

AMENDMENTS TO HOUSE BILL NO. 2862

Sponsor: REPRESENTATIVE KRUEGER

Printer's No. 4375

1 Amend Bill, page 1, lines 1 through 24, by striking out all
2 of said lines and inserting
3 Amending the act of April 9, 1929 (P.L.343, No.176), entitled
4 "An act relating to the finances of the State government;
5 providing for cancer control, prevention and research, for
6 ambulatory surgical center data collection, for the Joint
7 Underwriting Association, for entertainment business
8 financial management firms, for private dam financial
9 assurance and for reinstatement of item vetoes; providing for
10 the settlement, assessment, collection, and lien of taxes,
11 bonus, and all other accounts due the Commonwealth, the
12 collection and recovery of fees and other money or property
13 due or belonging to the Commonwealth, or any agency thereof,
14 including escheated property and the proceeds of its sale,
15 the custody and disbursement or other disposition of funds
16 and securities belonging to or in the possession of the
17 Commonwealth, and the settlement of claims against the
18 Commonwealth, the resettlement of accounts and appeals to the
19 courts, refunds of moneys erroneously paid to the
20 Commonwealth, auditing the accounts of the Commonwealth and
21 all agencies thereof, of all public officers collecting
22 moneys payable to the Commonwealth, or any agency thereof,
23 and all receipts of appropriations from the Commonwealth,
24 authorizing the Commonwealth to issue tax anticipation notes
25 to defray current expenses, implementing the provisions of
26 section 7(a) of Article VIII of the Constitution of
27 Pennsylvania authorizing and restricting the incurring of
28 certain debt and imposing penalties; affecting every
29 department, board, commission, and officer of the State
30 government, every political subdivision of the State, and
31 certain officers of such subdivisions, every person,
32 association, and corporation required to pay, assess, or
33 collect taxes, or to make returns or reports under the laws
34 imposing taxes for State purposes, or to pay license fees or
35 other moneys to the Commonwealth, or any agency thereof,
36 every State depository and every debtor or creditor of the
37 Commonwealth," in additional special funds and restricted
38 accounts, adding provisions relating to miscellaneous trust

funds by converting the Banking Fund to the Banking Trust Fund, the Institution Resolution Account to the Institution Resolution Trust Fund and the Keystone Recreation, Park and Conservation Fund to the Keystone Recreation, Park and Conservation Trust Fund; and making related repeals.

Amend Bill, page 1, lines 27 and 28; pages 2 through 5, lines 1 through 30; page 6, lines 1 through 11; by striking out all of said lines on said pages and inserting

Section 1. Article XVII-A.1 of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, is amended by adding a subarticle to read:

SUBARTICLE J

MISCELLANEOUS TRUST FUNDS

Section 1791-A.1. Banking Trust Fund.

(a) Conversion of Banking Fund.--The Banking Fund is converted into a trust fund in the State Treasury to be known as the Banking Trust Fund and administered for the benefit of institutions, credit unions, licensees and their customers, except for persons subject to regulation under the act of December 5, 1972 (P.L.1280, No.284), known as the Pennsylvania Securities Act of 1972. The fund shall be administered by the department. All interest earned from the investment or deposit of money accumulated in the fund shall be deposited into the fund for the same use. All money deposited into the fund shall:

(1) be held in trust;

(2) not be considered general revenue of the Commonwealth;

(3) be used only to effectuate the purposes of this section as determined by the department; and

(4) be subject to audit by the Auditor General.

(b) Sources.--The sources of the fund are as follows:

(1) Money collected or received by the department arising from:

(i) fees, assessments, charges and penalties relating to the regulation of credit unions, institutions and licensees;

(ii) the sale by the Department of General Services of unserviceable property originally paid for out of the fund; and

(iii) similar sources.

(2) The sources of the fund shall not include fees, assessments, charges and penalties generated from:

(i) the Pennsylvania Securities Act of 1972;

(ii) the act of March 3, 1976 (P.L.42, No.19), known as the Takeover Disclosure Law; or

(iii) portions of the money under paragraph (1) determined by the secretary to be paid into the

Institution Resolution Trust Fund under section 1792-A.1.

1 (c) Use of fund.--The fund shall be used by the department
2 to pay its expenses relating to the examination and regulation
3 of institutions, credit unions and licensees, except for persons
4 subject to regulation under the Pennsylvania Securities Act of
5 1972, including the following:

6 (1) Salaries of the secretary, the deputies, the
7 examiners, the other employees of the department and
8 attorneys.

9 (2) Rental and other expenses for offices, rooms, garage
10 space and other accommodations, regardless of the
11 municipality in which they are located, occupied by the
12 department. This paragraph excludes offices, rooms, garage
13 space and accommodations in the Capitol Complex.

14 (3) Premiums for workers' compensation insurance
15 covering the officers and employees of the department.

16 (4) Premiums for surety bonds for officers and employees
17 of the department required by law to furnish the bonds.

