



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 1421

PRINTERS NO. 3379

PRIME SPONSOR: Thomas

### COST / (SAVINGS)

FUND	FY 2021/22	FY 2022/23
General Fund	\$0	See fiscal impact
Budget Stabilization Reserve Fund	\$0	(\$2,100,000,000)
Tobacco Settlement Fund	\$0	\$365,099,000
Tobacco Revenue Bond Debt Service Account	\$0	\$115,300,000
Race Horse Development Fund	\$0	\$24,725,000
Other Special Funds	\$0	See fiscal impact
Federal Funds	\$0	See fiscal impact

**SUMMARY:** House Bill 1421, printer’s number 3379, amends The Fiscal Code, providing for the 2022-2023 fiscal year budget implementation and other changes.

### ANALYSIS & FISCAL IMPACT:

#### Article I-C. Emergency Covid-19 Response.

#### Subarticle B. Covid-19 Response Restricted Account.

#### Section 111-C. Money in Account.

Language directing the transfer of dollars from the Coronavirus State Fiscal Recovery Fund by the State Treasurer is repealed.

*Fiscal Impact: The repeal of this language will have no adverse impact on Commonwealth funds.*

#### (New) Subarticle B.1. Executive Offices.

#### Section 115-C. Transfer to the Unemployment Trust Fund.

This new section requires the Secretary of Labor and Industry to certify financial information related to the Unemployment Compensation Trust Fund. Upon certification, the Secretary of the Budget shall transfer amounts appropriated for COVID Relief-ARPA to the trust fund. These funds shall be used for the following:

- Repayment of advances prior to November 1, 2022, to a reduction in the tax credit available to employers under federal law.
- Repayment of the entire outstanding advances prior to January 1, 2023, to avoid a reduction in the tax credit available to employers under federal law.

- Excess money remaining after advances are paid shall be used to repay outstanding advances prior to April 30, 2023.
- The payment of benefits related to unemployment compensation if the department determines that additional advances will not be necessary for at least one year.

*Fiscal impact: The sum of \$42,328,000 in federal ARPA funds is appropriated for this transfer.*

#### Section 116-C. Local Law Enforcement Support Grant Program

The Pennsylvania Commission on Crime and Delinquency (PCCD) shall establish a law enforcement grant program. The program shall provide necessary resources to a law enforcement agency to implement information technology improvements, equipment purchases and upgrades, nontraditional personnel costs, recruitment and retention, and expenses related to training. The program shall accept applications on an annual basis. Grants should be prioritized for areas with high rates of violence or to agencies with low clearance rates. Grants shall not be used to supplant existing funding.

*Fiscal impact: The sum of \$135,000,000 in federal ARPA funds is appropriated for this program.*

#### Section 117-C. Gun Violence Investigation and Prosecution Grant Program.

The PCCD shall establish a gun violence enforcement program. Grants shall be made to county district attorneys and local law enforcement agencies. The PCCD shall prescribe the manner of application and accept applications on an annual basis. Grants should be used to enhance law enforcement cooperation, support personnel costs, purchase technology systems, fire arms tracing initiatives, and any other efforts aiding in the investigation and prosecution of crimes involving firearms. Grants shall be prioritized to areas experiencing high rates of gun violence. The Administrative Office of the Pennsylvania Courts shall provide the PCCD with real-time data on all individuals charged with firearm offenses, and their disposition outcomes.

*Fiscal impact: The sum of \$50,000,000 in federal ARPA funds is appropriated for this program. No less than 10% of grant funds shall be made available to rural communities.*

#### Section 118-C. Violence Intervention and Prevention.

Funds appropriated shall be used solely to provide grants and technical assistance to community-based organizations, institutions of higher education, local governments, and other entities in accordance with the Public School Code.

*Fiscal impact: The sum of \$75,000,000 in federal ARPA funds is appropriated for this program.*

#### Subarticle D. Department of Community and Economic Development.

##### (New) Section 135-C. Whole-Home Repair Program.

The department shall establish the Whole-Home Repairs Program. An applicant that receives funds shall make grants available to qualified homeowners and shall make loans available to small landlords renting affordable housing units. An applicant may also use funds for the implementation of data management tools and for workforce development.

*Fiscal impact: The sum of \$125,000,000 in federal ARPA funds is appropriated for this program. Award funds shall only be provided to one applicant per county. The department shall be reimbursed for administrative costs from the money appropriated for this program. A single grant or loan may not exceed \$50,000 per owner-occupied or rental unit. Loans may be forgiven if certain conditions are met by a landlord.*

(New) Section 136-C. Arts and Culture Recovery Grants.

The Commonwealth Financing Authority shall award grants to nonprofit arts and culture organizations to help support their economic recovery.

*Fiscal impact: The sum of \$15,000,000 of federal ARPA dollars is appropriated for this program. Grants funds may be used for reimbursement of lost revenue due to the COVID-19 pandemic, operating costs, establishing new programs, or other uses permitted by established by the authority. Maximum awards shall not exceed \$100,000 per applicant.*

Subarticle E. Department of Education.

Section 141-C. Emergency Education Relief to Nonpublic Schools.

The section is amended to provide for the reallocation of money appropriated for Emergency Education Relief to Nonpublic Schools. Funds shall be used in accordance with federal law.

*Fiscal impact: From money appropriated in the 2020-2021 fiscal year, \$1,400,000 shall be reallocated to the amount appropriated for COVID Relief GEER during that same fiscal year.*

Section 145-C. Emergency Education Relief for Nonpublic Schools.

A subsection is added to read that nonpublic schools that qualify for grants from the Department of Education may choose any educational service provider provided through an intermediate unit that is administering the program.

*Fiscal impact: Enactment of this provision will have no adverse impact on Commonwealth funds.*

Section 146-C. Funding for Library Services.

Any remaining funds made available for public libraries for COVID-19 relief via the American Rescue Plan Act (ARPA) may be distributed at the discretion of the State Librarian.

*Fiscal Impact: Enactment of this provision will have no adverse impact on Commonwealth funds.*

Subarticle F. Department of Health

(New) Section 151-C. Biotechnology Research.

The Department of Health shall award grants to support the development of the biotechnology, pharmaceutical, life science, and health field industries.

*Fiscal impact: The sum of \$5,000,000 in federal ARPA funds is appropriated for this program.*

Subarticle G. Department of Human Services.

(New) Section 161-C. Use of Money.

From money appropriated for COVID-Relief Long-Term Living Programs:

- The sum of \$131,157,000 for nonpublic and county nursing facilities including \$104,926,000 and \$26,231,000 as separate, formula driven, one-time payments.
- The sum of \$74,946,000 for services provided by home health care agencies, home care agencies, and direct care workers, including \$59,957,000 and \$14,989,000 as separate, formula driven, one-time payments.
- The sum of \$26,767,000 for assisted living residences and personal care homes, including \$24,090,000 and \$2,677,000 as separate, formula driven, one-time payments.
- The amount of \$6,959,000 to make one-time payments for adult day care services.
- The amount of \$535,000 to make one-time payments for residential rehabilitation services.
- The sum of \$4,283,000 to make one-time payments for eligible Medicaid ventilator or tracheostomy qualified medical assistance nonpublic or county nursing facilities.

- The sum of \$5,353,000 for organizations operating a Life Program as defined in law.

From money appropriated for COVID Relief-Low-Income Home Emergency Assistance Program, funds shall only be expended if all other money received from the federal government for the program has been expended and if the Secretary of the Budget notifies the chairs of the Appropriations Committees of the House and Senate, and the State Treasurer.

