
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2116

Session of
1989

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JAMES, TIGUE, BLAUM, VAN HORNE AND LINTON, NOVEMBER 15, 1989

SENATOR GREENLEAF, JUDICIARY, IN SENATE, AS AMENDED,
JUNE 13, 1990

AN ACT

1 Authorizing the Department of General Services to enter into
2 lease/purchase agreements for prison space; authorizing
3 capital budget projects for certain option purchases;
4 providing for the issuance of bonds; making appropriations;
5 authorizing indebtedness, with the approval of the electors,
6 to make grants to counties for county or multicounty regional
7 prison facilities; and authorizing the Department of
8 Corrections to contract with county or regional prison
9 facilities for the housing of State inmates.

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

16 CHAPTER 1
17 PRELIMINARY PROVISIONS

18 Section 101. Short title.

19 This act shall be known and may be cited as the Prison
20 Facilities Improvement Act.

21 Section 102. Declaration of policy.

22 The General Assembly finds and declares as follows:

23 (1) The Commonwealth faces a serious problem in the
24 overcrowded prisons.

25 (2) Expeditious procedures are required to resolve the
26 problem.

27 CHAPTER 3
28 LEASE PURCHASE AGREEMENTS

29 Section 301. Authorization.

30 The Department of General Services is authorized to enter

1 into agreements for the lease or purchase of three 1,000-bed
2 prisons in this Commonwealth. One of these prisons is to be
3 located ANYWHERE in ~~the western half of~~ this Commonwealth, one <—
4 is to be located in ~~the eastern half of this Commonwealth~~ <—
5 CLEARFIELD COUNTY and one maximum security prison is to be <—
6 located in Greene County.

7 Section 302. Terms of lease agreements.

8 (a) Term.--The terms of the lease agreements shall be at
9 least 20 years, subject to the exercise of its option by the
10 Commonwealth to purchase under subsection (b).

11 (b) Option.--The Commonwealth shall have the option to
12 purchase each facility at the time the facility is turned over
13 to the Commonwealth for operation, at the end of the lease term
14 or at intermediate dates as specified in the lease agreements.

15 (c) Timing.--The lease agreement shall be executed prior to
16 the commencement of construction. The lease term shall commence
17 upon execution of a lease, at the time the facility is ready for
18 operation or on any date certain prior to the occupancy of the
19 facility.

20 (d) Assignability.--Each lease agreement shall provide that
21 it may be assigned by the developers with the concurrence of the
22 Commonwealth and shall be in such form that it may be used, as
23 security for a loan or loans to finance the acquisition and
24 construction of the facility.

25 (e) Rent.--Payment of rent by the Commonwealth shall begin
26 when the facility is occupied by the Commonwealth.

27 (f) Option price.--The Department of General Services, in
28 consultation with the Office of the Budget, shall have the
29 authority, through negotiations with the contractor, to
30 determine the cost of the option to purchase each facility

1 should the Commonwealth choose to exercise its option to
2 purchase, and to determine the amount of payment, if any, due at
3 the end of the term of the lease agreements or at other option
4 dates.

5 (g) Prevailing wage requirement.--The lease agreements shall
6 provide that the project shall be constructed pursuant to
7 prevailing wages as shall be determined by the Department of
8 Labor and Industry.

9 Section 303. Selection of contractor.

10 (a) Specification.--The Department of Corrections, with
11 review by the Department of General Services, shall supply the
12 general specifications for the facilities to be developed.

13 (b) Advertisement.--The Department of General Services shall
14 advertise for proposals to construct the prisons and lease the
15 buildings to the Commonwealth.

16 (c) Committee.--A committee shall be established to review
17 the proposals under subsection (b). This committee shall include
18 representatives from the Department of Corrections, the
19 Department of General Services and the Department of Labor and
20 Industry.

21 (d) Submission of proposals.--The proposals shall be
22 submitted to the Department of General Services for
23 consideration by the committee.

24 (e) Committee recommendation.--The committee shall recommend
25 a proposal to the Secretary of General Services, the Secretary
26 of Corrections and the Secretary of the Office of the Budget for
27 approval.

28 Section 304. Award of contract.

29 The award of a contract under this chapter shall be made on
30 the basis of the best interest of the Commonwealth to a

responsive and responsible proposer. Although cost shall be considered as a factor, it need not be the determining factor.

Section 305. Construction oversight and inspection.

