



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1822

PRINTERS NO. 3595

PRIME SPONSOR: Keller

COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
Commonwealth Funds	See "Fiscal Impact"	See "Fiscal Impact"
Municipal Funds	See "Fiscal Impact"	See "Fiscal Impact"

SUMMARY: This legislation amends the Fiscal Code providing for employee protections relating to COVID-19; changes to loan terms from the Local Government Capital Project Loan Fund; and a temporary restriction on the contracting of funds from certain special funds. The provisions regarding employee protections relating to COVID-19 and the temporary restriction on the contracting of funds from certain special funds would take effect immediately, while the amendments to the Local Government Capital Project Loan Fund would take effect in 60 days.

ANALYSIS: This legislation amends the Fiscal Code providing for employee protections for an isolation or quarantine order relating to COVID-19; changes to loan terms from the Local Government Capital Project Loan Fund; and a temporary restriction on entering into contracts which would require the expenditure of funds from certain special funds

Employee Protections Relating to COVID-19: This legislation adds Article I-B regarding a COVID-19 effect on employment to provide that an individual's employer may not terminate, deprive, threaten, or otherwise coerce the individual with respect to the employment, a seniority position or the benefits of the individual as a result of an individual's compliance with an order of isolation or quarantine. Nothing under this Article shall be construed to require the individual's employer to compensate the individual for employment time lost because of the isolation or quarantine.

An employer who violates this article is subject to the penalty provisions under Section 20 of the Disease Prevention and Control Law of 1955. The legislation also provides that the individual may bring a civil action for recovery of wages and benefits lost as a result of the violation and for an order requiring the reinstatement of the individual.

Changes to the Local Government Capital Project Loan Fund: This legislation amends Article XVI-D pertaining to the Local Government Capital Project Loan Fund to do the following:

- Increases the population size of a municipality that can apply for the loan from 12,000 to 15,000;
- Increases the amount of a loan made for purchasing equipment from \$50,000 to \$150,000;
- Increases the amount of a loan made for facility updates from \$100,000 to \$250,000;
- Changes the interest rate to the ten-year United States Treasury rate rounded to the closest quarter point, not to exceed 2%; and
- Extends the maximum term of a loan from 10 years to 15 years.

Restrictions on Special Funds: The legislation also amends Article XVII-K to add a Section 1727-K to place a temporary restriction on departments, commissions, agencies, offices or authorities of the Commonwealth and the Administration from entering into any contract which would require the expenditure of money from the following special funds:

- Agricultural Conservation Easement Purchase Fund;
- Ben Franklin Technology Development Authority Fund;
- Compulsive and Problem Gambling Treatment Fund;
- Conservation District Fund;
- Energy Development Fund;
- Environmental Education Fund;
- Environmental Stewardship Fund;
- Historical Preservation Fund;
- Industrial Development Fund;
- Justice Reinvestment Fund;
- Keystone Recreation, Park and Conservation Fund;
- Minority Business Development Fund;
- PA eHealth Partnership Fund;
- PA Infrastructure Bank;
- Recycling Fund;
- Solid Waste-Resource Recovery Development Fund; and
- Highway Beautification Fund.

This restriction shall expire on the day after either of the following are terminated by executive order, proclamation or operation of law, whichever is later:

1. The proclamation of disaster emergency issued by the Governor on March 6, 2020, published at 50 Pa. B. 1644 (March 21, 2020).
2. A declaration of disaster emergency related to the novel coronavirus known as "COVID-19" that is issued after March 6, 2020.

FISCAL IMPACT: The employee protections relating to COVID-19 quarantine or isolation would have no adverse fiscal impact on Commonwealth or municipal funds.

The changes to loan terms from the Local Government Capital Project Loan Fund would have no adverse fiscal impact on Commonwealth or municipal funds. The legislation would ultimately allow for additional municipalities to apply for a loan from the Local Government Capital Project Loan Fund.

The amendment placing temporary restrictions on entering into contracts under the enumerated special funds could potentially preserve monies within these special funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: April 21, 2020

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.