*Fiscal impact: A total of \$250,000,000 of COVID-19 relief funds shall be made available for the long-term living expenses. A total of \$25,000,000 shall be available for LIHEAP under the aforementioned circumstances.*

#### (New) Section 162-C. Child Care Stabilization Program

A new section is added to establish the Child Care Stabilization Program within the department for the purpose of making retention and recruitment payments to qualified staff to be distributed as one-time payments to child-care providers for the purpose of staff retention and recruitment payments. The department shall develop an application process for the program.

*Fiscal impact: From federal ARPA dollars, \$90,000,000 is made available for this program. Grant payments may not be used to supplant existing staff wages, and a qualified staff member may only receive one payment. Payments shall not exceed \$2,500 and may be recovered from the child-care provider if they are not in compliance with the program.*

#### Section 163-C. Behavioral Health Commission for Adult Mental Health.

This commission is established in the Department of Human Services to offer recommendations to improve mental and behavioral health in the Commonwealth.

*Fiscal impact: Any potential reimbursement costs associated with the commission can be accommodated within the General Appropriations Act of 2022.*

#### (New) Subarticle I.1 Department of Revenue.

##### Section 185-C. Property Tax Rent Rebate.

Amounts of federal ARPA funds appropriated for the 2022-2023 fiscal year for property tax rent rebate shall be transferred to the State Lottery Fund. An eligible claimant shall receive an additional rebate equal to the amount received by the claimant in 2021.

*Fiscal impact: \$140,000,000 of federal ARPA dollars are appropriated for this program.*

#### Subarticle K. State System of Higher Education

##### (New) Section 192.1-C. State University Assistance for Fiscal Year 2022-2023.

Money appropriated for COVID Relief-ARPA-State System of Higher Education for the 2022-2023 fiscal year shall be paid as follows:

- The Board of Governors of the State System of Higher Education shall make payments in the aggregate amount of \$34,294,978 to the integrated universities.
- The sum of \$7,371,688 shall be paid to Cheyney University.
- An amount determined for each state university that does not receive other payments to be determined by an enrollment based formula.

*Fiscal impact: The total amount available for this program is \$125,000,000. The amount available for the enrollment based formula is \$83,333,334.*

Subarticle M. Pennsylvania Housing Finance Agency.

(New) Section 195-C. Development Cost Relief Program.

A new section is added to establish the Development Cost Relief Program, which is to support the production of developments by addressing financial deficiencies attributable to the effects of the COVID-19 pandemic and other economic factors. The agency shall develop an application process to determine eligibility for funding.

*Fiscal impact: \$150,000,000 is appropriated from federal ARPA dollars for this program. Funds provided may not supplant other agency-committed resources except in a case where there are noncompliance risks with the low-income housing tax credit program. Qualified projects under the Construction Cost Relief Program may receive additional funding under this program.*

(New) Section 196-C. Housing Options Program.

This funding would create the Housing Options Grant Program within the authority which would make grants available for the development of affordable housing units, including, but not limited to, building new units, rehabbing existing properties to make them affordable housing units or preserving existing affordable units. Grants would be made to a developer or a nonprofit organization for a project that meets the requirements for an award under the Federal Low Income Housing Tax Credit.

*Fiscal impact: \$100,000,000 is appropriated for this program. Matching funds of at least 25% would be required per developer or a nonprofit organization and grants are to be geographically diverse across the Commonwealth.*

(New) Subarticle N. Department of Conservation and Natural Resources.

Section 198-C. State Parks and Outdoor Recreation Program.

A new section is added to establish a program to support the rehabilitation, repair, and development of park and forest areas within this Commonwealth.

*Fiscal impact: \$100,000,000 is appropriated from federal ARPA funds. Awards shall range from \$50,000 to \$5,000,000 for eligible projects based on program requirements.*

**Article I-D. Rental and Utility Assistance Grant Program.**

Section 105-D. Reallocation of Grants.

The section is amended to clarify that the redistribution of excess grant funds to other counties must be accompanied by the ability to spend the reallocated dollars within a timeframe to be determined by the Department of Human Services. The redistribution of funds must be done in a manner that ensures that they are expended by the respective federal deadline.

*Fiscal Impact: Amending this section will have no adverse impact on Commonwealth funds and may help ensure that federal dollars are properly expended before related legal deadlines.*

**Article I-E. American Rescue Plan Rental and Utility Assistance Program.**

Section 103-E. Department.

The section is amended to provide that if the Department of Human Services determines that excess rental assistance grant funds will remain on September 30, 2025, or as of any updated federal deadline for the use of funds, the department may recoup and reallocate said funds to other counties that have demonstrated a shortfall and the ability to spend additional funds within a timeframe determined by the department.

*Fiscal Impact: Amending this section will have no adverse impact on Commonwealth funds and may help ensure that federal dollars are properly expended before related legal deadlines.*

### **Article III. Treasury Department.**

#### **(New) Section 301.5. Commonwealth Payment Security.**

A new section is added to ensure the secure disbursement of public funds under the custodial control of the State Treasurer on behalf of any Commonwealth department, agency, board or commission. The Treasury shall select and require the implementation and maintenance of electronic payment security standards, measures, and procedures that are necessary to detect and prevent the fraudulent expenditure of public funds and reduce administrative costs and financial losses associated with invalid or improper fund disbursements. The required security standards shall be designed to verify the existence, status, maturity, and signatory authority of a banking account, authenticate account ownership, and accurately identify intended payment counterparties prior to the initiation and completion of payment. Within one year of the effective date, each Commonwealth agency or organization that makes payment disbursements shall select and contract for electronic payment security services from a list of providers selected by the Pennsylvania Treasury. The list shall be updated every two years.

*Fiscal impact: Costs associated with the enactment of this provision are estimated to be accommodated within the appropriations provided in General Appropriations Act of 2022. To the extent in which fraudulent payments are reduced, the Commonwealth may realize a reduction in losses associated with invalid or improper fund disbursements.*

### **Article XVI-E. Oil and Gas Wells.**

#### **Section 1601.2-E. Oil and Gas Lease Fund.**

The section is amended to specify that no amount shall be transferred in the 2022-2023 fiscal year from the Oil and Gas Lease Fund to the Marcellus Legacy Fund for distribution to the Environmental Stewardship Fund.

*Fiscal Impact: In fiscal year 2018-2019 \$20,000,000 had been transferred from the Oil and Gas Lease Fund for distribution to the Environmental Stewardship Fund. The transfer has suspended for each fiscal year since 2019-2020, and now for fiscal year 2022-2023.*

### **Article XVI-M. Transportation Network Companies, Motor Carrier Companies and Parking Authority of a City of the First Class.**

#### **Section 1606-M. Transportation Network Company Extension.**

The assessment on gross receipts of a transportation network company operating in a city of the first class shall not expire until December 31, 2027.

*Fiscal Impact: The 1.4% assessment on transportation network companies generates roughly \$2,000,000 annually for the Philadelphia Parking Authority.*

### **(New) Article XVI-R. Agriculture Conservation Assistance Program.**

#### **Section 1602-R. Establishment.**

The program is established in the State Conservation Commission.

#### **Section 1603-R. Sources of Funding.**

Funding for the program may be provided through any of the following:

- Appropriated money for the program.