(a) Responsibility.--The Secretary of the Office of the Budget shall exercise construction audit oversight responsibility during selection of the contractors and during the design and construction of the facilities. The secretary may retain such consultants and staff as may be necessary to carry out this oversight function, including the use of the current construction audit unit in the Office of the Budget.

(b) Inspection.--The Department of General Services or its duly authorized agent, in consultation with the Department of Corrections, shall inspect the facilities in accordance with the provisions of section 2408 of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, to determine if construction meets the specifications for the facilities.

Section 306. Exemption and nonapplicable acts.

The facilities authorized in this chapter are exempt from the provisions of the act of March 21, 1986 (P.L.64, No.19), known as the Private Prison Moratorium and Study Act.

Section 307. Capital projects.

(a) Authorization.--In the event that the Commonwealth chooses to exercise its option to purchase the facilities, there are hereby authorized additional capital projects in the category of public improvement for the purpose of the facilities constructed under this chapter. The total authorization for these additional capital projects to be acquired by the Department of General Services, its successors or assigns, and to be financed by the incurring of debt, shall be \$263,000,000.

(b) Itemization.--Additional capital projects in the

1 category of public improvement projects to be acquired by the
 2 Department of General Services, its successors or assigns, and
 3 to be financed by the incurring of debt, are hereby itemized,
 4 together with their respective estimated financial costs, as
 5 follows:

6	Total	
7	Project	
8	Project	Allocation
9	(1) Department of Corrections	\$263,000,000
10	(i) State Correctional Institution - Eastern	<—
11	Pennsylvania CLEARFIELD COUNTY	<—
12	(A) Program development and acquisition of	
13	a 1,000-bed facility constructed under	
14	lease/purchase agreement in Eastern	<—
15	Pennsylvania CLEARFIELD COUNTY	79,000,000 <—
16	(ii) State Correctional Institution — Western	<—
17	Pennsylvania	
18	(A) Program development and acquisition of	
19	a 1,000-bed facility constructed under	
20	lease/purchase agreement in Western	<—
21	Pennsylvania	79,000,000
22	(iii) State Correctional Institution - Greene	
23	County	
24	(A) Program development and acquisition of	
25	a 1,000-bed facility constructed under	
26	lease/purchase agreement in Greene	
27	County	105,000,000

28 (c) Debt authorization.--The Governor, Auditor General and
 29 State Treasurer are hereby authorized and directed to borrow,
 30 from time to time, in addition to any authorization heretofore

1 or hereafter enacted, on the credit of the Commonwealth, subject
2 to the limitations provided in the current capital budget, money
3 not exceeding in the aggregate the sum of ~~\$158,000,000~~ <—
4 \$263,000,000, as may be found necessary to carry out the
5 acquisition and construction of the public improvement projects
6 specifically itemized herein.

7 (d) Bonds.--The indebtedness authorized in this chapter
8 shall be incurred, from time to time, and shall be evidenced by
9 one or more series of general obligation bonds of the
10 Commonwealth in such aggregate principal amount for each series
11 as the Governor, Auditor General and State Treasurer shall
12 determine, but the latest stated maturity date shall not exceed
13 the estimated useful life of the projects being financed, as
14 stated in subsection (e).

15 (e) Estimated useful life.--The General Assembly states that
16 the estimated useful life of the public improvement projects
17 itemized herein is not less than 30 years. The maximum term of
18 the debt authorized to be incurred hereunder is 30 years.

19 (f) Appropriation.--The net proceeds of the sale of the
20 obligations herein authorized are hereby appropriated from the
21 Capital Facilities Fund to the Department of General Services in
22 the maximum amount of \$263,000,000, to be used by it exclusively
23 to defray the financial cost of the public improvement projects
24 specifically itemized in this chapter. After reserving or paying
25 the expenses of the sale of the obligation, the State Treasurer
26 shall pay to the Department of General Services the moneys as
27 required and certified by it to be legally due and payable.

