

AMENDMENTS TO SENATE BILL NO. 901

Sponsor: SENATOR EICHELBERGER

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1 Amend Bill, page 1, lines 1 through 21, by striking out all
2 of said lines and inserting

3 Amending Title 53 (Municipalities Generally) of the Pennsylvania
4 Consolidated Statutes, in indebtedness and borrowing, further
5 providing for definitions, for classification and authority
6 to issue bonds and notes, for cost of project and for
7 exclusion of other self-liquidating debt to determine net
8 nonelectoral debt or net lease rental debt; providing for
9 preliminary approval by the department of the issuance of
10 certain debt; further providing for small borrowing for
11 capital purposes, for debt statement, for submission to
12 department, for fees for filing, for certificate of approval
13 of transcript, for effect of failure of timely action by
14 department and for records of department; providing for
15 duties of participants in Local Government Unit Debt Act
16 transactions; and making a related repeal.

17 Amend Bill, page 1, lines 24 through 27; pages 2 through 22,
18 lines 1 through 30, by striking out all of said lines on said
19 pages and inserting

20 Section 1. The definition of "self-liquidating debt" in
21 subsection (b) of section 8002 of Title 53 of the Pennsylvania
22 Consolidated Statutes is amended and subsection (c) is amended
23 by adding definitions to read:

24 § 8002. Definitions.

25 * * *

26 (b) Exclusions from debt.--With respect to exclusions from
27 any particular category of debt and subject to additional
28 definitions contained in subsequent provisions of this subpart
29 which are applicable to specific provisions of this subpart, the
30 following words and phrases when used in this subpart shall have
31 the meanings given to them in this section unless the context
32 clearly indicates otherwise:

33 "Self-liquidating debt." Debt payable solely from rents,
34 rates or other charges to the ultimate users of the project, to
35 be financed in whole or in part by that debt, or payable solely

1 from special levies or assessments of benefits lawfully
2 earmarked exclusively for that purpose. The term also includes
3 debt or any portion thereof at the time qualified as self-
4 liquidating pursuant to this subpart, whether or not solely
5 payable from those sources. The term "ultimate users" includes
6 the local government unit itself only where its use of the
7 project is incidental to the use of the project by other users.
8 A debt with respect to which debt service payments have been
9 made under a guaranty of the debt shall not be considered self-
10 liquidating.

11 * * *

12 (c) Other definitions.--Subject to additional definitions
13 contained in subsequent provisions of this subpart which are
14 applicable to specific provisions of this subpart, the following
15 words and phrases when used in this subpart shall have the
16 meanings given to them in this section unless the context
17 clearly indicates otherwise:

18 * * *

19 "Financial advisor." A person who for compensation engages
20 in the business of advising a local government unit, either
21 directly or in writing, as to the value of securities, bonds or
22 notes or as to the advisability of investing in, purchasing or
23 selling securities, bonds or notes. The term does not include an
24 attorney, accountant or engineer whose performance of such
25 services is solely incidental to the practice of his profession.
26 The term does not include a lender, underwriter or other entity
27 purchasing the bonds or notes of a local government unit.

28 * * *

29 "Working capital." An amount which constitutes, under
30 generally accepted accounting principles, the cost of the day-
31 to-day operations of the project as well as a proper allowance
32 for contingencies. Reimbursements under a guaranty or amounts to
33 be used to address budgetary deficits of a local government unit
34 or for other purposes not related to the construction or
35 operation of the project do not constitute reasonable working
36 capital in connection with the incurring of debt under this
37 subpart.

38 Section 2. Sections 8005(c) and (d), 8007 and 8026(a)(5) of
39 Title 53 are amended to read:

40 § 8005. Classification and authority to issue bonds and notes.

41 * * *

42 (c) Authority to issue bonds and notes and lease rental
43 debt.--Notwithstanding any other law to the contrary, every
44 local government unit shall have full power and authority to
45 issue bonds or notes, and make guaranties, leases, subsidy
46 contracts or other agreements evidencing the acquisition of
47 capital assets payable out of taxes and other general revenues,
48 to provide funds for and towards the cost of or the cost of
49 completing any project or combination of projects which the
50 local government unit is authorized to own, acquire, subsidize,
51 operate or lease or to participate in owning, acquiring,

1 subsidizing, operating or leasing with others, to issue tax
2 anticipation notes and funding bonds or notes as provided in
3 this subpart and to contract for insurance covering the risks of
4 nonpayment of principal, interest and premium of bonds, notes,
5 tax anticipation notes and guaranties.