- Amounts made available from the Clean Streams Fund.
- Federal money appropriated or authorized for the program.
- Money received from another governmental agency via agreement.
- A gift or contribution from a public or private source.
- Return on money dedicated to the program, such as loan or investment interest.

Section 1604-R. Powers, Duties, and Administration.

The State Conservation Commission may dedicate up to 4% of available funds for administrative cost compensation. Up to 4% of funds may also be made available to compensate entities performing administrative tasks for this program. The commission shall adopt program standards and provide program evaluation and quality control. They shall also develop a training, education, and technical assistance program for individuals performing related work, and create a data collection and reporting system. Administrative tasks may be delegated to Penn State University or another eligible entity. Funds shall be apportioned to participating conservation districts based on criteria to prevent nutrient and sediment pollution.

*Fiscal impact: The Agricultural Conservation Assistance Program would be administered by the State Conservation Commission and provide funding to conservation districts for agricultural conservation programs, including those relating to BMP's. The program would receive \$157.5 million to address various conservation and nutrient management projects as part of the COVID Relief – ARPA funds.*

**(New) Article XVI-S. Clean Water Procurement Program.**

Section 1603-S. Establishment.

The Clean Water Procurement Program is established and shall provide for the purchase of verified nutrient or sediment reduction through a competitive bidding process.

Section 1604-S. Sources of Funding.

Funding for the program may be provided through the following:

- Money appropriated for the program.
- Money made available from the Clean Streams Fund.
- Federal money appropriated or authorized for the program.
- Money received from another governmental agency via agreement.
- A gift or contribution from a public or private source.
- Return on money dedicated to the program, such as interest on loans or investments.

Section 1606-S. Duties of Authority.

The Pennsylvania Infrastructure Investment Authority issue a request for proposals or initiate a competitive bidding process for the supply of a verified nutrient or sediment reduction toward the achievement of the Chesapeake Bay TMDL. In consultation with the State Conservation Commission and the Department of Environmental Protection, the authority shall evaluate responses to the proposal or bidding process and execute contracts with qualified bidders.

Section 1608-S. Criteria.

Criteria for the evaluation of proposals or bids shall be determined by the Pennsylvania Infrastructure Investment Authority, in consultation with the Department of Environmental

Protection and State Conservation Commission, based on measures including nutrient reduction and cost effectiveness.

Section 1609-S. Annual Report.

The Pennsylvania Infrastructure Investment Authority shall publish a public annual report.

Section 1610-S. Duties of Department.

The Department of Environmental Protection shall:

- Advise the Pennsylvania Infrastructure Investment Authority on project criteria.
- Review and approve a verification plan submitted with a bid or proposal and advise the authority regarding the plan.
- Evaluate proposals or bids based on established criteria.
- In accordance with a respective contract, ensure that a qualified bidder is in compliance with an approved verification plan.

Section 1611-S. Duties of the Commission.

The State Conservation Commission advise the Pennsylvania Infrastructure Investment Authority on project criteria and review proposals or bids for projects.

Section 1612-S. Regulations.

The Department of Environmental Protection may promulgate regulations necessary to administer this program. A lack of promulgated regulations shall not preclude the administration and implementation of the program.

*Fiscal impact: The Clean Water Procurement Program would be administered by the Pennsylvania Infrastructure Investment Authority with funding based on amounts from COVID Relief-ARPA funds. The program would receive \$22,500,000 to provide for the purchase of verified nutrient or sediment reduction through a competitive bidding process, but no more than 4% of the money appropriated may be used to implement the program. A nutrient or sediment reduction program that is entirely publicly funded is ineligible for purchase under the program. If a percentage of nutrient or sediment reduction is attributed to public funds, the remaining amount of reduction eligible for purchase shall be commensurate with the percentage of the non-publicly funded reduction.*

**(New) Article XVI-T. Human Services.**

Section 1601-T. Eligibility for Public Assistance.

This section provides for increases to state Supplemental Security Income payments for eligible individuals residing in a Personal Care or Domiciliary Care Home. The monthly payment for eligible Personal Care Home residents will increase from \$439.30 to \$639.30 for individuals and from \$957.40 to \$1,357.40 for couples. The monthly payment for eligible Domiciliary Care Home residents will increase from \$434.30 to \$634.30 for individuals and from \$947.40 to \$1,347.40 for couples.

*Fiscal impact: The General Appropriations Act of 2022 includes \$20 million in state funds for the purpose of increasing supplemental payments.*



#### Section 1602-T. Medical Assistance Payments for Institutional Care.

This sections extends the authority for the Department of Human Services (DHS) to apply the Nursing Facility Budget Adjustment Factor (BAF) for an additional four years, from June 30, 2022, until June 30, 2026. The BAF ensures that the average payment rates for nursing facility services paid through the fee-for-service system complies to the amount permitted by the funds appropriated by the General Appropriations Act for the fiscal year. This provision is effective retroactive to June 29, 2022.

Additionally, this section requires Community HealthChoices (CHC) managed care organizations (MCOs) to adopt a minimum payment rate for reimbursing nursing facilities that is equal to or greater than the nursing facility case-mix rates calculated by DHS for reimbursement through the fee-for-service system. The minimum payment rate will be in effect from January 1, 2023, through December 31, 2025. This language requires that funds appropriated in the Community HealthChoices appropriation for the purpose of increasing nursing facility payments be passed through by the CHC MCOs to nursing facilities.

*Fiscal impact: The extension of the BAF does not have a fiscal impact. The General Appropriations Act of 2022 includes approximately \$134 million in state funds and \$279 million in total funds for the purpose of increasing reimbursements to nursing facilities through CHC.*

#### Section 1603-T. Resident Care and Related Costs.

This section requires that at least 70% of a nursing facility's total costs must be resident care or other related costs and provides for penalties of up to 5% of the facility's MA reimbursement for noncompliance. Penalties collected by DHS will be deposited into the Nursing Facility Quality Improvement Fund and may be used by DHS to enforce these provisions and provide funding for nursing facility quality improvement.

*Fiscal impact: These provisions have no net fiscal impact on Commonwealth funds. Any penalty deposited into the Nursing Facility Quality Improvement Fund will come from funds that would otherwise be paid to a nursing facility through the MA program.*

#### Section 1604-T. LIFE Program.

This section applies the requirements applicable to DHS under Section 602 of the Human Service Code, regarding including information pertaining to the Living Independence for the Elderly (LIFE) Program when educating or notifying an individual about long-term care services and supports, to the Independent Enrollment Broker and to require that the quarterly report by the department document compliance.

*Fiscal impact: There is no fiscal impact related to these changes.*

#### Section 1605-T. Limits on Reimbursements to Counties.

This section provides that money appropriated for community-based family centers may not be considered as part of the base for calculation of a county's child welfare needs-based budget. This language has historically been in the annual article of the Fiscal Code and is being moved to this new article for permanent codification.

*Fiscal impact: There is no fiscal impact related to permanently codifying this provision.*

### Section 1606-T. Time periods.

This section extends the authority for the nursing facility assessment imposed on county and nonpublic nursing facilities for an additional four years, from June 30, 2022, until June 30, 2026. This provision is effective retroactive to June 29, 2022.

*Fiscal impact: Reauthorization of the nursing facility assessment will maintain approximately \$450 million in annual assessment revenues that will be used to support nursing facility payments.*

## **Article XVII-A. Special Funds.**

### Subarticle A. Budget Stabilization Reserve Fund.

#### Section 1702-A. Funding.

If the Secretary of the Budget certifies that there is a surplus in the General Fund for the 2021-2022 fiscal year, the amount of \$2,100,000,000 shall be deposited by the end of the next succeeding quarter into the Budget Stabilization Reserve Fund.