28 CHAPTER 5

29 MODULAR PRISON UNITS

30 Section 501. Total authorization.

1 The total authorization for the additional capital projects
2 in the category of public improvement projects itemized in
3 section 502 and to be acquired or constructed by the Department
4 of General Services, its successors or assigns, and to be
5 financed by the incurring of debt, shall be \$56,488,000. The
6 total authorization for the additional capital projects in the
7 category of public improvement projects itemized in section 502
8 and to be acquired or constructed by the Department of General
9 Services, its successors and assigns and to be financed from
10 insurance proceeds shall be \$15,000,000. The total authorization
11 for the additional capital projects in the category of public
12 improvement projects itemized in section 502 and to be acquired
13 or constructed by the Department of General Services, its
14 successors or assigns and to be financed from current revenues
15 appropriated by the act of July 1, 1989 (P.L.801, No.3A), known
16 as the General Appropriation Act of 1989, is \$726,000.
17 Section 502. Itemization of public improvement projects.

18 Additional capital projects in the category of public
19 improvement projects to be acquired or constructed by the
20 Department of General Services, its successors or assigns, and
21 to be financed by the incurring of debt, from current revenues
22 or from insurance proceeds, including the State Insurance Fund,
23 are hereby itemized, together with their respective estimated
24 financial costs, as follows:

25	Total
26	Project
27	Project Allocation
28 (1) Department of Corrections	\$72,214,000
29 (i) State Correctional Institution - Camp	
30 Hill, Cumberland County	

1	(A) Purchase and installation of modular	
2	units with a capacity of approximately	
3	500 beds, including site preparation	26,300,000
4	(Base Project Allocation - \$23,900,000)	
5	(Design and Contingencies - \$2,400,000)	
6	(B) Reconstruction, renovation and	
7	restoration of fire damage to buildings	
8	and structures and renovation and	
9	upgrading of the physical plant and	
10	security systems	15,000,000
11	(Base Project Allocation - \$12,750,000)	
12	(Design and Contingencies - \$2,250,000)	
13	(C) Expansion of Diagnostic and	
14	Classification Center	242,000
15	(Base Project Allocation - \$242,000)	
16	(ii) State Correctional Institution - Cresson,	
17	Cambria County	
18	(A) Purchase and installation of modular	
19	units with a capacity of approximately	
20	240 beds, including site preparation	7,465,000
21	(Base Project Allocation - \$6,786,000)	
22	(Design and Contingencies - \$679,000)	
23	(B) Construction of 52-bed modular unit	
24	dormitory for drug and alcohol	
25	therapeutic community	162,000
26	(Base Project Allocation - \$162,000)	
27	(iii) State Correctional Institution -	
28	Frackville, Schuylkill County	
29	(A) Purchase and installation of modular	
30	units with a capacity of approximately	

1	120 beds, including site preparation	3,732,000
2	(Base Project Allocation - \$3,393,000)	
3	(Design and Contingencies - \$339,000)	
4	(iv) State Correctional Institution - Mercer,	
5	Mercer County	
6	(A) Purchase and installation of modular	
7	units with a capacity of approximately	
8	240 beds, including site preparation	7,685,000
9	(Base Project Allocation - \$6,986,000)	
10	(Design and Contingencies - \$699,000)	
11	(v) State Correctional Institution - Muncy,	
12	Lycoming County	
13	(A) Purchase and installation of modular	
14	units with a capacity of approximately	
15	120 beds, including site preparation	3,842,000
16	(Base Project Allocation - \$3,493,000)	
17	(Design and Contingencies - \$349,000)	
18	(B) Construction of additional housing for	
19	female offenders	322,000
20	(Base Project Allocation - \$322,000)	
21	(vi) State Correctional Institutions -	
22	Smithfield, Huntingdon County	
23	(A) Purchase and installation of modular	
24	units with a capacity of approximately	
25	120 beds, including site preparation	3,732,000
26	(Base Project Allocation - \$3,393,000)	
27	(Design and Contingencies - \$339,000)	
28	(vii) State Correctional Institution -	
29	Waynesburg, Greene County	
30	(A) Purchase and installation of modular	

1 units with a capacity of approximately
2 120 beds, including site preparation 3,732,000
3 (Base Project Allocation - \$3,393,000)
4 (Design and Contingencies - \$339,000)

5 Section 503. Special provisions.

6 (a) Purchase of units.--The Department of General Services
7 may purchase the modular units authorized in section 502 from
8 either one or several manufacturers or contractors. The purchase
9 price is to include the cost of delivery to a specified,
10 prepared site.

