
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 497 Session of
2023

INTRODUCED BY ROBINSON, BARTOLOTTA, MARTIN, STEFANO, DUSH,
J. WARD, YAW, AUMENT, ARGALL AND REGAN, MARCH 14, 2023

AMENDMENTS TO HOUSE AMENDMENTS, IN SENATE, APRIL 9, 2024

AN ACT

1 Providing for advanced manufacturing facilities and
2 infrastructures through business partnerships with State-
3 related institutions; establishing the Max Manufacturing
4 Initiative Fund and Max Manufacturing Endeavor Loan Fund;
5 PROVIDING FOR PREVAILING WAGE; and imposing powers and duties <--
6 on the Department of Community and Economic Development.

7 TABLE OF CONTENTS

8 Chapter 1. Preliminary Provisions

9 Section 101. Short title.

10 Section 102. Findings and declarations.

11 Section 103. Definitions.

12 Chapter 3. Max Manufacturing Initiative Fund

13 Section 301. Establishment.

14 Chapter 5. Max Manufacturing Equipment and Integrated Systems

15 Grants

16 Section 501. Authorization.

17 Section 502. Eligibility.

18 Section 503. Process and application.

19 Section 504. Matching funds.

1 Section 505. Appropriation.
2 Chapter 7. Max Manufacturing Endeavor Loans
3 Section 701. Authorization.
4 Section 702. Max Manufacturing Endeavor Loan Fund.
5 Section 703. Powers and duties of department.
6 Section 704. Appropriation.
7 Chapter 9. Reporting Requirements and Public Access
8 Section 901. Reporting duties.
9 Section 902. Public access to records.
10 CHAPTER 11. PREVAILING WAGE <--
11 SECTION 1101. REQUIREMENTS.
12 Chapter ~~11~~ 13. Miscellaneous Provisions <--
13 Section ~~1101~~ 1301. Administrative costs. <--
14 Section ~~1102~~ 1302. Effective date. <--

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

17 CHAPTER 1
18 PRELIMINARY PROVISIONS

19 Section 101. Short title.

20 This act shall be known and may be cited as the Max
21 Manufacturing Initiative Act.

22 Section 102. Findings and declarations.

23 The General Assembly finds and declares as follows:

24 (1) The intent of this act is to leverage the proximity
25 of university and private engineering expertise to establish
26 public-private partnerships and State-related institution
27 partnerships within this Commonwealth.

28 (2) This collaboration is designed to align with the
29 Commonwealth's stated economic development goals through the
30 funding of grants, incentivized private investments and

1 business incentives to attract high-technology industries for
2 advanced manufacturing in this Commonwealth to:

3 (i) Advance and promote the general welfare of the
4 residents of this Commonwealth.

5 (ii) Foster stronger business alliances, which will
6 increase employment opportunities for Pennsylvanians.

7 (iii) Establish this Commonwealth and its university
8 and business partnerships as international leaders in
9 idea generation and the implementation of cutting-edge
10 advances in science and technology.

11 (iv) Create shared infrastructures within this
12 Commonwealth to leverage and maximize advanced
13 manufacturing techniques for producing high-value
14 products.

15 (v) Pool investments as necessary to create and
16 design academic and work programming that includes
17 academic restructuring and attracting new industry-driven
18 workforce and job training centers to convert and sustain
19 existing regional workforces to next-generation
20 manufacturing models and goals.

21 (vi) Expand and incentivize an industry-led business
22 environment in alignment with the Commonwealth's economic
23 development goals, including financial incentives for
24 infrastructure support.

25 Section 103. Definitions.

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

29 "Advanced manufacturing." New manufacturing activities or
30 technologies that depend on the use and coordination of

1 information, automation, computation, software, sensing and
2 networking or make use of materials and capabilities enabled by
3 the physical and biological sciences and which may involve new
4 ways to manufacture existing products or the manufacture of new
5 products emerging from new advanced technologies.

6 "Applicant." A State-related institution, contracting
7 authority, public-private partnership or partnership to which a
8 State-related institution is a party or a nonprofit organization
9 that is eligible to apply for and receive redevelopment
10 assistance capital grants or Commonwealth grants under this act.

11 "Application." A document submitted to the department or
12 other agency under this act to secure funding.

13 "Application process." The steps necessary to initiate
14 consideration for funding or designation under this act.

15 "Capital Facilities Debt Enabling Act." The act of February
16 9, 1999 (P.L.1, No.1), known as the Capital Facilities Debt
17 Enabling Act.