*Fiscal impact: Enactment of this section will deposit \$2,100,000,000 into the rainy day fund, bringing the total fund balance to approximately \$5,000,000,000 for use in future fiscal years.*

### Subarticle B. Underground Storage Tank Indemnification Fund.

#### Section 1711-A. Transfer.

This section is amended to make technical corrections and adds a requirement that once funds previously transferred from the Underground Storage Tank and Indemnification Fund have been repaid, the Secretary of the Budget shall transmit notice to the Legislative Reference Bureau (LRB) for publication in the Pennsylvania Bulletin.

*Fiscal impact: Enactment of this provision will have no adverse impact on Commonwealth funds.*

### Subarticle H. Pennsylvania Gaming Economic Development and Tourism Fund.

#### Section 1772.1-A. H2O PA Account.

Money appropriated for COVID Relief shall be transferred to the Commonwealth Financing Authority in order to reopen the H2O PA program for application.

*Fiscal impact: \$214,400,000 of federal ARPA dollars shall be deposited into the account.*

#### Section 1774.1-A. Other Grants.

A subsection is added to provide additional water and sewer project funds for the 2022-2023 fiscal year. Appropriated funds shall be transferred to the Commonwealth Financing Authority for reimbursement of water and sewer projects.

*Fiscal impact: A total of \$105,600,000 of federal ARPA dollars shall be made available for this grant program. Project reimbursement amounts shall be between \$30,000 and \$500,000 and shall not require matching funds.*

## **Article XVII-A.1. Additional Special Funds and Restricted Accounts.**

### Subarticle B. Tobacco Settlement Fund.

#### Section 1712-A.1. Establishment of Special Fund and Account.

The legislation amends sub-paragraph (a)(2)(ii) to provide that by April 30 following the beginning of the fiscal year, an amount equal to the annual debt service due in the 2022-2023 fiscal year, as certified by the Secretary of the Budget, shall be transferred from cigarette tax revenues

to the Tobacco Settlement Fund. Deposits under the paragraph shall occur prior to the deposits and transfers required under Section 1296 of the Tax Reform Code.

Section 1713-A.1. Use of fund.

For the 2022-2023 fiscal year the following distributions are provided:

- 4.5% for tobacco use prevention and cessation (\$16,429,000)
- 12.6% for health and related research pursuant to Section 906 of the Tobacco Settlement Act, with 70% allocated for research under Section 908 of the Tobacco Settlement Act (\$32,202,000) and the remaining 30% allocated as follows: \$1,000,000 for spinal cord injury research programs under Section 909.1 of the Tobacco Settlement Act; and of the remaining amount, 75% is allocated for pediatric cancer research (\$9,601,000) and 25% is allocated for capital and equipment grants to biotechnology research entities (\$).
- 1% for health & related research for Section 909 of the Tobacco Settlement Act (\$3,651,000).
- 8.18% for uncompensated care (\$29,865,000).
- 30% for the purchase of Medicaid benefits for workers with disabilities (\$109,530,000)
- 43.72% shall remain in the fund for other health-related purposes (\$159,621,000)

*Fiscal impact-The enactment of the provision relating to cigarette tax revenue in the amount of \$115,300,000 will be transferred to the Tobacco Settlement Fund to offset the Tobacco Master Settlement payments that will be deposited in the Tobacco Revenue Bond Debt Service Account. The percentage of allocations for program funding results in appropriations from the Tobacco Settlement Fund for health-related programs in the 2022-2023 fiscal year of \$365,099,000*

Subarticle C. Pennsylvania Race Horse Development Fund.

Section 1723-A.1. Distributions from Pennsylvania Race Horse Development Fund.

The bill updates statutory citations to provide 22 weekly transfers in fiscal year 2022-2023 from the PA Race Horse Development Fund to the PA Race Horse Development Restricted Receipt Account. Transfers would begin on the effective date of the related clause and would be set at an amount necessary to provide a total of \$14,659,000. In addition, language is provided to require the department to transfer \$10,066,000 from the fund to the State Racing Fund for costs associated with the enforcement of medication rules in horse racing. Annual transfers shall be authorized by the General Assembly to provide for costs associated with the collection, research of, and testing for medication.

*Fiscal impact: Enactment of these provisions will provide \$14,659,000 for agricultural-related programs and \$10,066,000 for enforcement of medication rules in horse racing for FY 2022-2023.*

Subarticle D. Miscellaneous Limitations and Transfers.

Section 1738-A.1. Workers' Compensation Security Fund transfer to COVID-19 Response Restricted Account.

A subsection is added to require the Secretary of the Budget to transmit notice to the Legislative Reference Bureau (LRB) for publication in the Pennsylvania Bulletin upon determination that the money transferred from the Workers' Compensation Security Fund has been repaid.

*Fiscal impact: Enactment of this provision will have no adverse impact on Commonwealth funds.*

Subarticle J. Opioid Settlement Restricted Account.

Section 1792-A.1. Opioid Settlement Restricted Account.

The section is amended to clarify that money received via a court-ordered distribution pursuant to a Bankruptcy Code approved plan, arising from Commonwealth made claims, related to the marketing, manufacturing, sale, promotion, distribution, prescribing, or dispensing of opioids shall be deemed funds of the Commonwealth and shall be deposited into the restricted account. Money received by county, municipal, or local governments and agencies shall not be deposited into the account or deemed Commonwealth funds.

*Fiscal impact: Enactment of this provision will have no adverse impact on Commonwealth funds.*

**(New) Article XVII-A.2. Additional Special Funds and Restricted Accounts.**

Subarticle A. Federal Infrastructure Project Account.

Section 1702-A.2. Federal Infrastructure Project Account.

The Federal Infrastructure Project Account as established in the General Appropriations Act of 2021 is continued as a restricted account within the General Fund. Money that is deposited into the account may only be used upon appropriation by the General Assembly.

*Fiscal impact: The establishment of this restricted account will have no adverse impact on Commonwealth funds.*

Subarticle B. Clean Streams Fund.

Section 1712-A.2. Clean Streams Fund.

The Clean Streams Fund is established in the State Treasury. The following funds shall be deposited into the fund:

- Money appropriated to the fund for COVID-ARPA-Clean Streams Fund.
- Money appropriated for the purpose of the fund.
- Federal money appropriated or authorized for purposes of the fund.
- Money received from a governmental agency via agreement.
- A gift or other contribution from a public or private source.
- Return on money dedicated to the fund, such as loan or investment interest.

Money deposited into the fund shall be distributed as follows:

- 70% to the State Conservation Commission for the implementation of the Agriculture Conservation Assistance Program.
- 10% to the Pennsylvania Infrastructure Investment Authority to implement the Pennsylvania Clean Water Procurement Program.
- 10% to the Nutrient Management Fund.
- 4% to the Department of Environmental Protection for grants and reimbursements to counties and municipalities under the Storm Water Management Act.
- 4% to the Department of Conservation and Natural Resources for the Keystone Tree Restricted Account.
- 2% to the Acid Mine Drainage Abatement and Treatment Fund.

*Fiscal impact: The Clean Streams Fund is established in the State Treasury to receive \$225 Million from COVID Relief-ARPA funds. The Clean Stream Fund will allocate money for various conservation and nutrient management programs as listed above.*

Subarticle C. Tourism and Marketing Account.