11 (b) Site preparation.--The Department of General Services is
12 authorized to prepare, or contract for the preparation of, sites
13 at various correctional institutions selected by the Department
14 of Corrections. Site preparation includes all work to prepare
15 the actual site of installation and installation as necessary.
16 Provisions of the first paragraph of the act of May 1, 1913
17 (P.L.155, No.104), entitled "An act regulating the letting of
18 certain contracts for the erection, construction, and alteration
19 of public buildings," shall not apply to the awarding of the
20 contract for site preparation for the units.

21 (c) Construction of act.--Nothing in this chapter shall be
22 construed as changing the intended purpose of the State Regional
23 Correctional Facility at Mercer.

24 Section 504. Debt authorization.

25 The Governor, Auditor General and State Treasurer are hereby
26 authorized and directed to borrow, from time to time, in
27 addition to any authorization heretofore or hereafter enacted,
28 on the credit of the Commonwealth, subject to the limitations
29 provided in the current capital budget, money not exceeding in
30 the aggregate the sum of \$56,488,000 as may be necessary to

1 carry out the acquisition and construction of the public
2 improvement projects specifically itemized in a capital budget.
3 Section 505. Issue of bonds.

4 The indebtedness authorized in this chapter shall be
5 incurred, from time to time, and shall be evidenced by one or
6 more series of general obligation bonds of the Commonwealth in
7 such aggregate principal amount for each series as the Governor,
8 Auditor General and State Treasurer shall determine, but the
9 latest stated maturity date shall not exceed the estimated
10 useful life of the projects being financed as stated in section
11 506.

12 Section 506. Estimated useful life and term of debt.

13 (a) Estimated useful life.--The General Assembly states that
14 the estimated useful life of the public improvement projects
15 itemized in this chapter is 15 years with the exception of the
16 public improvement projects itemized in section 502(1)(i)(B),
17 (i)(C), (ii)(B) and (v)(B) of this chapter, for which the
18 estimated useful life is 30 years.

19 (b) Term of debt.--The maximum term of debt authorized to be
20 incurred under this act is 15 years.

21 Section 507. Appropriation.

22 The net proceeds of the sale of the obligations authorized in
23 this chapter are hereby appropriated from the Capital Facilities
24 Fund to the Department of General Services in the maximum amount
25 of \$56,488,000, to be used by it exclusively to defray the
26 financial cost of the public improvement projects specifically
27 itemized in a capital budget. After reserving or paying the
28 expenses of the sale of the obligation, the State Treasurer
29 shall pay to the Department of General Services the moneys as
30 required and certified by it to be legally due and payable.

1 Section 508. Federal funds.

2 In addition to those funds appropriated in section 507, all
3 moneys received from the Federal Government for the projects
4 specifically itemized in this chapter are also hereby
5 appropriated for those projects.

6 Section 509. Insurance proceeds.

7 In addition to those funds appropriated in section 507, all
8 moneys received from the State Insurance Fund or from insurance
9 carriers for fire damage to be repaired, restored or
10 reconstructed for projects specifically itemized in this chapter
11 are also hereby appropriated for those projects.

12 Section 510. Current revenues.

13 The funding for the public improvement projects authorized in
14 section 502(1)(i)(C), (ii)(B) and (v)(B) was previously
15 appropriated to the Department of Corrections by the act of July
16 1, 1989 (P.L.801, No.3A), known as the General Appropriation Act
17 of 1989.

18 CHAPTER 7

19 INCURRING INDEBTEDNESS FOR COUNTY PRISONS

20 Section 701. Definitions.

21 The following words and phrases when used in this chapter
22 shall have the meanings given to them in this section unless the
23 context clearly indicates otherwise:

24 "Construction." The term includes the preparation of
25 drawings and specifications for facilities; erecting, building,
26 altering, remodeling, improving or extending such facilities;
27 and the inspection and supervision of the construction of such
28 facilities. The term does not include any interest in land.

29 "County." Any county of this Commonwealth.

30 "Department." The Department of Corrections of the

1 Commonwealth.

2 "Facility." The term includes any building and related
3 facility, initial equipment, machinery and utilities necessary
4 or appropriate for the criminal justice purpose for which the
5 particular facility was constructed.

6 "Local correctional facility." Any jail, prison or detention
7 facility operated by a county or jointly by more than one county
8 OR BY ANY COUNTY AUTHORITY CREATED PURSUANT TO THE ACT OF MAY 2, <—
9 1945 (P.L.382, NO.164), KNOWN AS THE MUNICIPALITY AUTHORITIES
10 ACT OF 1945, and used for the confinement of persons for safe
11 custody. The term does not include any facility used for the
12 detention or confinement of juveniles.