18 "Contracting authority." An authority created under 53
19 Pa.C.S. Ch. 56 (relating to municipal authorities) or other
20 authority created under the laws of this Commonwealth that is
21 eligible to apply for and receive redevelopment assistance
22 capital grants under the Capital Facilities Debt Enabling Act.

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

25 "Facility." A building, collection of buildings, the
26 subsections of a building and all associated equipment
27 identified within an application for funding to engage in or
28 facilitate advanced manufacturing.

29 "Final determination." A final decision issued in writing by
30 the department.

1 "Fund." The Max Manufacturing Initiative Fund established in
2 this act.

3 "Matching funds." Cash or other investments in a shared
4 infrastructure project from funding sources other than the fund
5 and the Max Manufacturing Endeavor Loan Fund.

6 "Nonprofit organization." A corporation or other entity
7 based in this Commonwealth that is an exempt organization as
8 defined under 26 U.S.C. § 501(c)(3) (relating to exemption from
9 tax on corporations, certain trusts, etc.).

10 "PREVAILING WAGE ACT." THE ACT OF AUGUST 15, 1961 (P.L.987, <--
11 NO.442), KNOWN AS THE PENNSYLVANIA PREVAILING WAGE ACT.

12 "Private entity." A person, entity, group or organization
13 that is not the Federal Government, the Commonwealth or a
14 municipal authority.

15 ~~"Project labor agreement." A prehire collective bargaining <--~~
16 ~~agreement with one or more labor organizations that establishes~~
17 ~~the terms and conditions of employment for a construction,~~
18 ~~renovation or rehabilitation project.~~

19 "Public entity." A Commonwealth agency as defined in 62
20 Pa.C.S. § 103 (relating to definitions) or a municipal
21 authority. The term does not include the General Assembly and
22 its members, officers or agencies or a court or other office or
23 agency of the Pennsylvania judicial system.

24 "Public-private partnership." An agreement between a public
25 entity and at least one private entity for the construction,
26 acquisition, management or operation of a facility created under
27 a shared infrastructure project.

28 "Shared infrastructure project." A project to create
29 collaborative production and manufacturing facilities for State-
30 related institutions and industry partnerships conducting or

1 facilitating activities relating to advanced manufacturing,
2 including, but not limited to, land acquisition, acquisition or
3 construction of buildings, equipment, site preparation, road and
4 highway improvements, water and sewer infrastructure or other
5 infrastructure development.

6 "State-related institution." Any of the following
7 institutions of higher education:

8 (1) Lincoln University.

9 (2) Temple University.

10 (3) The Pennsylvania State University.

11 (4) The University of Pittsburgh.

12 CHAPTER 3

13 MAX MANUFACTURING INITIATIVE FUND

14 Section 301. Establishment.

15 The Max Manufacturing Initiative Fund is established within
16 the State Treasury. The fund shall be used by the department to
17 issue grants to applicants engaging in or facilitating advanced
18 manufacturing, including equipment, integrated systems and
19 facilities acquisition, renovation and retrofitting. The
20 department shall be responsible for oversight, management and
21 operation of the fund.

22 CHAPTER 5

23 MAX MANUFACTURING EQUIPMENT AND

24 INTEGRATED SYSTEMS GRANTS

25 Section 501. Authorization.

26 (a) Establishment of account.--Within the fund is
27 established an account to be administered by the department for
28 the issuance of grants under this chapter for specialized
29 equipment, infrastructure and integrated systems for use by
30 university and private entities, public-private partnerships,

1 contracting authorities and nonprofit organizations conducting
2 or facilitating advanced manufacturing.

3 (b) Findings.--The General Assembly finds as follows:

4 (1) It is in the public interest to create incentives to
5 support growth in advanced manufacturing capabilities to
6 create well-paying jobs and enhanced economic opportunities
7 for the residents of this Commonwealth.

8 (2) Incentives should include recruitment and
9 maintenance of leading scientists and engineers at State-
10 related research universities for the purposes of developing
11 and leveraging the research capabilities of the universities
12 for the creation of well-paying jobs and enhanced economic
13 opportunities in accordance with this act.

14 (3) The use of money under this chapter may include
15 creating incentives in accordance with section 502 to lure,
16 maintain and keep a cutting-edge knowledge base.