Section 1722-A.2. Sports Tourism and Marketing Account.

The restricted account is established in the Pennsylvania Gaming Economic Development and Tourism Fund in order to attract high-quality sporting events to the Commonwealth to promote tourism and economic development.

*Fiscal impact: The Department of Community and Economic Development use appropriated funds to award financial assistance for sporting events. Notwithstanding existing law, 5% of revenue generated via sports wagering, or \$2,500,000 whichever is greater, shall be deposited into the account. The deposit shall not exceed \$5,000,000.*

Subarticle D. Election Integrity Restricted Account

Section 1732-A.2. Election Integrity Restricted Account.

The Election Integrity Restricted Account is established in the General Fund. No later than August 1, 2022, and each August 1 thereafter, the sum of \$45,000,000 shall be transferred from funds received from the Personal Income Tax to the Election Integrity Restricted Account.

Money in the restricted account may only be expended upon enactment of a statute to provide for the use of the money in the account and upon appropriation by the General Assembly.

*Fiscal impact: \$45 million shall be transferred annually from the personal income tax to this new restricted account.*

**Article XVII-B. 2021-2022 Budget Implementation**

Subarticle B. Executive Departments.

Section 1712-B. Executive Offices.

Language making \$250,000 available from appropriations for the Pennsylvania Commission on Crime and Delinquency (PCCD) for the Judicial Computer System Financial Audit Committee in the prior fiscal year is repealed.

*Fiscal impact: \$250,000 for the Judicial Computer System Financial Audit Committee shall no longer be available.*

Section 1729-B. Department of Human Services.

For the 2-1-1 system, \$4,000,000 shall be used for nonrecurring infrastructure enhancements. The appropriation for services for the visually impaired includes \$3,084,000 for statewide professional services provider association the blind to provide training and supportive services for the blind and for preschool vision screenings and eye safety education. An allocation of \$618,000 is to provide specialized services and prevention of blindness services.

*Fiscal impact: Provides for distribution of supplemental funding.*

**Article XVII-E. General Budget Implementation**

This article provides for funds to the following agencies/offices as follows:

Subarticle B. Executive Departments.

Section 1712-E. Executive Offices.

A subsection is added to provide that for the purpose of determining non-state financial participation for a redevelopment assistance capital project, as defined in the Capital Facilities

Debt Enabling Act, funds distributed to counties may not be considered state funds if the redevelopment assistance capital project serves an eligible use under Section 2314 of Title 58.

*Fiscal impact: Enactment of this provision has no adverse impact on Commonwealth funds.*

Section 1721-E. Department of Corrections.

Language is added to specify that the annual general government operations funding for the Pennsylvania Parole Board and the Board of Pardons shall be appropriated from the Department of Corrections via separate line item appropriations.

*Fiscal impact: Enactment of this section will have no adverse impact on Commonwealth funds.*

Section 1722-E. Department of Education.

Subsections are added to prohibit payments from basic education funding, school employees' Social Security appropriations, or money appropriated for payment of required contributions for public school employees' retirement to charter schools.

*Fiscal impact: Enactment of this section will have no adverse impact on Commonwealth funds.*

Section 1725-E. Department of Health.

No later than 15 days after the effective date of this subsection, the Secretary of Health and the Chair of the Rural Health Redesign Center Authority shall enter into an agreement to amend the Intergovernmental Agreement to require the authority to repay the owed balance no later than June 30, 2024. The authority shall not be required to make partial payments before that time.

*Fiscal impact: Repayment of loans is extended. Current minimum debt service through that fiscal year is \$1,800,000.*

Section 1727-E. Department of Labor and Industry.

The 5% contributions on wages paid under the Unemployment Compensation Law for the Reemployment Fund are extended through the year 2024.

*Fiscal impact: The Unemployment Tax on employees generates roughly \$200 million per year. By dedicating 5% annually, this would provide \$10 million for the programs funded under the Reemployment Fund.*

Section 1728-E. Department of Military and Veterans Affairs.

The Department of Military and Veterans Affairs may enter into contracts with a statewide nonprofit fraternal society that represents various veterans' groups or may request the services of Pennsylvania National Guard members for the purpose of providing burial details for veterans.

The section is also amended to provide for the base pay of deployed National Guard members.

*Fiscal impact: If a burial detail contract is executed, the department shall pay an amount not exceeding \$250 for each day that the burial detail is provided. No other expenses shall be paid under the contract. Payment for such expenses is covered under the DMVA's Burial Detail Honor Guard appropriation which is to receive \$187,000 for FY 2022-23. It should also be noted that additional language states that base pay for National Guard members shall be no less than \$180 per day.*

Section 1729-E. Department of Human Services.

Language is added to establish the Home and Community-Based Services for Individuals with Intellectual Disabilities Augmentation Account in the General Fund. Money in the account shall not lapse. The net proceeds of the sale of real property which served as a state center for individuals with intellectual disabilities shall be deposited into the account. An annual transfer from the General Fund to the account shall be made if the appropriation amount for state centers for individuals with intellectual disabilities in a fiscal year is less than the amount for the prior fiscal year, as certified by the Secretary of the Budget.

*Fiscal impact: Money in the account is appropriated to the Department of Human Services to provide home and community-based support for people on the emergency waiting list as determined by the department after receiving input from the Office of Developmental Programs and the Information Sharing and Advisory Committee.*

Section 1730-E. Department of Revenue.

The section is amended to provide that the terms of the members of the governing body of a qualified authority for the Military Installation Remediation Program serving as of the effective date of this section shall terminate on December 31, 2022. Notwithstanding current law, the governing body of a qualified authority shall be composed of five permanent residents of a qualified municipality and two permanent residents of a municipality in which a former military installation caused public drinking water contamination. The terms of board members appointed after December 31, 2022, shall be staggered as provided in existing law.

*Fiscal impact: Enactment of this provision will have no adverse impact on Commonwealth funds.*

Section 1740-E. Pennsylvania Infrastructure Investment Authority.

The section is amended to provide that federal funds received by the Commonwealth pursuant to the Infrastructure Investment and Jobs Act of 2021 or the Water Infrastructure Improvements for the Nation Act of 2016 which are appropriated to the Pennsylvania Infrastructure Investment Authority for water projects shall be administered by the authority in accordance with the law. This shall apply to federal funds appropriated to the authority for the following purposes:

- From amounts appropriated from the Clean Water State Revolving Fund for programs addressing emerging contaminants.
- From amounts appropriated from the Drinking Water State Revolving Fund for programs to address lead service line replacement and emerging contaminants.
- From amounts appropriated for Water Infrastructure Improvements for the Nation Act of 2016 for programs to address small and underserved communities and emerging contaminants.
- Other federal amounts that are made available under the Infrastructure Investment and Jobs Act of 2021 or the Water Infrastructure Improvements for the Nation Act of 2016 which are eligible to be awarded as a grant or principal forgiveness.

*Fiscal impact: Awards of federal funds by the Pennsylvania Infrastructure Investment Authority shall not be subject to conflicting provisions of the act.*

(New) Section 1754 E. State-related Institutions.

Funds appropriated to State-related universities shall only be used for costs directly related to the provision of instruction for graduate and undergraduate students and costs incurred for student-related services and community outreach services.

*Fiscal impact: Enactment of this section will have no adverse impact on Commonwealth funds.*

Subarticle D. Judicial Department.