13 Section 702. Referendum to authorize incurring indebtedness.

14 (a) Submission of question to electors.--The question of
15 incurring indebtedness of \$200,000,000 for the repair,
16 expansion, construction, reconstruction or rehabilitation of
17 county prisons or multicounty regional prison facilities shall
18 be submitted to the electors at the next primary, municipal or
19 general election following the effective date of this chapter.

20 (b) Certification to county boards of elections.--The
21 Secretary of the Commonwealth shall immediately certify the
22 question under subsection (a) to the county boards of elections.

23 (c) Form of question.--The question shall be in
24 substantially the following form:

25 Do you favor the incurring of indebtedness by the
26 Commonwealth of \$200,000,000 to repair, expand,
27 construct, reconstruct and rehabilitate county
28 prisons or multicounty regional prison facilities?

29 (d) Conduct of election.--The election shall be conducted in
30 accordance with the act of June 3, 1937 (P.L.1333, No.320),

1 known as the Pennsylvania Election Code, except that the time
2 limits for advertisement of notice of the election may be waived
3 as to the question.

4 Section 703. Authority to borrow.

5 In the event that the question of incurring indebtedness, as
6 described in section 702, is approved by a majority of those
7 voting on the question in accordance with section 7(a)(3) of
8 Article VIII of the Constitution of Pennsylvania, the Governor,
9 Auditor General and State Treasurer are hereby authorized and
10 directed to borrow, on the credit of the Commonwealth, such sum
11 or sums of money not exceeding in the aggregate the sum of
12 \$200,000,000, as may be necessary to carry out the purposes of
13 this chapter.

14 Section 704. Bonds, issue, maturity, interest, etc.

15 (a) Issuance.--As evidence of the indebtedness herein
16 authorized, general obligation bonds of the Commonwealth shall
17 be issued, from time to time for such total amounts, in such
18 forms, in such denominations and subject to such terms and
19 conditions of issue, redemption and maturity, rate or rates of
20 interest and time of payment of interest as the Governor,
21 Auditor General and State Treasurer shall direct, except that
22 the latest stated maturity date shall not exceed 30 years from
23 the date of the bond first issued for each such series.

24 (b) Signatures and seal.--All bonds issued under the
25 authority of this chapter shall bear facsimile signatures of the
26 Governor, the Auditor General and the State Treasurer, and a
27 facsimile of the Great Seal of the Commonwealth, and shall be
28 countersigned by two duly authorized officers of the duly
29 authorized loan and transfer agents of the Commonwealth.

30 (c) Full faith and credit.--All bonds issued in accordance

1 with the provisions of this chapter shall be direct obligations
2 of the Commonwealth and the full faith and credit of the
3 Commonwealth are hereby pledged the payment of the interest
4 thereon as the same shall become due and for the payment of the
5 principal thereof at maturity. All bonds issued under the
6 provisions of this chapter shall be exempt from taxation for
7 State and local purposes. The principal of and interest on such
8 bonds shall be payable in lawful money of the United States of
9 America.

10 (d) Form.--Bonds issued under this chapter may be issued as
11 coupon bonds or registered as to both principal and interest as
12 the issuing officials may determine. If interest coupons are
13 attached, they shall contain the facsimile signature of the
14 State Treasurer.

15 (e) Amount.--The issuing officials shall provide for the
16 amortization of the bonds issued under this chapter in
17 substantial and regular amounts over the term of the debt.

18 (f) Preparation.--The Governor, the Auditor General and the
19 State Treasurer shall proceed to have the necessary bonds
20 prepared and printed. The bonds, as soon as they are prepared
21 and printed, shall be deposited with the duly authorized loan
22 and transfer agent of the Commonwealth, there to remain until
23 sold in accordance with the provisions of this chapter.

24 Section 705. Sale of bonds.

25 (a) Offering for sale.--When bonds are issued under this
26 chapter, they shall be offered for sale and shall be sold by the
27 Governor, the Auditor General and State Treasurer to the highest
28 and best bidder or bidders after due public advertisement, on
29 such terms and conditions and upon such open competitive bidding
30 as the Governor, the Auditor General and the State Treasurer

1 shall direct. The manner and character of advertisement and the
2 times of advertising shall be prescribed by the Governor, the
3 Auditor General and the State Treasurer.

