

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 544

Session of
1975

INTRODUCED BY NOYE, DORR, BUTERA, ANDERSON, O'CONNELL, TURNER,
TADDONIO, A. C. FOSTER JR., GEESEY, ARTHURS, LEHR, KLINGAMAN,
HALVERSON, W. W. WILT, DeMEDIO, RENNINGER, DININNI,
MANMILLER, McCLATCHY, GRING, MOEHLMANN, GRIECO, KNEPPER,
RHODES, WESTERBERG AND E. H. SMITH, FEBRUARY 19, 1975

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 19, 1975

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled
2 "An act relating to the finances of the State government;
3 providing for the settlement, assessment, collection, and
4 lien of taxes, bonus, and all other accounts due the
5 Commonwealth, the collection and recovery of fees and other
6 money or property due or belonging to the Commonwealth, or
7 any agency thereof, including escheated property and the
8 proceeds of its sale, the custody and disbursement or other
9 disposition of funds and securities belonging to or in the
10 possession of the Commonwealth, and the settlement of claims
11 against the Commonwealth, the resettlement of accounts and
12 appeals to the courts, refunds of moneys erroneously paid to
13 the Commonwealth, auditing the accounts of the Commonwealth
14 and all agencies thereof, of all public officers collecting
15 moneys payable to the Commonwealth, or any agency thereof,
16 and all receipts of appropriations from the Commonwealth and
17 imposing penalties; affecting every department, board,
18 commission, and officer of the State government, every
19 political subdivision of the State, and certain officers of
20 such subdivisions, every person, association, and corporation
21 required to pay, assess, or collect taxes, or to make returns
22 or reports under the laws imposing taxes for State purposes,
23 or to pay license fees or other moneys to the Commonwealth,
24 or any agency thereof, every State depository and every
25 debtor or creditor of the Commonwealth," requiring interest
26 on certain Commonwealth liabilities.

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

1 Section 1. The act of April 9, 1929 (P.L.343, No.176), known
2 as "The Fiscal Code," is amended by adding a section to read:

3 Section 1506. Interest on Commonwealth Accounts.--The
4 Commonwealth, its agencies and authorities shall be liable for
5 interest on certain of their past due accounts, at the rate of
6 nine (9) per centum per annum, payable to vendors and
7 contractors for materials, goods and services purchased.
8 Interest shall begin to accrue thirty (30) days after the bill
9 is due and payable provided it has been presented and is in the
10 possession of the Commonwealth or the proper agency or authority
11 for the same period of time.

12 In the event the Commonwealth or any of its agencies and
13 authorities is unable to meet the above schedule, an automatic
14 extension of thirty (30) days will take effect with the
15 publication of notice of expected non compliance in the
16 Pennsylvania Bulletin one (1) week prior to the expiration of
17 the initial thirty (30) day period. Such notice shall include
18 the name and address of the vendor or contractor affected, the
19 amount due and the reason for non compliance with the schedule.

20 Any vendor or contractor aggrieved by such extension may
21 challenge the extension before the Board of Finance and Revenue
22 on the basis that the Commonwealth has failed to show good cause
23 for its non compliance.

24 The board shall establish its requirements for the hearing of
25 such appeals.

26 No additional extension shall be granted for any reason other
27 than the General Assembly's failure to pass sufficient
28 appropriations for the Commonwealth or its agencies and
29 authorities.

30 Section 2. This act shall take effect 60 days after the date

1 of enactment.