

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2635 Session of 2020

INTRODUCED BY GROVE AND RYAN, JUNE 29, 2020

REFERRED TO COMMITTEE ON APPROPRIATIONS, JUNE 29, 2020

AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled
 2 "An act providing for and reorganizing the conduct of the
 3 executive and administrative work of the Commonwealth by the
 4 Executive Department thereof and the administrative
 5 departments, boards, commissions, and officers thereof,
 6 including the boards of trustees of State Normal Schools, or
 7 Teachers Colleges; abolishing, creating, reorganizing or
 8 authorizing the reorganization of certain administrative
 9 departments, boards, and commissions; defining the powers and
 10 duties of the Governor and other executive and administrative
 11 officers, and of the several administrative departments,
 12 boards, commissions, and officers; fixing the salaries of the
 13 Governor, Lieutenant Governor, and certain other executive
 14 and administrative officers; providing for the appointment of
 15 certain administrative officers, and of all deputies and
 16 other assistants and employes in certain departments, boards,
 17 and commissions; providing for judicial administration; and
 18 prescribing the manner in which the number and compensation
 19 of the deputies and all other assistants and employes of
 20 certain departments, boards and commissions shall be
 21 determined," providing for COVID-19 emergency liquidity.

22 The General Assembly of the Commonwealth of Pennsylvania
 23 hereby enacts as follows:

24 Section 1. The act of April 9, 1929 (P.L.177, No.175), known
 25 as The Administrative Code of 1929, is amended by adding an
 26 article to read:

27 ARTICLE XXVIII-G

28 COVID-19 EMERGENCY LIQUIDITY

1 Section 2801-G. Definitions.

2 The following words and phrases when used in this article
3 shall have the meanings given to them in this section unless the
4 context clearly indicates otherwise:

5 "Anticipation note." Any of the following issued by the
6 Commonwealth:

7 (1) Tax anticipation note.

8 (2) Tax and revenue anticipation note.

9 (3) Bond anticipation note.

10 "Commonwealth agency." An agency or commission of the
11 executive branch under the policy direction or supervision of
12 the Governor.

13 "COVID-19 pandemic." The novel coronavirus as identified in
14 the proclamation of disaster emergency issued by the Governor on
15 March 6, 2020, published at 50 Pa.B. 1644 (March 21, 2020), and
16 any renewal of the state of disaster emergency.

17 "Program." The Municipal Liquidity Facility Program
18 established by the United States Federal Reserve under the
19 Coronavirus Aid, Relief, and Economic Security Act, also known
20 as the CARES Act.

21 "Restricted account." An account within the General Fund for
22 designated purposes or programs created by the General Assembly.
23 Section 2802-G. Transfer of certain special funds into the
24 General Fund.

25 (a) Transfers.--Money in the following special funds and
26 accounts within the State Treasury shall be transferred by the
27 State Treasurer into restricted accounts under the same name
28 within the General Fund:

29 (1) Agricultural Conservation Easement Purchase Fund.

30 (2) Conservation District Fund.

- 1 (3) Environmental Education Fund.
- 2 (4) Environmental Stewardship Fund.
- 3 (5) Hazardous Sites Cleanup Fund.
- 4 (6) Historical Preservation Fund.
- 5 (7) Industrial Sites Cleanup Fund.
- 6 (8) Multimodal Transportation Fund.
- 7 (9) Job Training Fund.
- 8 (10) Keystone Recreation, Park and Conservation Fund.
- 9 (11) Minority Business Development Fund.
- 10 (12) Property Tax Relief Fund.
- 11 (13) Recycling Fund.
- 12 (14) Small Business First Fund.
- 13 (15) Housing Affordability and Rehabilitation
- 14 Enhancement Fund.
- 15 (16) State Treasury Armory Fund.
- 16 (17) Substance Abuse Education and Demand Reduction
- 17 Fund.
- 18 (18) Assessments under section 712 of the act of March
- 19 20, 2002 (P.L.154, No.13), known as the Medical Care
- 20 Availability and Reduction of Error (Mcare) Act.
- 21 (19) Dog Law Restricted Account.
- 22 (20) Emergency Medical Services Operating Fund.
- 23 (21) The fund created under Chapter 7 of the act of
- 24 December 18, 1984 (P.L.1005, No.205), known as the Municipal
- 25 Pension Plan Funding Standard and Recovery Act.
- 26 (22) Hazardous Sites Cleanup Fund.
- 27 (23) Highway Beautification Fund.
- 28 (24) Historic Preservation Fund.
- 29 (25) Medical Marijuana Program Fund.
- 30 (26) Video Gaming Fund.

