

## AMENDMENTS TO HOUSE BILL NO. 108

Sponsor: REPRESENTATIVE GROVE

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1 Amend Bill, page 1, lines 2 and 3, by striking out "payments  
2 by the Commonwealth" and inserting  
3 improper payments

4 Amend Bill, page 1, lines 8 through 18; pages 2 through 4,  
5 lines 1 through 30; page 5, lines 1 through 8; by striking out  
6 all of said lines on said pages and inserting

7 PART IV  
8 IMPROPER PAYMENTS

9 Chapter.10 35. Do-Not-Pay Initiative.

11 CHAPTER 35  
12 DO-NOT-PAY INITIATIVE

13 Sec.14 3501. Definitions.15 3502. Participation in initiative.16 § 3501. Definitions.

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

20 "Commonwealth agency." A department, agency or commission of  
21 the Commonwealth under the policy supervision and control of the  
22 Governor.

23 "Improper payment." A payment made by a Commonwealth agency  
24 that:

25 (1) exceeds the amount a recipient should have received  
26 from a Commonwealth agency;

27 (2) is less than the amount a recipient should have  
28 received from the Commonwealth;

29 (3) is made to a recipient who is ineligible to receive  
30 the payment from a particular Commonwealth program;

31 (4) is ineligible;

32 (5) is duplicative or redundant;

33 (6) is for a service which was never received; or

34 (7) is for a service that does not account for or was  
35 not given any of the available credits or discounts available

1 for the service rendered.  
2 "Initiative." The Do-Not-Pay Initiative established under  
3 section 5 of the Improper Payments Elimination and Recovery  
4 Improvement Act of 2012 (Public Law 112-248, 126 Stat. 2392).  
5 "Payment." Money expended by the Commonwealth as part of the  
6 operating budget for the Commonwealth.  
7 "Secretary." The Secretary of the Budget of the  
8 Commonwealth.  
9 \$ 3502. Participation in initiative.  
10 (a) Participation.--A Commonwealth agency that makes  
11 payments by expending Federal funds shall enter into a  
12 memorandum of understanding with the United States Treasury  
13 Department to participate in the initiative. The participation  
14 in the initiative by a Commonwealth agency shall include all of  
15 the following:  
16 (1) The use of the initiative's online interface to  
17 verify the accuracy and integrity of payments issued by the  
18 Commonwealth agency.  
19 (2) An analytical review of the Commonwealth agency's  
20 data through the initiative to improve the data collected by  
21 the Commonwealth agency and the integrity of payments made by  
22 the Commonwealth agency.  
23 (b) Schedule.--The secretary shall establish a schedule to  
24 ensure that each Commonwealth agency under subsection (a) has  
25 entered into a memorandum of understanding to participate in the  
26 initiative within two years of the effective date of this  
27 section.  
28 (c) Annual report.--A Commonwealth agency that participates  
29 in the initiative shall provide an annual report about the  
30 Commonwealth agency's participation in the initiative to the  
31 following:  
32 (1) The secretary.  
33 (2) The Office of State Inspector General.  
34 (3) The Department of Auditor General.  
35 (4) The members of the General Assembly.  
36 (5) The Legislative Budget and Finance Committee.  
37 (d) Contents of report.--The annual report under subsection  
38 (c) shall include analytical data obtained by a Commonwealth  
39 agency as a result of participating in the initiative,  
40 including, but not limited to, all of the following:  
41 (1) The total number of improper payments identified by  
42 the Commonwealth agency after participation in the  
43 initiative.  
44 (2) The total number of improper payments prevented by  
45 the Commonwealth agency as a result of participating in the  
46 initiative.  
47 (3) The total amount of improper payments identified and  
48 prevented by the Commonwealth agency after participating in  
49 the initiative.  
50 (4) The savings realized by the Commonwealth as a result  
51 of the Commonwealth agency's participation in the initiative.

1       (5) Any weakness in the internal financial controls of  
2 the Commonwealth agency identified through participation in  
3 the initiative.

4       (6) Any changes made to programs operated by the  
5 Commonwealth agency to improve payment accuracy and integrity  
6 resulting from participation in the initiative.

7       (7) Recommendations to improve the Commonwealth agency's  
8 payment accuracy and integrity, including legislative or  
9 regulatory changes required to prevent improper payments and  
10 improve payment accuracy and integrity.

11 Section 2. This act shall take effect in 90 days.