17 Section 502. Eligibility.

18 (a) Distribution.--The department may make distributions
19 from the fund, subject to the terms, conditions and restrictions
20 provided under this chapter, for the purpose of making grants to
21 public-private partnerships, contracting authorities and State-
22 related institutions conducting or facilitating advanced
23 manufacturing, including, but not limited to, the following:

24 (1) Advancement in the fields of industrial processes,
25 mining, manufacturing, production agriculture, information
26 technology and biotechnology.

27 (2) Service as a medical facility or in other industrial
28 or technology sectors as defined by the department.

29 (3) The acquisition and installation of new machinery
30 and equipment, upgrading existing machinery and equipment or

1 retrofitting existing facilities with new or high-demand
2 technologies as defined by the department.

3 (b) Grants.--Grants shall be subject to the following
4 conditions:

5 (1) Grants shall be made to eligible public-private
6 partnerships, contracting authorities and State-related
7 institutions under this chapter.

8 (2) Grants shall be designed to include the purchase and
9 installation of new equipment and machinery, the upgrade of
10 existing machinery and equipment, integrated systems or the
11 retrofitting of existing facilities with new or high-demand
12 technologies. This paragraph includes, but is not limited to,
13 land acquisition, the acquisition or construction of
14 buildings, equipment, site preparation, road and highway
15 improvements, water and sewer infrastructure and the
16 application and utilization of computer hardware and
17 software.

18 (3) Applicants shall provide a financial plan for all
19 funding related to the project, including details regarding
20 the financial commitment of the parties to the shared
21 infrastructure project and documentation of matching funds
22 from sources other than the fund and the Max Manufacturing
23 Endeavor Loan Fund in an amount equal to the amount being
24 requested in the application.

25 (4) Applications shall demonstrate that the shared
26 infrastructure project to be funded furthers the goals of
27 this act, as determined by the department.

28 (5) APPLICANTS SHALL MAKE A GOOD FAITH EFFORT TO RECRUIT <--
29 AND EMPLOY, OR TO ENCOURAGE ANY CONSTRUCTION CONTRACTORS OR
30 SUBCONTRACTORS TO RECRUIT AND EMPLOY, WORKERS FROM THE LOCAL

1 LABOR MARKET FOR EMPLOYMENT FOR ALL CONSTRUCTION,
2 RECONSTRUCTION, DEMOLITION, ALTERATION AND REPAIR WORK, OTHER
3 THAN MAINTENANCE WORK.

4 Section 503. Process and application.

5 (a) Application process.--The department shall establish
6 guidelines for a competitive process for grants under this
7 chapter no more than 90 days after the effective date of this
8 section. The department may not begin accepting applications for
9 at least 60 days from the date the application forms are made
10 publicly available.

11 (b) Review and determination.--In reviewing a grant
12 application and reaching a final determination, the department
13 shall consider all of the following:

14 (1) Whether the project proposed to be funded is
15 authorized under this chapter.

16 (2) The applicant's successful completion of the
17 application, including any additional material or information
18 requested by the department.

19 (3) The goals outlined in the application, including the
20 purchase and installation of new equipment and machinery or
21 integrated systems, the upgrade of existing machinery and
22 equipment or the retrofitting of existing facilities with new
23 or high-demand technologies.

24 (c) Limitations.--Grants awarded under this subsection shall
25 not exceed \$2,000,000.

26 Section 504. Matching funds.

27 Applicants shall provide documentation of matching funds
28 invested in the shared infrastructure project from sources other
29 than the fund and the Max Manufacturing Endeavor Loan Fund in an
30 amount equal to the grant amount being requested under this

1 chapter.

2 Section 505. Appropriation.

3 The General Assembly may appropriate money to the department
4 for the purposes specified under this chapter.

5 CHAPTER 7

6 MAX MANUFACTURING ENDEAVOR LOANS

7 Section 701. Authorization.

8 (a) Establishment of account.--

9 (1) There is established an account within the fund
10 which shall be administered by the department for the purpose
11 of issuing loans under this chapter, upon application of an
12 applicant for the the purposes of purchasing of specialized
13 equipment or integrated systems for use by university and
14 private entities, public-private partnerships and contracting
15 authorities conducting or facilitating advanced
16 manufacturing, and purchasing, constructing, renovating or
17 rehabilitating facilities to be used in a shared
18 infrastructure project.

19 (2) Loans are authorized for the following purposes and
20 in the following amounts:

21 (i) Purchasing of specialized equipment or
22 integrated systems for use in advanced manufacturing. The
23 amount of a loan made for purchasing of specialized
24 equipment integrated systems shall not exceed \$200,000
25 for any single piece of equipment or 75% of the total
26 cost of the piece of equipment, whichever is less.