Section 1795.1-E. Surcharges.

The section is amended to provide for an additional surcharge of \$10 and a surcharge of \$11.25 that shall be collected by a division of the unified judicial system.

*Fiscal impact: The surcharge is to be deposited into the Judicial Department Operations Augmentation Account as established.*

Subarticle E. Restrictions on Appropriations for Funds and Accounts.

Section 1798.3-E. Multimodal Transportation Fund.

The expiration date for the ability of the Secretary of Transportation, and the Commonwealth Financing Authority (CFA), to respectively waive Multimodal Transportation Fund match requirements for municipalities and port authorities is extended until December 31, 2023.

*Fiscal impact: The waiving of match funds may impact the size of grants awarded from funds dedicated for the PennDOT and CFA MTF grant programs.*

**(New) Article XVII-F.1. 2022-2023 Budget Implementation**

Except as otherwise provided, this article applies to the General Appropriations Act of 2022 and any other appropriation acts of 2022 as follows:

Subarticle B. Executive Departments.

Section 1712-F.1. Executive Offices.

The following applies to the money appropriated for the Pennsylvania Commission on Crime and Delinquency (PCCD):

- No less than the amount used in the 2014-2015 fiscal year shall be used to support the Statewide Automated Victim Information and Notification System (SAVIN) to provide offender information through county jails.
- No less than the amount used in the 2014-2015 fiscal year shall be used for a residential treatment community facility for at-risk youth located in a county of the fifth class.
- From the amount appropriated, \$400,000 shall be used for an innovative police data sharing pointer index system that will allow participating law enforcement agencies access to incident report data.
- From the amount appropriated, \$400,000 shall be used for a diversion program for first-time nonviolent offenders facing prison sentences. The diversion program must include education and employment services, case management, and mentoring.
- No less than \$3,000,000 shall be available for a pilot program to offset costs associated with hiring additional assistant district attorneys designated as a Special United States Attorney through participation in the Project Safe Neighborhoods program and will exclusively prosecute crimes under 18 U.S.C. Section 922(g) in a city of the first class and a county of the second class that is also a home rule county.
- \$500,000 shall be used to support a statewide child predator unit.
- \$500,000 shall be used for training and equipment needs to support improvements in the identification, investigation, and prosecution related to the sexual abuse of children.
- \$100,000 shall be allocated for criminal indigent defense training.



From the money appropriated for violence and delinquency prevention programs:

- No less than the amount used in the 2014-2015 fiscal year shall be used for programs in a city of the second class.
- No less than the amount used in the 2014-2015 fiscal year shall be used for blueprint mentoring programs that address reducing youth violence in cities of the first, second and third class with programs in cities of the second class and third class also receiving a proportional share of \$200,000.

Money appropriated for violence intervention and prevention shall be used solely to provide grants and technical assistance to community-based organizations, institutions of higher education, municipalities, district attorneys, and other entities in accordance with the Public School Code.

Money appropriated for county intermediate punishment shall be distributed to counties for county adult probation supervision, drug and alcohol programs, and mental health treatment programs for certain criminal offenders. The portion of the money for drug and alcohol programs, and mental health treatment programs shall be based on national statistics identifying the percentage of incarcerated individuals in need of treatment, but in no case shall be less than 80% of the amount appropriated.

Section 1714-F.1. Attorney General.

From the amounts appropriated for a joint local-state firearm task force in a city of the first class, no more than 20% may be allocated for the district attorney.

Section 1715-F.1. Auditor General.

From the money appropriated for special financial audits, \$500,000 shall be used for the auditing of entities that receive money via contract with the Department of Human Services from money appropriated for Medical Assistance: Capitation, Medical Assistance Community HealthChoices, Medical Assistance: Long-term Living, Mental Health Services, or the Intellectual Disabilities: Community Waiver Program.

Appropriations made to the Department of the Auditor General shall include funding to conduct an audit of a school district in which the school board has approved a motion to request an audit within six months prior to the effective date in the legislation. To the extent possible, the audit shall include a review of books, contracts, and transactions of the school district, including those related to federal and state funding of the school district for the past five years.

Section 1718-F.1. Department of Agriculture.

From money appropriated for general government operations, no less than the amount that was transferred in the 2014-2015 fiscal year shall be transferred to the Dog Law Restrict Account. Additionally, no less than \$250,000 shall be used for the Commission of Agricultural Education Excellence to assist in development and implementation of agricultural education programming.

From money appropriated for agricultural preparedness and response, no less than \$25,000,000 shall be made available for cost associated with avian influenza and no less than \$6,000,000 shall be used for costs incurred by the Pennsylvania Animal Diagnostic Laboratory System.

Of funds appropriated for agricultural excellence programs, no less than \$250,000 shall be allocated to the Center for Beef Excellence for grants to be used for producer education and physical infrastructure development to increase the inventory of beef cattle in Pennsylvania.

From money appropriated for agricultural research, no less than \$300,000 shall be used for an agricultural research center, and no less than \$100,000 shall be used for agricultural law research programs in conjunction with a land-grant university.

From money appropriated for the hardwoods research and promotion, at least 80% of the money shall be equally distributed among the hardwood utilization groups of this Commonwealth established prior to the effective date of this section of the bill.

Money appropriated for the Animal Health and Diagnostic Commission shall be equally distributed to the animal diagnostic laboratory system laboratories located at a land grant university and at a school of veterinary medicine.

Section 1719-F.1. Department of Community and Economic Development.

From the general government operations appropriation, no less than \$1,900,000 shall be used to support a manufacturing technology development effort and to assist Pennsylvania small businesses with enhanced cyber security in a county of the fourth class.

From the money appropriated for marketing to attract tourists, \$4,093,000 is to fund tourism office activities within the department. The remaining dollars include an allocation to be used for a series of arts and cultural activities that generate economic impact, and \$500,000 to be used for an annual statewide online competition for athletes with intellectual disabilities.

Of Pennsylvania First appropriations, no less than \$8,000,000 shall be used for the Workforce and Economic Development Network of Pennsylvania (WEDnetPA) for workforce training grants.

From money appropriated for Keystone Communities, \$6,357,000 shall fund the Main Street Program, Elm Street Program, Enterprise Zone Program, and accessible housing. Proportional distribution shall be the same as the amounts allocated in the 2012-2013 fiscal year. The remaining money shall be used for projects supporting economic growth, community development, and municipal assistance.

From money appropriated for Partnerships for Regional Economic Performance, \$1,000,000 shall be distributed on a pro rata basis for grants and other activities under the department.

Notwithstanding current law related to the Community Development Block Grant Entitlement Program, the Commonwealth may use up to 3% of funds received pursuant to Housing and Community Development Act for administrative costs.

Money appropriated for local municipal relief shall include an allocation to provide state assistance for those affected by natural or manmade disasters and public safety emergencies. Assistance may be limited to grants for projects that do not qualify for federal assistance. Grants

shall be available for reimbursement in an emergency area only when a Presidential disaster declaration does not cover the area or as determined by the department.

Section 1721-F.1. Department of Corrections.

From the general government operations appropriation, no less than \$1,750,000 shall be used for nonnarcotic medication substance use disorder treatment, which may include the establishment and administration of a substance abuse treatment grant program. Notwithstanding any other provision of law, for the purpose of funding the aforementioned program, the term “eligible offender” means a defendant or inmate convicted of a criminal offense who will be committed to the custody of a county and who meets the clinical criteria for an opioid or alcohol use disorder as determined by a physician.