6 (d) Nature of guaranty procedure for issuance and
7 prohibitions.--The following shall apply to a guaranty:

8 (1) For the purpose of this subpart, unless debt
9 evidenced by a guaranty has been approved as electoral debt
10 in accordance with Subchapter C (relating to procedure for
11 securing approval of electors), the guaranty shall be deemed
12 to be nonelectoral debt if the local government unit
13 guaranties its own bonds or notes and shall be deemed to be
14 lease rental debt if it guaranties the bonds or notes of an
15 authority or another local government unit. For the purpose
16 of all other statutes, the guaranty shall be deemed to create
17 debt or indebtedness of the local government unit making the
18 guaranty.

19 (2) A local government unit may only issue a guaranty of
20 debt of another local government unit or an authority after
21 the initial local government unit has conducted its own due
22 diligence to determine the risks involved in the transaction,
23 including the impact of the guaranty on the future financial
24 condition of the local government unit, the financial
25 condition of the entity seeking the guaranty, the sources and
26 reliability of revenue to cover the underlying obligation and
27 the likelihood of default of the entity seeking the guaranty.
28 A guaranty may only be made by vote of the governing body
29 after a public meeting at which the initial local government
30 unit demonstrates the foregoing due diligence. A local
31 government unit may only issue a guaranty to an authority or
32 other local government unit for projects which are expressly
33 authorized by statute, including projects under section 5607
34 (relating to purposes and powers). Notwithstanding the
35 foregoing, a local government unit may not issue a guaranty
36 to an authority or other local government unit for sums due
37 under a qualified interest rate management agreement, nor may
38 guaranties be issued for projects which involve untested
39 technology or experimentation.

40 (3) A local government unit is prohibited from
41 collecting a fee to guaranty the debt of an authority or
42 another local government unit.

43 § 8007. Cost of project.

44 The cost of a project includes the amount of all payments to
45 contractors or for the acquisition of a project or for lands,
46 easements, rights and other appurtenances deemed necessary for
47 the project, fees of architects, engineers, appraisers,
48 consultants, financial advisors and attorneys incurred in
49 connection with the project financing costs, costs of necessary
50 printing and advertising, costs of preliminary feasibility
51 studies and tests, cost estimates and interest on money borrowed

1 to finance the project, if capitalized, to the date of
2 completion of construction and, if deemed necessary, for one
3 year thereafter, amounts to be placed in reserve funds, if any,
4 a reasonable initial working capital for operating the project
5 and a proper allowance for contingencies and any amount which
6 constitutes, under generally accepted accounting principles, a
7 cost of, and which has been determined by an independent actuary
8 or other expert to be required for the purposes of, a reserve or
9 a contribution toward a combined reserve, pool or other
10 arrangement for losses or liabilities covered by a self-
11 insurance arrangement established by one or more local
12 government units. Costs paid, from sources other than the debt
13 that is to be refunded, more than two years before an issuance
14 of new debt to finance the costs may not be included in the
15 costs of a project financed by the new debt. Reimbursements
16 under a guaranty or amounts to be used by a local government
17 unit to address budgetary deficits or other purposes not related
18 to the project do not constitute a cost of a project in
19 connection with the incurring of debt under this subpart. Costs
20 that qualify for funding of unfunded debt under section 8130
21 (relating to approval by court to fund unfunded debt) may only
22 constitute a cost of a project if the local government unit
23 complies with the requirements of section 8130.

24 § 8026. Exclusion of other self-liquidating debt to determine
25 net nonelectoral debt or net lease rental debt.

26 (a) Filings with department.--Self-liquidating debt shall
27 not be excluded in determining net nonelectoral debt or net
28 lease rental debt for the purpose of establishing net debt of
29 either category where the debt is evidenced by general
30 obligation bonds or notes, by bonds, notes or other obligations
31 of an authority or of another local government unit or by a
32 guaranty until there has been filed with and approved by the
33 department a report to the local government unit from qualified
34 registered engineers or architects or other persons qualified by
35 experience appropriate to the project, setting forth:

36 * * *

37 (5) The estimated net revenues of the project for each
38 year of the remaining life of the bonds, notes or obligations
39 with a justification for any assumed increase and a
40 computation showing, in reasonable detail, that the net
41 revenues, together with other available funds to be received
42 in respect of the project, will be sufficient in each year to
43 pay the annual debt service, other than capitalized debt
44 service, on the bonds, notes or obligations or a specified
45 aggregate principal amount thereof.