27 (ii) Purchasing, constructing, renovating or
28 rehabilitating facilities to be used in a shared
29 infrastructure project. The amount of a loan made for
30 purchasing, constructing, renovating or rehabilitating

1 facilities shall not exceed \$100,000 for a single
2 facility or 75% of the total cost for purchasing,
3 renovating or rehabilitating the facility, whichever is
4 less.

5 (b) Terms of loans.--

6 (1) Loans made by the department shall be for a period
7 of not more than 15 years.

8 (2) Loans shall be subject to the payment of interest at
9 2% per annum and shall be subject to such security as shall
10 be determined by the department.

11 (3) The total amount of the interest earned by the
12 investment or reinvestment of all or any part of the
13 principal of any loan shall be returned to the department,
14 shall be transferred to the fund and shall not be credited as
15 payment of principal or interest on the loan.

16 (4) The minimum amount of any loan shall be \$1,000.

17 (c) Financial statement required.--An application for a loan
18 under this chapter shall be accompanied by:

19 (1) A financial statement of the applicant and a
20 financial plan to show how the loan will be repaid.

21 (2) Evidence sufficient to show that all costs, except
22 the amount of the loan, will be met by assets or other
23 revenues, grants or loans from other sources or in-kind
24 contributions or services.

25 (d) Use of loans.--Loans under this chapter shall be used
26 for purchasing specialized equipment or integrated systems and
27 for purchasing, constructing, renovating or rehabilitating
28 facilities for the conduct of advanced manufacturing and may not
29 be used for operating expenses or for the refinancing or
30 reduction of any debt or obligation incurred prior to the

1 effective date of this section.

2 (e) Repayment of loans to be deposited in fund.--Payments of
3 principal and interest on the loans shall be deposited by the
4 department in the fund.

5 ~~(f) Project labor agreement requirements. A recipient shall <--~~
6 ~~demonstrate that the recipient has a project labor agreement~~
7 ~~with a contractor or subcontractor for construction, renovation~~
8 ~~or rehabilitation work performed with loans under this act.~~

9 (F) LOCAL HIRE.--A RECIPIENT SHALL MAKE A GOOD FAITH EFFORT <--
10 TO RECRUIT AND EMPLOY, OR TO ENCOURAGE ANY CONSTRUCTION
11 CONTRACTORS OR SUBCONTRACTORS TO RECRUIT AND EMPLOY, WORKERS
12 FROM THE LOCAL LABOR MARKET FOR EMPLOYMENT FOR ALL CONSTRUCTION,
13 RECONSTRUCTION, DEMOLITION, ALTERATION AND REPAIR WORK, OTHER
14 THAN MAINTENANCE WORK.

15 Section 702. Max Manufacturing Endeavor Loan Fund.

16 (a) Establishment.--The Max Manufacturing Endeavor Loan Fund
17 is established within the State Treasury to which shall be
18 credited:

19 (1) appropriations made by the General Assembly, other
20 than appropriations for expenses of administering this
21 chapter;

22 (2) grants from other sources to the department; and

23 (3) repayment of principal and interest on loans made
24 under this chapter.

25 (b) Allocations for loans.--

26 (1) The department shall routinely requisition from the
27 Max Manufacturing Endeavor Loan Fund such amounts as shall be
28 allocated by the department for loans to applicants under
29 this chapter. When and as the amounts allocated by the
30 department as loans to applicants are repaid to the

1 department under the terms of the agreements made and entered
2 into with the department, the department shall pay the
3 amounts into the Max Manufacturing Endeavor Loan Fund.

4 (2) The Max Manufacturing Endeavor Loan Fund shall
5 operate as a revolving fund from which all appropriations and
6 payments made to this fund may be applied and reapplied for
7 the purposes of this chapter.

8 Section 703. Powers and duties of department.

9 In addition to the powers and duties conferred upon the
10 department under other provisions of law, the department shall
11 have the power and duty to:

12 (1) Lend money for the purposes authorized by this
13 chapter over a term of years, but in no case in excess of 15
14 years.

15 (2) Accept grants from the Federal Government and any
16 person, agency or government for use in the Max Manufacturing
17 Endeavor Loan Fund.

18 (3) Prescribe the form of the application for a loan
19 under this chapter in accordance with the published
20 guidelines.