Section 1723-F.1. Department of Education.

From funding for general government operations, no less than \$1,500,000 shall be used for an educational and professional development online course initiative. The department shall establish a central online clearing house which includes a database of online courses for students in grades K-12 and online professional development courses.

From the money appropriated for the Pre-K Counts Program, the per student grant award amount for grants made pursuant to the Public School Code shall be increased by 14.3% over the amount paid in the 2021-2022 fiscal year.

From the appropriation for adult and family literacy programs, summer reading programs, and the adult high school diplomas program, funds will be allocated for after-school learning programs for low-income students in an amount no less than the amount allocated in the 2014-2015 fiscal year, and the 2016-2017 fiscal year.

Notwithstanding the law, pupil transportation funding may not be used for any other purpose.

From money appropriated for the Pennsylvania Chartered Schools for Deaf and Blind Children, the following shall apply:

- Upon distribution of the final tuition payment for the fiscal year, the balance of the appropriation shall be used to pay the school’s increased share of required contributions for public school employees’ retirement and shall be distributed on a pro rata basis.
- \$1,000,000 is included for capital-related costs and deferred maintenance.

Notwithstanding any other provision of law, the amount of money set aside for extraordinary special education program expenses shall be allocated to each approved private school with a day tuition rate determined to be less than \$32,000 during the 2010-2011 fiscal year. The allocation shall be no less than the amount allocated in the 2015-2016 fiscal year.

Money appropriated for regional community college services shall be distributed to each entity that received funding in the 2019-2020 fiscal year in an amount equal to what was received in that fiscal year and a pro rata share of \$85,000.

Fund appropriated for community education councils shall be distributed in a manner that each community education council which received funding in the 2021-2022 fiscal year shall receive an equal amount to what was received that year and a pro rata share of \$96,000.

Section 1725-F.1. Department of General Services.

From money appropriated for Capital fire protection, the City of Harrisburg shall use the money to support fire services to the Capitol complex.

Section 1726-F.1. Department of Health.

The following applies to the appropriations for the Department of Health:

- Ensures that the department continues to coordinate donated dental care services.
- Provides \$100,000 for Type 1 diabetes awareness, education, and outreach.
- From money appropriated for the primary health practitioner program, \$3,451,000 shall be used for Primary Care Loan Repayment Grants Awards, and \$1,500,000 shall be used for the Pennsylvania Academy of Family Physicians Residency Program. Other eligible grantees shall receive a pro rata allocation of \$558,000.
- Grants for children with special needs shall be distributed in the same proportion as distributed in the 2019-2020 fiscal year.
- From funds for adult cystic fibrosis and other chronic respiratory illnesses no less than \$212,000 shall be used for promoting cystic fibrosis research, and no less than \$106,000 shall be used for research with nationally accredited cystic fibrosis treatment center. Any remaining funds are to be distributed in the same proportion as the 2019-2020 fiscal year.
- Funds appropriated for the diagnosis and treatment of Cooley's anemia and hemophilia services shall be distributed to grantees in the same proportion as distributed in the 2019-2020 fiscal year.
- Money appropriated for lupus programs shall be distributed in the same proportion as the 2018-2019 fiscal year.
- Sickle cell anemia service grantee shall receive the same proportion of funds as in the 2019-2020 fiscal year. \$75,000 shall be distributed to a qualifying academic medical center.
- Lyme disease funding shall include \$930,000 for costs related to free tick testing performed in conjunction with a university in the State System of Higher Education.
- Money appropriated for biotechnology research shall include allocations for regenerative medicine research and technology, hepatitis and viral research, drug research and clinical trials related to cancer, pulmonary embolism and deep vein thrombosis, genetic and molecular research for disease identification and eradication, vaccine immune response diagnostics, nanotechnology, and the commercialization of applied research.
- Specifies that all funds provided for leukemia and lymphoma are to be allocated to an organization dedicated to understanding, diagnosing, and treating blood cancer, and caring for patients diagnosed with blood cancer.

Section 1728-F.1. Department of Labor and Industry.

From appropriations for Industry Partnerships, no less than the amount allocated in the 2014-2015 fiscal year shall be used for a work force development program for veterans.

Section 1730-F.1. Department of Human Services.

From money appropriated for mental health services or federal money, \$580,000 shall be used for a network of web portals that provide referral services and other information to provide support for mental health issues. The funds shall also be used for the expansion of the existing web portals, including those offering resources for military veterans and their families.

Subject to the availability of federal money and eligibility under TANFBG rules, PA WorkWear grantees from the prior fiscal year remaining in operation shall be offered a grant to continue service delivery under similar terms to previous PA WorkWear grants.

From money appropriated for medical assistance capitation:

- No less than the amount used in the 2014-2015 fiscal year shall be used for prevention and treatment of depression in older Pennsylvanians.
- Subject to federal approval and financial participation, funds are included to provide the following rates for ambulance transportation:
  - For basic life support, not less than \$325 per loaded trip.
  - For advanced life support, not less than \$400 per loaded trip.
  - For ground mileage, not less than \$4 per loaded mile beyond 20 loaded miles.

The following shall apply to medical assistance fee-for-service funding:

- Payments to hospitals for Community Access Fund grants shall be distributed under formulas utilized in the 2014-2015 fiscal year, on a pro rata basis.
- Amounts allocated for the SelectPlan for Women's preventative health services shall be used for women's medical services.
- Sufficient money shall be available for two All Patient Refined Diagnostic Related Group payments for inpatient acute care general hospital stays for normal newborn care and mothers' obstetrical delivery.
- No less than \$330,000 is to be used for cleft palates and other craniofacial anomalies.
- No less than \$800,000 shall be distributed for clinical ophthalmologic services.
- No less than \$700,000 is to be used to improve an acute care hospital.
- No less than \$5,000,000 shall be distributed to a hospital in a city of the third class.
- No less than \$2,000,000 shall be distributed to research the impact of trauma-informed programs on community violence prevention and health disparities.
- No less than \$3,000,000 shall be distributed to an enrolled outpatient therapy provider.
- No less than \$2,500,000 shall be distributed to an acute care hospital.
- Funds are included for ambulance transportation rate increases contained in the bill.

To supplement funding for medical assistance for workers with disabilities, the department may adjust the premium percentage with approval of the Centers for Medicare and Medicaid Services.

Qualifying physician practice plans and qualifying academic medical centers that received money in the 2017-2018 fiscal year shall not receive less than what was made available in that year. Funding that is not used for Level III trauma centers shall be used to make payments for Levels I and II trauma centers. Money appropriated for medical assistance transportation shall only be utilized as a payment of last resort.

Money appropriated for women's service programs grants to nonprofits who promote childbirth and provide abortion alternatives shall be expended to provide support and services to women until childbirth and up to 12 months thereafter. Federal money for TANFDBG Alternatives to Abortion shall be utilized solely for services to women whose gross family income is below 185% of federal poverty guidelines.