- 1 (27) 911 Fund.
- 2 (28) Unconventional Gas Well Fund.
- 3 (29) Education Assistance Program Fund.
- 4 (30) Tobacco Settlement Fund.
- 5 (31) Marcellus Legacy Fund.
- 6 (32) Property Tax Relief Fund.
- 7 (33) DNA Detection Fund.
- 8 (34) Coal Lands Improvement Fund.
- 9 (35) City Revitalization Improvement Fund.
- 10 (36) Surface Mining and Conservation Reclamation Fund.
- 11 (37) State Stores Fund.
- 12 (38) State Gaming Fund.
- 13 (39) School Safety and Security Fund.
- 14 (40) Racing Fund.
- 15 (41) Lottery Fund.
- 16 (42) Pennsylvania Race Horse Development Fund.
- 17 (43) Pennsylvania Gaming, Economic Development and
- 18 Tourism Fund.
- 19 (44) Machinery and Equipment Loan Fund.
- 20 (45) Non-Coal Surfacing Mining Conservation and
- 21 Reclamation Fund.
- 22 (46) Neighborhood Improvement Zone Fund.
- 23 (47) Farm Product Show Fund.
- 24 (48) Fantasy Contest Fund.
- 25 (49) Ben Franklin Development Authority Fund.

26 (b) Additional transfers.--The following shall apply:

- 27 (1) The portion of the tax collected by the Commonwealth
- 28 under Article II of the act of March 4, 1971 (P.L.6, No.2),
- 29 known as the Tax Reform Code of 1971, and transferred to the
- 30 Public Transportation Trust Fund established under 74 Pa.C.S.

1 § 1506 (relating to fund) shall be transferred by the State
2 Treasurer into a restricted account within the General Fund
3 under the same name as the fund.

4 (2) In order to transfer the portion of the money from
5 the Public Transportation Trust Fund under paragraph (1), the
6 Department of Revenue shall provide the State Treasurer with
7 the information of the amount to transfer from the tax
8 collected by the Commonwealth under Article II of the Tax
9 Reform Code each month.

10 (c) Construction.--Nothing in this section shall be
11 construed to:

12 (1) Impact or prevent current disbursements from the
13 funds enumerated under this section by a Commonwealth agency
14 as provided by law.

15 (2) Impact or prevent disbursements contractually agreed
16 to by a Commonwealth agency under a program created through
17 the funds enumerated under this section.

18 (d) Reference.--A reference to a fund enumerated under this
19 section under prior law shall be deemed a reference to the
20 corresponding restricted account established by this section.
21 Section 2803-G. Participation in Municipal Liquidity Facility
22 Program.

23 (a) General rule.--The Commonwealth may not participate in
24 the program until the transfer of special funds under section
25 2802-G and the Commonwealth uses all available funds in the
26 restricted accounts for managing the diminished cash flow of the
27 Commonwealth caused by the COVID-19 pandemic and cash flow
28 disruptions which resulted from the proclamation of disaster
29 emergency issued by the Governor on March 6, 2020, published at
30 50 Pa.B. 1644 (March 21, 2020), and any renewal of the state of

1 disaster emergency, and the concurrent business shutdowns and
2 staff layoffs which followed the disaster emergency.

3 (b) Issuance of anticipation notes.--Participation in the
4 program by the Commonwealth shall consist of the issuance of
5 \$3,000,000,000 in anticipation notes for purchase through the
6 program. Anticipation notes issued and used by the Commonwealth
7 under the program shall be based on which note will have the
8 lowest overall cost to the Commonwealth.

9 (c) Construction.--Funds from anticipation notes issued
10 under this section shall only be used for the following:

11 (1) Managing the diminished cash flow of the
12 Commonwealth caused by the COVID-19 pandemic.

13 (2) Covering the cost of issuing the anticipation notes
14 under this section, including any issuance fee associated
15 with participation in the program.

16 (3) Purchasing of bonds or anticipation notes issued by
17 a political subdivision of the Commonwealth.

18 Section 2. This act shall take effect in 10 days.