4 (b) Private sale.--Any portion of any bond issue offered
5 under subsection (a) and not sold or subscribed for may be
6 disposed of by private sale by the Governor, the Auditor General
7 and the State Treasurer, in such manner and at such prices as
8 the Governor shall direct.

9 (c) Series.--When bonds are issued from time to time, the
10 bonds of each issue shall constitute a separate series to be
11 designated by the issuing officials or may be combined for sale
12 as one series with other general obligation bonds of the
13 Commonwealth.

14 Section 706. Refunding bonds.

15 The Governor, the Auditor General and the State Treasurer are
16 hereby authorized to provide, by resolution, for the issuance of
17 refunding bonds for the purpose of refunding any bonds issued
18 under the provisions of this chapter and then outstanding,
19 either by voluntary exchange with the holders of such
20 outstanding bonds with accrued interest and any premium payable
21 thereon, at maturity or at any call date. The issuance of
22 refunding bonds, the maturities and other details thereof, the
23 rights of the holders thereof, and the duties of the Governor,
24 the Auditor General and the State Treasurer in respect to
25 refunding bonds shall be governed by the foregoing provisions of
26 this chapter, insofar as they may be applicable. Refunding bonds
27 may be issued by the Governor, the Auditor General and the State
28 Treasurer to refund bonds originally issued or to refund bonds
29 previously issued for refunding purposes.

30 Section 707. Registration of bonds.

1 The Auditor General shall prepare the necessary registry book
2 to be kept in the office of the duly authorized loan and
3 transfer agent of the Commonwealth for the registration of any
4 bonds, at the request of owners thereof, according to the terms
5 and conditions of issue directed by the Governor, the Auditor
6 General and the State Treasurer. All bonds which are issued
7 under this chapter without interest coupons attached shall be
8 registered in the registry books kept by the duly authorized
9 loan and transfer agent of the Commonwealth.

10 Section 708. Disposition and use of proceeds.

11 (a) Creation of Local Criminal Justice Fund.--There is
12 hereby created in the State Treasury a special fund to be known
13 as the Local Criminal Justice Fund. The proceeds realized from
14 the sale of bonds under the provisions of this chapter shall be
15 paid into this special fund and are hereby specifically
16 dedicated to the purpose of the referendum authorized by section
17 702. The moneys shall be paid periodically by the State
18 Treasurer to the department at such times and in such amounts as
19 may be necessary to satisfy the purpose of this chapter.

20 (b) Investment and earnings.--Pending their application to
21 the purposes authorized, moneys held or deposited in the Local
22 Criminal Justice Fund by the State Treasurer may be invested or
23 reinvested as are other funds in the custody of the State
24 Treasurer in the manner provided by law. All earnings received
25 from the investment or deposit of such funds shall be paid into
26 the State Treasury to the credit of the Local Criminal Justice
27 Fund.

28 Section 709. Local Criminal Justice Sinking Fund.

29 All bonds issued under the authority of this chapter shall be
30 redeemed at maturity, and all interest due, from time to time,

1 on such bonds shall be paid from the Local Criminal Justice
2 Sinking Fund, which is hereby created. For the specific purpose
3 of redeeming these bonds at maturity and paying all interest
4 thereon in accordance with the information received from the
5 Governor, the General Assembly shall appropriate moneys for the
6 payment of interest on these bonds and the principal thereof at
7 maturity. All moneys paid into the Local Criminal Justice
8 Sinking Fund, and all of such moneys not necessary to pay
9 accruing interest, shall be invested by the Board of Finance and
10 Revenue in such securities as are provided by law for the
11 investment of the sinking funds of the Commonwealth.

12 Section 710. Expenses of preparation, issue and sale of bonds.

13 There is hereby appropriated to the State Treasurer, from the
14 proceeds of the bonds issued, as much of the moneys as may be
15 necessary for all costs and expenses in connection with the
16 issue of and sale and registration of bonds in connection with
17 this chapter.

18 Section 711. Temporary financing authorization.

19 (a) Temporary borrowing.--Pending the issuance of bonds of
20 the Commonwealth, the Governor, the Auditor General and the
21 State Treasurer are authorized, on the credit of the
22 Commonwealth, to make temporary borrowings of such moneys as may
23 from time to time be necessary to carry out the purposes of this
24 chapter and are authorized in the name and on behalf of the
25 Commonwealth to enter into loan or credit agreements with any
26 banks or trust companies or other lending institutions or
27 persons in the United States having power to enter into the
28 same.