18 (5) Furniture, stationery, materials, supplies and
19 overhead expenses of the department.

20 (c.1) Operating reserves.--The fund shall maintain an
21 adequate operating reserve as determined by the secretary to be
22 necessary to ensure the ability of the department to continue to
23 pay its expenses described in subsection (c) in the event of
24 adverse economic conditions, the loss of revenue as a result of
25 institutions or licensees becoming subject to the jurisdiction
26 of another primary regulator or emergencies. In determining the
27 amount of the reserve to be held by the fund, the secretary
28 shall take into consideration the accreditation requirements of
29 the Conference of State Bank Supervisors, the National
30 Association of State Credit Union Supervisors and the American
31 Association of Residential Mortgage Regulators.

32 (d) Department of General Services.--Purchases and leases
33 under subsection (c) shall be made through the Department of
34 General Services, as agent. Contracts of insurance and surety
35 bonds under subsection (c) shall be placed through the
36 Department of General Services, as agent.

37 (e) Restrictions on appropriations.--For fiscal years
38 beginning after June 30, 2012, the General Assembly shall
39 appropriate the funds as it determines to be necessary from the
40 fund for use only by the department and not for any other
41 Commonwealth agency.

42 (f) Warrant.--Money in the fund appropriated to the
43 department shall be paid out upon warrant of the State Treasurer
44 drawn after requested by the secretary.

45 (g) Definitions.--As used in this section, the following
46 words and phrases shall have the meanings given to them in this
47 subsection unless the context clearly indicates otherwise:

48 "Department." The Department of Banking and Securities of
49 the Commonwealth.

50 "Fund." The Banking Trust Fund described in subsection (a).

51 "Secretary." The Secretary of Banking and Securities of the

1 Commonwealth.

2 Section 1792-A.1. Institution Resolution Trust Fund.

3 (a) Conversion of Institution Resolution Account.--The
4 Institution Resolution Account in the Banking Fund is converted
5 into a trust fund in the State Treasury to be known as the
6 Institution Resolution Trust Fund and administered for the
7 benefit of banks, bank and trust companies, trust companies,
8 savings banks, credit unions and their customers. The fund shall
9 be administered by the department. All interest earned from the
10 investment or deposit of money accumulated in the fund shall be
11 deposited into the fund for the same use. All money deposited
12 into the fund shall:

13 (1) be held in trust;

14 (2) not be considered general revenue of the
15 Commonwealth;

16 (3) be used only to effectuate the purposes of this
17 subsection as determined by the department; and

18 (4) be subject to audit by the Auditor General.

19 (b) Sources.--The sources of the fund are as follows:

20 (1) An amount determined by the secretary each fiscal
21 year based upon economic and regulatory conditions from
22 assessments, fees and administrative penalties generated from
23 statutes administered by the department other than:

24 (i) the act of December 5, 1972 (P.L.1280, No.284),
25 known as the Pennsylvania Securities Act of 1972; or

26 (ii) the act of March 3, 1976 (P.L.42, No.19), known
27 as the Takeover Disclosure Law.

28 (2) Amounts received from court litigation involving the
29 department.

30 (c) Use.--The secretary may use the money in the fund to pay
31 for costs associated with any of the following:

32 (1) Resolution of an institution or an association,
33 under Article X of the act of May 15, 1933 (P.L.565, No.111),
34 known as the Department of Banking and Securities Code. Money
35 under this paragraph may be used in lieu of paying expenses
36 from the assets of an institution or association under
37 section 1006 of the Department of Banking and Securities
38 Code.

39 (2) Seizure and liquidation of a credit union under 17
40 Pa.C.S. § 503 (relating to regulation by department).

41 (d) Reserve.--In determining the amount to pay into the fund
42 each year, the secretary shall do so in a manner that builds up
43 a reserve sufficient to pay costs as described in subsection (c)
44 in a manner that will allow the department to discharge its
45 obligations to resolve, seize or liquidate an institution or
46 credit union without impairing the ability of the department to
47 continue to perform its other duties.

48 (e) Restrictions on appropriations.--For fiscal years
49 beginning after June 30, 2012, the General Assembly shall
50 appropriate the funds as it determines to be necessary from the
51 the fund for use only by the department and not for any other

1 Commonwealth agency.

2 (f) Warrant.--Money in the fund appropriated to the
3 department shall be paid out upon warrant of the State Treasurer
4 drawn after requested by the secretary.

5 (g) Definitions.--As used in this section, the following
6 words and phrases shall have the meanings given to them in this
7 subsection unless the context clearly indicates otherwise:

8 "Department." The Department of Banking and Securities of
9 the Commonwealth.

10 "Fund." The Institution Resolution Trust Fund described in
11 subsection (a).

12 "Secretary." The Secretary of Banking and Securities of the
13 Commonwealth.