21 (4) Advise an applicant regarding the financial ability
22 of the applicant to purchase specialized equipment or
23 integrated systems or to purchase, construct, renovate or
24 rehabilitate facilities for a shared infrastructure project.

25 (5) Require security for a loan, if determined to be
26 necessary.

27 (6) Specify priority of liens against a facility or
28 equipment purchased by an applicant using money loaned under
29 this chapter, if determined to be necessary.

30 (7) Establish a schedule that provides at least an

1 annual opportunity for applicants to apply for and receive
2 loans.

3 Section 704. Appropriation.

4 The General Assembly may appropriate money to the Max
5 Manufacturing Endeavor Loan Fund for the purposes specified
6 under this chapter.

7 CHAPTER 9

8 REPORTING REQUIREMENTS AND PUBLIC ACCESS

9 Section 901. Reporting duties.

10 Grantees and recipients of loans shall provide annually a
11 detailed accounting of the use of money for projects under this
12 act to the department no later than January 30 of each year.

13 Section 902. Public access to records.

14 (a) Scope of access.--

15 (1) Grantees, as State-related institutions, are subject
16 only to the reporting provisions of the act of February 14,
17 2008 (P.L.6, No.3), known as the Right-to-Know Law.

18 (2) State-related institutions are otherwise exempted
19 from the provisions and requirements of the release of
20 records.

21 (b) Construction.--Nothing in this act shall be construed
22 to:

23 (1) Supersede the exemption nor require a State-related
24 institution to provide additional information related to this
25 act beyond the scope of the State-related institution's
26 current responsibilities under Chapter 15 of the Right-to-
27 Know Law.

28 (2) Preclude the department from releasing records
29 deemed to be in the public interest.

30 (c) Public records.--Any other record identified as a public

1 record within the Right-to-Know Law in possession or
2 constructive possession of the department or a Commonwealth
3 agency, including contracts, grants, awards and other public
4 records, shall be considered public records in accordance with
5 the Right-to-Know Law.

6 (d) Federal law supersedes.--If the provisions of this act
7 related to public access conflict with a Federal or State law
8 prohibiting access to records, the provisions of this act shall
9 not apply with regard to access.

10 CHAPTER 11

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11 PREVAILING WAGE

12 SECTION 1101. REQUIREMENTS.

13 (A) RATES.--IF A GRANT OR LOAN IS SOUGHT AND AWARDED UNDER
14 THIS ACT, ALL CONTRACTORS AND SUBCONTRACTORS ENGAGED TO PERFORM
15 CONSTRUCTION, RECONSTRUCTION, DEMOLITION, ALTERATION AND REPAIR
16 WORK, OTHER THAN MAINTENANCE WORK, ON ANY SEGMENT OF WORK ON THE
17 SITE OF THE FACILITY OR ON A SHARED INFRASTRUCTURE PROJECT,
18 SHALL PAY TO THE CONTRACTORS' AND SUBCONTRACTORS' WORKERS NOT
19 LESS THAN THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR ALL
20 CRAFTS OR CLASSIFICATIONS, AS DETERMINED BY THE DEPARTMENT OF
21 LABOR AND INDUSTRY UNDER THE PREVAILING WAGE ACT.

22 (B) CONDITION.--AS A CONDITION OF RECEIVING AND MAINTAINING
23 GRANTS OR LOANS UNDER THIS ACT, THE RECIPIENTS SHALL ENSURE THAT
24 ALL CONTRACTORS AND SUBCONTRACTORS ENGAGED TO PERFORM
25 CONSTRUCTION, RECONSTRUCTION, DEMOLITION, ALTERATION AND REPAIR
26 WORK, OTHER THAN MAINTENANCE WORK, ON ANY SEGMENT OF WORK ON THE
27 SITE OF THE FACILITY OR ON A SHARED INFRASTRUCTURE PROJECT, PAY
28 NOT LESS THAN THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR
29 ALL CRAFTS AND CLASSIFICATIONS, AS DETERMINED BY THE DEPARTMENT
30 OF LABOR AND INDUSTRY UNDER THE PREVAILING WAGE ACT.

1 CHAPTER ~~11~~ 13 <--

2 MISCELLANEOUS PROVISIONS

3 Section ~~1101~~ 1301. Administrative costs. <--

4 The department may use up to 3% annually under sections 505
5 and 704 for administrative costs relating to the administration
6 of this act.

7 Section ~~1102~~ 1302. Effective date. <--

8 This act shall take effect immediately.