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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2478 Session of  
2024

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INTRODUCED BY CIRESI, D. MILLER, KHAN, HOHENSTEIN, SIEGEL,  
OTTEN, HOWARD, GIRAL, HILL-EVANS, WAXMAN, PROBST, MAYES,  
DELLOSO, SANCHEZ, BOYD AND D. WILLIAMS, JULY 2, 2024

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REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, JULY 2, 2024

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AN ACT

1 Amending Title 15 (Corporations and Unincorporated Associations)  
2 of the Pennsylvania Consolidated Statutes, in general  
3 provisions relating to nonprofit corporations, providing for  
4 eligibility for receipt of State resources.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. Title 15 of the Pennsylvania Consolidated  
8 Statutes is amended by adding a section to read:

9 § 5111. Eligibility for receipt of State resources.

10 (a) Conditions.--A domestic nonprofit corporation or a  
11 foreign nonprofit corporation with 200 or more employees in this  
12 Commonwealth shall not be eligible for a State contract, State  
13 funding or a State grant if the corporation:

14 (1) has violated 29 U.S.C. Ch. 8 (relating to fair labor  
15 standards) within the previous five years;

16 (2) has been found guilty of an unfair labor practice in  
17 this Commonwealth within the previous five years; or

18 (3) fails to submit to the Department of State current

1 bylaws of the corporation, which must provide that at least  
2 20% of the members of the governing board of the corporation  
3 are current employees of the corporation and are elected by  
4 the employees of the corporation.

5 (b) Applicability.--

6 (1) Subsection (a) shall not apply in the case of health  
7 care-related money payable from the Commonwealth to the  
8 domestic nonprofit corporation or foreign nonprofit  
9 corporation, which shall include Medicaid reimbursements.

10 (2) This section shall not apply if the condition  
11 described in subsection (a) (1) or (2) occurred prior to the  
12 effective date of this paragraph.

13 Section 2. The addition of 15 Pa.C.S. § 5111 shall apply to  
14 the following:

15 (1) A State contract entered into or renewed on or after  
16 the effective date of this section.

17 (2) State funding approved or otherwise made on or after  
18 the effective date of this section.

19 (3) A State grant approved on or after the effective  
20 date of this section.

21 Section 3. This act shall take effect in 60 days.