29 (b) Form.--All temporary borrowings made under the authority
30 of this section shall be evidenced by notes of the Commonwealth,

1 which shall be issued from time to time for such amounts, not
2 exceeding in the aggregate the sum of \$200,000,000, in such form
3 and in such denominations, and subject to such terms and
4 conditions of issue, prepayment or redemption and maturity, rate
5 of interest and time of payment of interest as the issuing
6 officials shall direct. All notes issued under the authority of
7 this section shall bear the facsimile signatures of the issuing
8 officials and a facsimile of the Great Seal of the Commonwealth,
9 and shall be countersigned by two duly authorized officers of a
10 duly authorized loan and transfer agent of the Commonwealth.

11 (c) Funding and retirement.--All notes under this section
12 shall be funded and retired by the issuance and sale of bonds of
13 the Commonwealth to the extent that payment of these notes has
14 not otherwise been made or provided for.

15 (d) Proceeds.--The proceeds of all temporary borrowings
16 under this section shall be paid into the Local Criminal Justice
17 Fund.

18 Section 712. Quorum.

19 Whenever in this chapter any action is to be taken or any
20 decision is to be made by the Governor, the Auditor General and
21 the State Treasurer, and the three officers are not able to
22 agree unanimously, the action or decision of the Governor and
23 either the Auditor General or the State Treasurer shall be
24 binding and final.

25 Section 713. Information to General Assembly.

26 It shall be the duty of the Governor to include in every
27 budget submitted to the General Assembly full information
28 relating to the issuance of bonds under the provisions of this
29 chapter, and the status of the sinking funds of the Commonwealth
30 for the payment of the interest on those bonds and the principal

1 thereof at maturity.

2 Section 714. Grants to counties.

3 The department shall, by regulation, establish procedures to
4 implement the purposes of this chapter and to make grants to
5 counties OR ANY COUNTY AUTHORITY CREATED PURSUANT TO THE ACT OF <—
6 MAY 2, 1945 (P.L.382, NO.164), KNOWN AS THE MUNICIPALITY
7 AUTHORITIES ACT OF 1945, for the repair, expansion,
8 construction, reconstruction, rehabilitation and improvement of
9 local correctional facilities or multicounty regional prison
10 facilities. These procedures shall include, at a minimum, the
11 following:

12 (1) Applications shall be made to the department by the
13 county or counties requesting the grant.

14 (2) Any grant approved by the department must be matched
15 by funding in a like amount by the county from county funds,
16 except that, if any Federal funding should become available
17 for the construction of local correctional facilities, then
18 both the department and county shares shall be reduced in
19 like proportion.

20 (3) Grants shall be available only for the repair,
21 expansion, construction, reconstruction, rehabilitation and
22 improvement of local correctional facilities or multicounty
23 regional prison facilities.

24 (4) Priority in the grant process shall be given to
25 those counties which have expanded their prison facilities
26 within five years of the date of the application and which
27 are presently at or exceeding 115% of rated capacity. Under
28 no circumstances shall any such grant exceed \$1,000,000.

29 Section 715. Multicounty regional prison facilities.

30 (a) Authorization to counties.--Any county or counties or

1 any county authority created pursuant to the act of May 2, 1945
2 (P.L.382, No.164), known as the Municipality Authorities Act of
3 1945, are authorized to acquire, hold, construct, finance,
4 improve, maintain, operate, own or lease, either in the capacity
5 of lessor or lessee, any county or multicounty regional prison
6 facility for the purpose of incarcerating their own inmates and
7 inmates of other counties. A county or multicounty regional
8 prison facility may also house Commonwealth inmates.

9 (b) Prison services contracts.--The Commonwealth and any
10 county may enter into contracts with any county or multicounty
11 regional prison facility authorized under subsection (a) for the
12 incarceration of State or county inmates and all services
13 necessary, appropriate or incident to the housing and care of
14 such inmates.

15 Section 716. Appropriation.

16 (a) Appropriation to fund.--The sum of \$200,000,000, or as
17 much thereof as is able to be borrowed by temporary financing or
18 by bonds, is hereby appropriated to the Local Criminal Justice
19 Fund for the purposes set forth in this chapter. The General
20 Assembly may make appropriations from time to time to the Local
21 Criminal Justice Fund or to the department to carry out the
22 purposes of this chapter, which appropriations shall be
23 continuing appropriations and shall not lapse.

