylvania, according to the most recent census.

26 Section 3. The Rural Coworking and Innovation Center Grant  
27 Program.

28 (a) Establishment.--The Rural Coworking and Innovation  
29 Center Grant Program is established and shall be administered by  
30 the department.

1 (b) Objectives.--The department may accomplish the following  
2 objectives when administering the grant program:

3 (1) Construct or renovate a facility in one or more  
4 rural counties or a rural municipality to create one or more  
5 coworking and innovation centers.

6 (2) Extend and improve utilities and broadband service  
7 connections to a coworking and innovation center in a rural  
8 county or a rural municipality.

9 (3) Purchase equipment, furniture and security systems  
10 as part of a coworking and innovation center in a rural  
11 county or a rural municipality.

12 Section 4. Requirements.

13 (a) Guidelines.--The department may issue guidelines  
14 establishing criteria for an entity to receive a competitive  
15 grant under this act. The guidelines shall include:

16 (1) The application form for submission to the  
17 department, which shall include a description of other  
18 funding sources and any additional information required by  
19 the department.

20 (2) Entities that are eligible to apply for a grant.

21 (3) The method and formula for determining a grant  
22 award amount.

23 (4) The reporting requirements of grant recipients.

24 (5) Additional information required by the department.

25 (b) Operation.--

26 (1) The department shall establish operational  
27 guidelines for the effective use of coworking and innovation  
28 centers assisted under this act.

29 (2) The entity shall be responsible for the ongoing  
30 operation and maintenance of the coworking and innovation

1 center.

2 (c) Prioritization.--In determining the amount of a grant  
3 award, the department may prioritize projects:

4 (1) That demonstrate comprehensive planning by an  
5 applicant that has limited access to financial resources,  
6 including financial resources from Federal, county or local  
7 government.

8 (2) That maximize economic development opportunities in  
9 collaboration with the economic development needs or plans of  
10 an educational institution, county or municipality.

11 (d) Limitations.--A grant award may not be more than  
12 \$500,000 and may only be awarded:

13 (1) If the grant program recipient agrees to provide a  
14 combination of funds, land, buildings or in-kind work in an  
15 amount equal to at least 100% of the grant award.

16 (2) For a grant awarded for construction or renovation  
17 of a coworking and innovation center, if the center will be  
18 open and offered for an individual's use for seven or more  
19 years in the rural county or rural municipality where the  
20 center is located.

21 (3) For a grant awarded for extending or improving  
22 utilities or broadband service connections to a coworking and  
23 innovation center or for purchasing equipment, furniture or  
24 security systems for a coworking and innovation center, if  
25 the center will be open and offered for an individual's use  
26 for five or more years in the rural county or rural  
27 municipality where the center is located.

28 (e) Ongoing operation.--Grant money may not be awarded for  
29 the ongoing operation or maintenance of a coworking and  
30 innovation center.

1 (f) Audit.--Grant money awarded under this act shall be  
2 subject to audit by the department.

3 (g) Failure to remain open.--If a coworking and innovation  
4 center fails to remain open for the required time outlined in  
5 subsection (d) (2) and (3), the entity shall return the funds  
6 received to the department in a timely manner.

7 Section 5. Effective date.

8 This act shall take effect in 90 days.