



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 1264

PRINTERS NO. 1454

PRIME SPONSOR: Owlett

### COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
General Fund	See fiscal impact	See fiscal impact

**SUMMARY:** Creates the freestanding COVID-19 Pandemic Reporting, Response and Accountability and Vaccine Personal Information Privacy Act which will require the review of personal protective equipment (PPE), COVID-19 vaccines, and COVID-19 tests.

**ANALYSIS:** The bill creates the freestanding COVID-19 Pandemic Reporting, Response and Accountability and Vaccine Personal Information Privacy Act which will require the Department of General Services in consultation with the Adjutant General of the Commonwealth, the Secretary of Health, and the Director of the Pennsylvania Emergency Management Agency to submit a report, within 90 days after the effective date of this bill, to the following:

- President pro tempore of the Senate and the Speaker of the House of Representatives.
- The Majority and Minority Leaders of the Senate and House of Representatives.
- The chairperson and minority chairperson of the State Government Committees of the Senate and House of Representatives.
- The chairperson and minority chairperson of the Agriculture and Rural Affairs Committees of the Senate and House of Representatives; and
- The chairperson and minority chairperson of the Veterans Affairs and Emergency Preparedness Committees of the Senate and the House of Representatives.

The report shall include:

- A report of the PPE and medical supplies purchased or acquired by the Commonwealth or its agencies in response to the COVID-19 pandemic and warehoused at the Farm Show Complex. The report will focus on the following:
  - i. The types of PPE.
  - ii. The quantity of each type of PPE.
  - iii. The quantity of each type of PPE distributed before the date of the report.
  - iv. The quantity of each type of PPE still in the possession of the Commonwealth as of the date of the report.
  - v. The amount and source of the money used to purchase the PPE.
  - vi. The amount and source of the PPE donated to, or otherwise acquired by, the Commonwealth at no cost.

- vii. The country of origin or manufacture of each type of PPE.
  - viii. The facilities utilized to store, maintain or warehouse the Commonwealth's stockpile of PPE other than the Farm Show Complex.
  - ix. Measures taken to secure and protect the Commonwealth's stockpile of PPE including, but not limited to, costs associated with security services and pest control.
  - x. Insurance, other than that provided by the state insurance fund or the Commonwealth's excess property insurance policy, maintained by the Commonwealth or its agencies on the Commonwealth's stockpile of PPE. The report must contain, at a minimum, the insured replacement value of the Commonwealth's stockpile of PPE, the date insurance coverage commenced, the cost or adjusted cost to the Commonwealth or its agencies for the insurance coverage, terms relating to the protection or replacement of PPE due to water damage caused by a flood and other current terms of the insurance coverage.
  - xi. PPE or medical supplies maintained by the Commonwealth that expired, spoiled, incurred damage or were rendered unusable while under Commonwealth control, including the final disposition of the items.
  - xii. Instances where the Commonwealth or its agencies requested an employee of this Commonwealth, its agencies, a member of the General Assembly or a contractor hired by or acting for the Commonwealth to complete a nondisclosure agreement to view, purchase, transfer, transport, handle, distribute or acquire PPE or medical supplies held by the Commonwealth or its agencies in response to the COVID-19 pandemic. the report may not contain the name, title or other personally identifying information of an individual that signed or was requested to sign a nondisclosure agreement; and
  - xiii. Costs associated with maintaining a stockpile of PPE at the Farm Show Complex including, but not limited to:
    - Lease agreements to store PPE and other supplies acquired by the Commonwealth in response to the COVID-19 pandemic executed between the State Farm Products Show Commission and any other entity in compliance with section 1709(b) of the administrative code of 1929.
    - Payments made to the State Farm Products Show Fund by the Federal Emergency Management Agency, PEMA or any other entity for the storage of PPE and other supplies acquired by the Commonwealth in response to the COVID-19 pandemic; and
    - An estimate of lost rental revenue by the State Farm Products Show Commission Fund due to the unavailability of the facilities at the Farm Show Complex during the time the complex has been used as a storage warehouse for PPE.
- A report of the number and types of COVID-19 vaccines administered to Commonwealth residents.
  - A report of the number of COVID-19 vaccines wasted, expired, destroyed or otherwise determined to be unusable; and

- A report of the number and types of COVID-19 tests administered to Commonwealth residents.

The Secretary of Health must issue regular updates of the report in accordance with the Administrative Code of 1929.

*PPE Logistics and Warehousing Advisory Board*

The PPE Logistics and Warehousing Advisory Board is established as an advisory board in PEMA. The advisory board must meet within 30 days of the effective date of this bill and every 30 days thereafter until the sunset date.

The advisory board will consist of the following nine members:

1. The Governor or a designee.
2. The Adjutant General or a designee, who shall serve as chair of the advisory board.
3. The Secretary of Health or a designee.
4. The Secretary of General Services or a designee.
5. The Director of PEMA.
6. One individual each, with at least five years experience in business logistics, warehousing or storage appointed by the Majority and Minority Leaders of the Senate and House of Representatives.