46 * * *

47 Section 3. Title 53 is amended by adding a section to read:
48 § 8102.1. Preliminary approval by the department of the
49 issuance of certain debt.

50 (a) General rule.--Prior to the enactment of an ordinance
51 authorizing the sale or issuance of any general obligation bonds

1 or notes or guaranteed revenue bonds or notes constituting
2 nonelectoral debt or any agreement evidencing lease rental debt,
3 a local government unit shall obtain a preliminary authorization
4 to incur debt from the department. The following debt
5 transactions shall be exempt from the requirement to obtain
6 preliminary approval under this section:

7 (1) Small borrowing for capital purposes as provided in
8 section 8109 (relating to small borrowing for capital
9 purposes).

10 (2) Transactions under Subchapter C of Chapter 82
11 (relating to refunding of debt) which consist exclusively of
12 the issuance and sale of obligations, the proceeds of which
13 are to be used solely for the payment or redemption of
14 outstanding obligations upon or prior to maturity and the
15 costs of issuing the obligations. A refunding transaction
16 which includes a qualified interest rate management agreement
17 shall not be exempt from the requirements of this section.

18 (b) Authorization.--Authorization shall be obtained by
19 filing a notice with the department in the form of a certificate
20 signed by two officers of the local government unit. The
21 department shall prescribe the form of the certificate which
22 shall include a basic description of the intended financing and,
23 as applicable, the following:

24 (1) Evidence that the local government unit is current
25 in the filing of its annual financial statements with
26 Commonwealth agencies under applicable State law.

27 (2) A description of the intended type and amount of
28 payment or performance bond, letter or credit or other
29 financial security proposed to insure the completion of the
30 project.

31 (3) Information that the local government unit is up to
32 date on all of its municipal securities disclosures required
33 under 17 CFR § 240.15c2-12 (relating to municipal securities
34 disclosure).

35 (4) If the local government unit intends for the
36 proposed debt to be self-liquidating or subsidized,
37 information satisfactory to the department that the debt will
38 qualify as self-liquidating or subsidized debt, including
39 filings required under section 8024 (relating to exclusion of
40 subsidized debt from net nonelectoral debt or net lease
41 rental debt), 8025 (relating to exclusion of self-liquidating
42 debt evidenced by revenue bonds or notes to determine net
43 nonelectoral debt) or 8026 (relating to exclusion of other
44 self-liquidating debt to determine net nonelectoral debt or
45 net lease rental debt), as applicable.

46 (5) If the local government unit has existing debt which
47 was previously approved by the department as subsidized or
48 self-liquidating, information satisfactory to the department
49 that the debt continues to be treated as subsidized or self-
50 liquidating and that no decrease in the amount to be excluded
51 is required by any change in circumstances, other than

1 resulting from the payments of the debt, or, if there has
2 been a change in circumstances, information demonstrating to
3 the satisfaction of the department the amount of debt that
4 should continue to be treated as subsidized or self-
5 liquidating.

6 (6) Schedules demonstrating the estimated net debt
7 service impact of the transaction and a certification that
8 the local government adopted or approved a plan to provide
9 the tax or other revenues necessary to pay the debt service
10 on the debt.

11 (7) The debt statement required by section 8110
12 (relating to debt statement).

13 (8) A statement of the intended manner of sale of the
14 bonds or notes.

15 (9) A project cost statement detailing the intended uses
16 of debt proceeds.

17 (c) Additional information.--As part of the department's
18 review of a filing by a local government unit under subsection
19 (b), the department may request and the local government unit
20 shall provide additional information regarding any of the
21 following:

22 (1) justification for costs of issuance exceeding 2% of
23 the principal amount of the proposed debt;

24 (2) justification for the use of more than 10% of the
25 proceeds of the debt for working capital; and

26 (3) if bonds or notes are to be sold at private sale by
27 negotiation, the basis for the local government unit's
28 finding that the bonds or notes are in the best financial
29 interests of the local government unit.

30 (d) Action by department.--If the department, upon review of
31 the filing made by the local government unit under subsection
32 (b) and any additional information provided under subsection
33 (c), if applicable, finds that:

34 (1) The requirements are satisfied in connection with
35 the proposed debt, the department shall issue a preliminary
36 approval of the debt.

37 (2) The requirements are not satisfied in connection
38 with the proposed debt, the department shall issue a
39 preliminary disapproval of the debt and the local government
40 may not proceed to incur the debt until the requirements are
41 satisfied.