24 (b) Other sources of funds.--In addition to the moneys
25 appropriated from time to time by the General Assembly for its
26 work, the department is authorized to make application for and
27 expend such Federal grants as may be available and may also
28 receive and expend contributions from other public, quasi-public
29 or private sources as may become available.

CONSTRUCTION OF NEW PRISON

Section 901. Total authorization.

The total authorization for the additional capital project in the category of public improvement projects itemized in section 902 and to be acquired or constructed by the Department of General Services, its successors or assigns, and to be financed by the incurring of debt, shall be ~~\$20,000,000~~ \$5,500,000. <—

Section 902. Itemization of public improvement project.

Additional capital project in the category of public improvement projects to be acquired or constructed by the Department of General Services, its successors or assigns, and to be financed by the incurring of debt, is hereby itemized, together with its respective estimated financial cost, as follows:

Project	Total Project Allocation
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~~(1) State Correctional Institution~~ <—

~~Wernersville, Berks County~~

~~(i) Design and Construction of a 500 Bed~~

~~Medium Security Prison for Drug and Alcohol~~

~~Treatment~~ 20,000,000

~~(Base Project Allocation \$16,000,000)~~

~~(Design and Contingencies \$4,000,000)~~

(1) DRUG AND ALCOHOL TREATMENT FACILITY, FOREST <—

COUNTY

(I) DESIGN AND CONSTRUCTION OF A FACILITY

UNDER THE CONTROL OF THE PENNSYLVANIA BOARD

OF PROBATION AND PAROLE FOR DRUG AND

ALCOHOL TREATMENT 5,500,000

1 (BASE PROJECT ALLOCATION - \$4,500,000)

2 (DESIGN AND CONTINGENCIES - \$1,000,000)

3 Section 903. Debt authorization.

4 The Governor, Auditor General and State Treasurer are hereby
5 authorized and directed to borrow, from time to time, in
6 addition to any authorization heretofore or hereafter enacted,
7 on the credit of the Commonwealth, subject to the limitations
8 provided in the current Capital Budget, money not exceeding in
9 the aggregate the sum of \$20,000,000 as may be necessary to
10 carry out the acquisition and construction of the public
11 improvement projects specifically itemized in a capital budget.

12 Section 904. Issue of bonds.

13 The indebtedness authorized in this chapter shall be
14 incurred, from time to time, and shall be evidenced by one or
15 more series of general obligation bonds of the Commonwealth in
16 such aggregate principal amount for each series as the Governor,
17 Auditor General and State Treasurer shall determine, but the
18 latest stated maturity date shall not exceed the estimated
19 useful life of the project being financed as stated in section
20 905.

21 Section 905. Estimated useful life and term of debt.

22 (a) Estimated useful life.--The General Assembly states that
23 the estimated useful life of the public improvement projects
24 itemized in this chapter is 30 years.

25 (b) Term of debt.--The maximum term of the debt authorized
26 to be incurred under this chapter is 30 years.

27 Section 906. Appropriation.

28 The net proceeds of the sale of the obligations authorized in
29 this chapter are hereby appropriated from the Capital Facilities
30 Fund to the Department of General Services in the maximum amount

1 of \$20,000,000 to be used by it exclusively to defray the
2 financial cost of the public improvement projects specifically
3 itemized in a capital budget. After reserving or paying the
4 expenses of the sale of the obligation, the State Treasurer
5 shall pay to the Department of General Services the moneys as
6 required and certified by it to be legally due and payable.

7 Section 907. Federal funds.

8 In addition to those funds appropriated in section 906, all
9 moneys received from the Federal Government for the project
10 specifically itemized in this chapter are also hereby
11 appropriated for those projects.

12 CHAPTER 11

13 MISCELLANEOUS PROVISIONS

14 Section 1101. Repeals.

15 The act of December 21, 1989 (P.L.683, No.89), entitled "An
16 act providing for capital projects for the Department of
17 Corrections; providing for the issuance of bonds; and making an
18 appropriation," is repealed.

19 Section 1102. Retroactivity.

20 The provisions of Chapters 5 and 7 of this act shall be
21 retroactive to December 21, 1989.

22 Section 1103. Effective date.

23 This act shall take effect immediately.