Duties of the advisory board will include:

1. Within one year of the effective date of this bill, the advisory board will submit a plan for utilizing an existing facility or constructing a new facility at Fort Indiantown Gap for the ongoing storage of PPE and other emergency resources needed for the Commonwealth's response to the COVID-19 pandemic to all of the following:
  - a. The Governor.
  - b. The President Pro Tempore of the Senate and the Speaker of the House of Representatives.
  - c. The Majority and Minority Leaders of the Senate and the House of Representatives.
2. This plan will:
  - a. Outline the size and fit out required for the facility.
  - b. Take into consideration the long-term usage of the facility, including the ability of the facility to respond to future disasters and pandemics.
  - c. Provide estimated costs to convert or construct the facility.
  - d. Recommend federal, state, or other resources available to design and construct the facility.
  - e. Provide a cost estimate and a timeline for any proposed construction.
  - f. Outline anticipated obstacles to the immediate completion or construction of the facility.

- g. Highlight the unique capabilities available at Fort Indiantown Gap to store the emergency management resources.

The advisory board and all related provisions will expire in 30 days after submission of the report is issued. PEMA will submit a notice of the expiration of the advisory board to the LRB for publication in the Pennsylvania Bulletin.

Within 30 days of the effective date, the Secretary of Health must issue an invitation for bids or a request for proposals or may use the emergency procurement process to increase the processing capacity for COVID-19 tests. Within one year of the effective date, the Secretary of Health must issue a report on the anticipated future needs of the Commonwealth for testing facilities, laboratories and any other facilities necessary to respond to a future infectious disease pandemic to all of the following:

1. The Governor.
2. The President Pro Tempore of the Senate; and
3. The Speaker of the House of Representatives.

The Secretary of Health must include regular updates regarding the implementation and reporting under this section in the report required under the Administrative Code of 1929.

#### *Annual Report*

PEMA must consider data, information and reports created under this act for inclusion as appropriate in the annual report completed under Title 35 (Health and Safety) §7313 (17) (Relating to Powers and Duties).

Within 60 days of the effective date, the Secretary of Health must issue a report to the Governor and the General Assembly regarding plans to ensure a steady supply of medical oxygen in this Commonwealth during the COVID-19 pandemic. The report must include, but not be limited to, procurement and continued supply of medical oxygen by the Commonwealth and medical facilities, liquid or gas medical oxygen reserves, onsite oxygen generation systems, pressure swing adsorption oxygen generation and any other related topic deemed appropriate by the Secretary of Health.

#### *Special Flood Hazard Area*

Neither the Commonwealth nor its agencies shall store PPE, acquired after the effective date of this bill and intended for distribution in response to the COVID-19 pandemic, in a facility located in a special flood hazard area. PPE stored in such an area must be removed from the area as soon as practicable.

#### *Report by Adjutant General*

Within 30 days of the effective date, the Adjutant General, in consultation with PEMA and the Secretary of Health, must develop an emergency plan to remove the state's stockpile of PPE from the Farm Show Complex within 72-hours notice of an impending flood, hurricane, severe

weather event or other natural disaster, and must outline the resources necessary to execute the removal. This report must be submitted to the Pennsylvania Emergency Management Council.

*COVID-19 Vaccine Personal Information Privacy*

Generally, a COVID-19 vaccine provider must delete the personal information of an individual who registers to receive a vaccine but did not receive the vaccine within six months of the registration. In such a circumstance, the deletion of the personal information must occur:

1. Within 30 days after the conclusion of the six-month period following the registration, if the conclusion of the six-month period occurs after the effective date of this section.
2. Within 30 days after the effective date of this section, if the effective date of this section occurs after the conclusion of the six-month period following the registration.

Exception- In compliance with federal and state law, a COVID-19 vaccine provider may retain the personal information of an individual if the provider distributed or administered a vaccine to the individual or provided another health care service to the individual within six months of the individual registering to receive a vaccine.

This section does not apply to medical records that a COVID-19 vaccine provider is required to retain under federal and state law. Violation of this rule constitutes unfair methods of competition and unfair or deceptive acts or practices within Act 387 of 1968 known as the unfair trade practices and consumer protection law, and will be subject to the enforcement provisions, civil penalties and private rights of action specified in that act.

Effective Date: Immediately.

Expiration Date: December 31, 2024

**FISCAL IMPACT:** According to the Governor's proposed executive budget, the cost to the Commonwealth to maintain and mobilize the state's inventory of essential supplies, including PPE, is approximately \$6 million. Enactment of this legislation will have no additional adverse impact on Commonwealth funds.

**PREPARED BY:** Thomas Gwinn  
House Appropriations Committee (R)

**DATE:** May 24, 2021

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