42 (e) Timely action required.--The department shall have 30
43 days after receipt of the filing required under subsection (b)
44 to issue a preliminary approval or disapproval of the debt. If
45 the local government unit has submitted a certificate for
46 preliminary approval to the department by certified mail, return
47 receipt requested or otherwise has an official receipt from the
48 department and the local government unit has not, within 30 days
49 of the date of receipt of the filing by the department, received
50 the certificate of preliminary approval, disapproval or
51 notification of correctable error, the filing shall be deemed to

1 have been preliminarily approved for all purposes unless the
2 local government unit has extended the time within which the
3 department may act by written communication to the department or
4 by failure to object to a written communication from the
5 department requesting the extension. No extension shall exceed
6 15 days.

7 (f) Incurrence of debt.--Upon issuance of preliminary
8 approval of the department, the local government unit shall have
9 one year to incur the debt under this subpart. The bonds or
10 notes shall be sold, or instruments evidencing lease rental debt
11 delivered, not more than two years following the date of the
12 preliminary approval.

13 (g) Review.--All determinations by the department under this
14 section are reviewable as provided under 2 Pa.C.S. Ch. 7
15 (relating to judicial review).

16 Section 4. Sections 8109(a)(1) and 8110(b) of Title 53 are
17 amended to read:

18 § 8109. Small borrowing for capital purposes.

19 (a) General rule.--Any local government unit may incur debt
20 by resolution rather than by ordinance to be evidenced by notes
21 to provide funds for a project as defined in this subpart
22 without complying with the requirements of Subchapter A of
23 Chapter 82 (relating to Department of Community and Economic
24 Development) if:

25 (1) The aggregate amount of the debt outstanding at any
26 one time shall not exceed the lesser of [\$125,000] \$250,000
27 or 30% of the nonelectoral debt limit as authorized in
28 section 8022(a) (relating to limitations on incurring of
29 other debt).

30 * * *

31 § 8110. Debt statement.

32 * * *

33 (b) Previously excluded self-liquidating or subsidized
34 debt.--Where debt has previously been excluded as self-
35 liquidating or subsidized debt, the debt statement shall be
36 accompanied by a certification that indicates one of the
37 following:

38 (1) no decrease in the amounts to be excluded is
39 required by any change of circumstances [or ,if there has
40 been a change, other than decreases resulting from the
41 payments of bonds or notes, so that less debt is to be
42 excluded. If it has become possible to exclude a greater
43 amount of debt and the local government unit desires to do
44 so, the debt statement shall be accompanied by appropriate
45 certificates supporting the revised amount to be excluded,
46 and a revised approval shall be obtained from the
47 department.];

48 (2) a decrease in the amounts to be excluded is required
49 due to a change in circumstances, in which case:

50 (i) The change in circumstance must be described. If
51 it has become possible to exclude a greater amount of

1 debt and the local government unit wants to do so, the
2 debt statement shall be accompanied by appropriate
3 certifications supporting the revised amount to be
4 excluded and a revised approval shall be obtained from
5 the department.

6 (ii) No debt service payments have been made under a
7 guaranty of debt previously established as self-
8 liquidating. Debt service payments that have been made
9 under a guarantee of the local government unit shall no
10 longer be considered self-liquidating unless and until
11 the local government unit files with the department a new
12 report satisfying the requirements of section 8025
13 (relating to exclusion of self-liquidating debt evidenced
14 by revenue bonds or notes to determine net nonelectoral
15 debt) or 8026 (relating to exclusion of other self-
16 liquidating debt to determine net nonelectoral debt or
17 net lease rental debt), as the case may be.

18 Section 5. Section 8111(a) of Title 53 is amended by adding
19 paragraphs to read:

20 § 8111. Submission to department.

21 (a) General rule.--Before delivering any bonds or notes
22 other than notes representing small borrowings issued under
23 section 8109 (relating to small borrowing for capital purposes),
24 the local government unit shall apply for and receive or be
25 deemed to have received the approval of the department under
26 section 8204 (relating to certificate of approval of transcript)
27 or 8206 (relating to effect of failure of timely action by
28 department). The application, in such form as the department
29 prescribes, shall be accompanied by a transcript of the
30 proceedings consisting of certified copies of any of the
31 following, not previously filed, which are applicable:

32 * * *

33 (8) A written statement with regard to the manner of
34 compliance or intended compliance with the requirements of
35 the act of December 20, 1967 (P.L.869, No.385), known as the
36 Public Works Contractors' Bond Law of 1967.