14 Section 1793-A.1. Keystone Recreation, Park and Conservation
15 Trust Fund.

16 (a) Conversion of Keystone Recreation, Park and Conservation
17 Fund.--The Keystone Recreation, Park and Conservation Fund
18 established in section 4 of the act of July 2, 1993 (P.L.359,
19 No.50), known as the Keystone Recreation, Park and Conservation
20 Fund Act, is converted to a trust fund in the State Treasury to
21 be known as the Keystone Recreation, Park and Conservation Trust
22 Fund to provide money necessary to implement the provisions of
23 that act. All interest earned from the investment or deposit of
24 money accumulated in the fund shall be deposited into the fund
25 for the same use. All money deposited into the fund shall:

26 (1) be held in trust;

27 (2) not be considered general revenue of the
28 Commonwealth;

29 (3) be used only to effectuate the purposes of this
30 section as determined by the agency; and

31 (4) be subject to audit by the Auditor General.

32 (b) Source of funds.--All proceeds from the sale of bonds or
33 notes as approved under section 5 of the Keystone Recreation,
34 Park and Conservation Fund Act and the monthly transfer of a
35 portion of the State Realty Transfer Tax shall provide the
36 necessary money for the fund.

37 (c) Appropriations.--All money in the fund is hereby
38 appropriated on a continuing nonlapsing basis to the designated
39 agencies in the amounts specified in section 12 of the Keystone
40 Recreation, Park and Conservation Fund Act. No money shall be
41 expended by any agency without authorization by the Governor.

42 (d) Interest.--All interest earned by the fund and all
43 refunds or repayments shall be credited to the fund and are
44 hereby appropriated to the appropriate agencies in the same
45 percentage as specified in section 12 of the Keystone
46 Recreation, Park and Conservation Fund Act.

47 (e) Definitions.--As used in this section, the following
48 words and phrases shall have the meanings given to them in this
49 subsection unless the context clearly indicates otherwise:

50 "Agency." As defined in the Keystone Recreation, Park and
51 Conservation Fund Act.

1 "Fund." The Keystone Recreation, Park and Conservation Trust
2 Fund described in this section.

3 Section 2. The addition of section 1793-A.1 of the act is a
4 continuation of section 4 of the act of July 2, 1993 (P.L.359,
5 No.50), known as the Keystone Recreation, Park and Conservation
6 Fund Act, and the following shall apply:

7 (1) Except as otherwise provided in section 1793-A.1 of
8 the act, all activities initiated under section 4 of the
9 Keystone Recreation, Park and Conservation Fund Act, shall
10 continue and remain in full force and effect and may be
11 completed under section 1793-A.1 of the act. Resolutions,
12 orders, regulations, rules and decisions which were made
13 under section 4 of the Keystone Recreation, Park and
14 Conservation Fund Act and which are in effect on the
15 effective date of this section shall remain in full force and
16 effect until revoked, vacated or modified under section 1793-
17 A.1 of the act. Contracts, obligations and agreements entered
18 into under section 4 of the Keystone Recreation, Park and
19 Conservation Fund Act are not affected nor impaired by the
20 repeal of section 4 of the Keystone Recreation, Park and
21 Conservation Fund Act.

22 (2) Except as specified in paragraph (3), any difference
23 in language between section 1793-A.1 of the act and section 4
24 of the Keystone Recreation, Park and Conservation Fund Act is
25 intended only to conform to the style of the Pennsylvania
26 Consolidated Statutes and is not intended to change or affect
27 the legislative intent, judicial construction or
28 administrative interpretation and implementation of section 4
29 of the Keystone Recreation, Park and Conservation Fund Act.

30 (3) Paragraph (2) does not apply to section 1793-A.1(a)
31 and (e) of the act.

32 Section 3. The following shall apply:

33 (1) A reference in any law to the Banking Fund shall be
34 deemed to be a reference to the Banking Trust Fund.

35 (2) A reference in any law to the Institution Resolution
36 Account in the Banking Fund shall be deemed to be a reference
37 to the Institution Resolution Trust Fund.

38 (3) A reference in any law to the Keystone Recreation,
39 Park and Conservation Fund shall be deemed to be a reference
40 to the Keystone Recreation, Park and Conservation Trust Fund.
41 Section 4. Repeals are as follows:

42 (1) The General Assembly finds that the repeal under
43 paragraph (2) is necessary to effectuate the addition of
44 sections 1791-A.1 and 1792-A.1 of the act.

45 (2) Section 1113-A of the act of May 15, 1933 (P.L.565,
46 No.111), known as the Department of Banking and Securities
47 Code, is repealed.

48 (3) The General Assembly finds that the repeal under
49 paragraph (4) is necessary to effectuate the addition of
50 section 1793-A.1 of the act.

51 (4) Section 4 of the act of July 2, 1993 (P.L.359,

1 No.50), known as the Keystone Recreation, Park and
2 Conservation Fund Act, is repealed.
3 Amend Bill, page 6, line 12, by striking out "2" and
4 inserting
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