37 (9) An itemized statement of all estimated disbursements
38 for costs to be made from the proceeds of the borrowing.

39 * * *

40 Section 6. Sections 8203, 8204, 8206 and 8207(a) and (c) of
41 Title 53 are amended to read:

42 § 8203. Fees for filing.

43 Every filing under this subpart with the department shall be
44 accompanied by a filing fee [as determined in section 605-A of
45 the act of April 9, 1929 (P.L.177, No.175), known as The
46 Administrative Code of 1929.] of \$250. In addition, the filing
47 shall be accompanied by an additional fee of 1/32 mill on each
48 dollar of the aggregate principal amount of the debt relating to
49 the filing. No submission shall constitute a filing until the
50 proper fee is paid. All fees received under this section shall
51 be [paid by the department into the State Treasury through the

Department of Revenue.] deposited into the Local Government Unit Debt Act Administrative Account, established as follows:

(1) There is hereby established a restricted receipt account within the General Fund of the State Treasury which shall be known as the Local Government Unit Debt Act Administrative Account.

(2) All moneys in the Local Government Unit Debt Act Administrative Account shall be held in trust solely for the purpose of defraying the costs of the administration of this subpart and shall be earmarked for the use of and annually appropriated to the department for disbursement solely for that purpose. The account shall be subject to audit by the Auditor General.

(3) The fee shall be waived for borrowings in connection with a plan or recovery plan under the act of July 10, 1987 (P.L.246, No.47), known as the Municipalities Financial Recovery Act.

(4) Fees paid in connection with a filing under section 8102.1 (relating to preliminary approval by the department on the issuance of certain debt) shall constitute payment of fees due under section 8204 (relating to certificate of fiscal approval).

§ 8204. Certificate of final approval [of transcript].

The department shall, upon receipt of a submission under section 8111 (relating to submission to department) containing an application for final approval and any bond or note transcripts or other filings, carefully examine them to determine whether the debt outstanding and to be outstanding is within the applicable limitations imposed by this subpart and whether the proceedings for incurring the debt, for issuing and selling the bonds or notes and for excluding self-liquidating and subsidized debt have been taken in conformity with the Constitution of Pennsylvania and this subpart. If, upon completion of its examination, a transcript or other filing is found by the department to be in conformity with the Constitution of Pennsylvania and this subpart, the department shall certify its approval to the local government unit if required under other provisions of this subpart. If the debt requires preliminary approval under section 8102.1 (relating to preliminary approval by the department of the issuance of certain debt), the certificates and filings related to preliminary approval shall be part of the transcript and a requirement for final approval under this section. If the debt has received preliminary approval under section 8102.1, the department shall provide for a procedure to expedite the processing of final approval.

§ 8206. Effect of failure of timely action by department.

If the local government unit has submitted [a filing] an application for final approval to the department by certified mail, return receipt requested, or otherwise has an official receipt from the department, and the local government unit has

1 not, within 20 days of the date of receipt of the filing by the
2 department, received the certificate of final approval or
3 disapproval or notification of correctable error, the filing
4 shall be deemed to have been approved for all purposes unless
5 the local government unit has extended the time within which the
6 department may act by written communication to the department or
7 by failure to object to a written communication from the
8 department requesting the extension. Extensions shall not exceed
9 one additional period of 20 days.

10 § 8207. Records of department.

11 (a) Retention period.--The department shall keep all
12 proceedings including all applications and statements by a local
13 government unit under sections 8102.1 (relating to preliminary
14 approval by the department of the issuance of certain debt),
15 8111 (relating to submission to department) and 8201 (relating
16 to certification to department of bond or note transcript or
17 lease, guaranty, subsidy contract or other agreement) on file
18 for a period of not less than [four months after issuance of its
19 certificate of approval or disapproval and thereafter as long as
20 any appeal respecting the proceedings is pending and not finally
21 determined.] five years after the debt issuance has been paid
22 off by the local government unit. The department shall also keep
23 copies of all documents filed with the department relating to a
24 qualified interest rate management agreement for as long as the
25 qualified interest rate management agreement is in effect.

26 * * *

27 (c) Records open for inspection.--[The records of the
28 department shall be public records available for examination by
29 any citizen of this Commonwealth or any bondholders or
30 noteholders.] All submissions, determinations and records of the
31 department under this subpart, including those related to
32 qualified interest rate management agreements and including
33 correspondence with the interested parties to any debt
34 proceeding, shall be public records available for examination by
35 any citizen of this Commonwealth, any interested parties or any
36 bondholder or noteholder, including holders of tax anticipation
37 notes, of the local government unit.

38 Section 7. Chapter 82 of Title 53 is amended by adding a
39 subchapter to read:

40 SUBCHAPTER G
41 MISCELLANEOUS PROVISIONS

42 Sec.

43 8291. Duties of participants in Local Government Unit Debt Act
44 transactions.

45 § 8291. Duties of participants in Local Government Unit Debt
46 Act transactions.

47 (a) Declaration of representation.--With regard to each
48 transaction under this subchapter, each attorney or financial
49 advisor involved in the transaction shall provide a written
50 declaration to the local government unit as to which party is
51 being represented by the attorney or financial advisor, the

1 source from which the attorney or financial advisor will receive
2 compensation for services related to the transaction and whether
3 the compensation is dependent upon the issuance of debt by the
4 local government unit. A full time employee of the local
5 government unit shall not be required to file a declaration
6 under this subsection.

7 (b) Fiduciary duty.--An attorney or financial advisor
8 retained by or who in subsection (a) purports to represent a
9 local government unit with regard to a transaction under this
10 subpart shall stand in a fiduciary relationship to the local
11 government unit and shall perform loyally, in good faith and in
12 a manner the attorney or financial advisor reasonably believes
13 to be in the best interests of the local government unit. The
14 attorney or financial advisor shall act with such care,
15 including reasonable inquiry, skill and diligence that a person
16 of ordinary prudence would use under similar circumstances and
17 provide opinion both as to positive and negative possible
18 impacts of the transaction. An attorney or financial advisor in
19 the course of the representation is entitled to rely on
20 reasonable representations and certifications made to the
21 attorney or financial advisor by architects, engineers and other
22 persons retained by and the officers and employees of the local
23 government unit in connection with the transaction. For
24 attorneys licensed to practice law in this Commonwealth, this
25 duty shall be interpreted to be consistent with Supreme Court
26 rule of professional conduct pertaining to attorney fiduciary
27 relationships. For financial advisors retained by a local
28 government unit, this duty shall be in addition to any fiduciary
29 duty which may be imposed by Federal law.

30 (c) Ultra vires acts.--An officer or member of the governing
31 body of a local government unit or a financial advisor or
32 attorney may not knowingly participate in an ultra vires act.
33 For purposes of this subsection, an act is ultra vires when:

34 (1) the local government unit is without authority to
35 perform the act; or

36 (2) the act is in excess of the authority granted to the
37 local government unit.

38 (d) Materially false or misleading certifications.--An
39 officer or member of the governing body of a local government
40 unit or an attorney or financial advisor may not knowingly file
41 a materially false or misleading certification or statement with
42 the department under this act.

43 (e) Penalties.--

44 (1) An officer or member of the governing body of a
45 local government unit or an attorney or financial advisor who
46 aids or participates in the commission of an act prohibited
47 in subsection (c) or (d) commits a misdemeanor of the second
48 degree and shall, upon conviction, be sentenced to pay a fine
49 of not more than \$5,000 or to imprisonment for not more than
50 two years, or both.

51 (2) Notwithstanding paragraph (1), a local government

1 may seek civil judicial redress for a violation of this
2 section that results in damages to the local government unit
3 not caused by the local government unit or its agents. A
4 local government unit shall prohibit or restrict the future
5 participation in transactions under this subpart of an
6 individual attorney or financial advisor who violates this
7 section and may also prohibit or restrict participation of a
8 firm that employs the attorney or financial advisor for a
9 period not to exceed two years.

10 Section 8. Repeals are as follows:

11 (1) The General Assembly declares that the repeal under
12 paragraph (2) is necessary to effectuate the amendment of 53
13 Pa.C.S. § 8203.

14 (2) Section 605-A of the act of April 9, 1929 (P.L.177,
15 No.175), known as The Administrative Code of 1929, is
16 repealed.

17 (3) All acts and parts of acts are repealed insofar as
18 they are inconsistent with the amendment or addition of 53
19 Pa.C.S. §§ 8002(b) and (c), 8005(c) and (d), 8007,
20 8026(a)(5), 8102.1, 8111(a), 8203, 8204, 8206, 8207(a) and
21 (c) and 8291.

22 Section 9. This act shall take effect in 60 days.