From money appropriated for medical assistance long-term living:

- No less than the amount distributed in the 2014-2015 fiscal year shall be distributed to a county nursing home with over 725 beds and a Medicaid acuity of 0.79 as of 2015.
- No less than the amount used in the 2020-2021 fiscal year shall be distributed to a nonpublic nursing home with over 395 beds and a Medicaid acuity of 1.15 as of 2021.
- \$5,000,000 shall be distributed to a nonpublic nursing home with over 119 beds and a Medicaid acuity of 1.07 as of 2021 to ensure nursing home care in that county.
- An additional \$500,000 shall be paid in equal payments to nursing facilities which remain open that qualified for supplemental ventilator care and tracheostomy care payments in the 2014-2015 fiscal year, with over 90% of medical assistance recipients requiring medically necessary ventilator or tracheostomy care.
- Subject to federal approval, \$16,000,000 is allocated for medical assistance day-one incentive payments to qualified nonpublic nursing facilities under the Human Services Code. The department shall determine the overall medical assistance occupancy rate to qualify for related payments.
- No less than \$500,000 shall be allocated to a special rehabilitation facility.
- Subject to federal approval, sufficient funds are included to provide a 17.5% rate increase for costs associated with compliance with Section 1603-T (Resident Care and Related Costs).

From money appropriated for Medical Assistance Community HealthChoices, sufficient funds are included to make payments in accordance with Section 1602-T (Medical Assistance Payments for Institutional Care).

From money appropriated for autism intervention and services:

- \$600,000 shall be allocated to a behavioral health facility in a county of the fifth class and to a health system operating an acute care hospital and a behavioral health facility that has a center for autism and developmental disabilities.
- \$300,000 shall be each allocated to an institution of higher education that provides autism education and diagnostic curriculum in a city of the first class.
- \$300,000 shall be each allocated to an institution of higher education that provides autism education and diagnostic curriculum in a county of the second class.
- No less than the amount distributed in the 2014-2015 fiscal year shall be allocated for programs to promote the health and fitness of persons with developmental disabilities.
- \$500,000 shall be allocated for the expansion of an adult autism program.
- \$600,000 shall be allocated for an entity that provides alternative educational services to individuals with autism and developmental disabilities.

Of funds appropriated for child-care services, no less than \$25,000,000 shall be allocated to apply an income limit for subsidized child care during redetermination of eligibility to no more than 300% of the federal poverty income guidelines or 85% of the state median income, whichever is lower. The department shall determine copayments for family incomes above 235% of federal poverty guidelines.

Money appropriated for breast cancer screening may be used for women's medical services.

From the appropriation for the 2-1-1 Communications, \$750,000 shall be allocated for a statewide 2-1-1 System Grant Program.

The appropriation for services for the visually impaired includes \$3,084,000 for statewide professional services provider association the blind to provide training and supportive services for the blind and for preschool vision screenings and eye safety education. An allocation of \$618,000 is to provide specialized services and prevention of blindness services.

References to federal law are included to restrict services for illegal aliens.

The Secretary of Human Services shall report quarterly to legislative leaders documenting information on medical assistance programs, long-term care, intellectual disabilities, autism intervention services, and early intervention. If the report indicates that supplemental funds are necessary, additional information must be provided by the secretary. The Department of Human Services shall not add non-medically necessary services to the Medical Assistance Program that would result in supplemental needs without approval of the General Assembly.

Section 1733-F.1. Department of Transportation.

Of funds appropriated for infrastructure projects, \$1,900,000 shall be allocated for costs relate to capital equipment for a rural transit service that provides intercity service.

Section 1735.F.1. Pennsylvania Emergency Management Agency.

Money appropriated for search and rescue programs shall be used to support programs related to training working service dogs focusing on public safety and rescue.

Money appropriated for the State Fire Commissioner includes funding for a statewide recruitment and retention coordinator and regional technical advisors to develop, implement, and deliver recruitment and retention training programs and provide technical assistance to local fire organizations and local governments.

Money appropriated for state disaster assistance shall be used to provide individual disaster recovery assistance from emergencies and non-federally declared disasters.

Section 1736-F.1. State-related Universities.

This section requires representatives from the state-related universities to appear before the Appropriations Committee no fewer than three times per year. Tuition invoices must include information on the discount provided by related appropriations.

Section 1738-F.1. Pennsylvania System of Higher Education Assistance Agency.

The agency shall provide \$500,000 from the Higher Education Assistance Fund for the Cheyney University Keystone Academy. From money appropriated for payment of education assistance grants, the amount of \$1,000,000 shall be allocated to a state-owned university in Tioga County for scholarships. Money from the Pennsylvania Internship Program grants may be used for seminar and internship programs.

Section 1739-F.1. Thaddeus Stevens College of Technology.

Funds shall be used for a comprehensive report outlining the use of funds, specifically including how the use of funds will expand student enrollment.

Section 1744-F.1. Commonwealth Financing Authority.

For the purposes of the Statewide Local Share Account Program, the Department of Community and Economic Development may not deem an application ineligible if a down payment necessarily occurred after the application submission date.

**(New) Article XVII-F.2. 2022-2023 Restrictions on Appropriations for Funds and Accounts.**

Except as specifically provided otherwise, this article applies to the General Appropriation Act of 2022 and all other appropriation acts of 2022.

Section 1702-F.2. State Lottery Fund.

The money appropriated for PennCare shall not be utilized for administrative costs by the Department of Aging.

Section 1708-F.2. Motor License Fund.

\$5 million is allocated to PennDOT to make grants to municipalities for the installation of traffic signal technologies on existing signals. Eligible grant uses include traffic signal systems that use sensors to monitor traffic and optimize the timing of signals in real time; systems that synchronize multiple signals; and technologies that support traffic signal timing and synchronization. Traffic signals improved with a grant under this program must be capable of connecting with a central location using the Commonwealth communications network.

Section 1729-F.2. Opioid Settlement Restricted Account.

Appropriated money from the account, the sum of \$1,000,000 shall be distributed to a district attorney office in a county of the third class.

Section 1731-F.2. Pennsylvania Preferred Trademark Licensing Fund.

The Department of Agriculture shall use money deposited in the Pennsylvania Preferred Trademark Licensing Fund to promote funding objectives through the award of grants.

Section 1732-F.2. Agricultural Conservation Easement Purchase Fund.

The Department of Agriculture may use up to \$165,000 in the fund to issue grants not to exceed \$5,000 each for succession planning to ensure that agricultural operations continue on land subject to conservation easements. Eligibility criteria shall be established in conjunction with the State Agricultural Land Preservation Board.



Section 1733-F.2. Restricted Receipt Accounts.

The Secretary of the Budget may create restricted receipt accounts for federal grants as follows:

Department of Community and Economic Development

- ARC Housing Revolving Loan Fund

Department of Conservation and Natural Resources

- Federal Aid to Volunteer Fire Companies
- Federal Land and Water Conservation Fund
- National Forest Reserve Allotment

Department of Education

- Education of the Disabled-Part C
- LSTA-Library Grants
- The Pennsylvania State University Federal Aid
- Emergency Immigration Education Assistance
- Education of the Disabled-Part D
- Homeless Adult Assistance Program
- Severely Handicapped
- Medical Assistance Reimbursements to Local Education Agencies

Department of Environmental Protection

- Federal Water Resource Planning Act
- Flood Control Payments
- Soil and Water Conservation Act

Department of Drug and Alcohol Programs

- Share Loan Program

Department of Transportation

- Capital Assistance Elderly and Handicapped Programs
- Railroad Rehabilitation and Improvement
- Ridesharing/Van Pool Program-Acquisition

Pennsylvania Emergency Management Agency

- Receipts from the Federal Government-Federal Disaster Relief Assistance

Pennsylvania Historical and Museum Commission

- Federal Grant-National Historic Preservation Act

Executive Offices

- Retired Employees Medicare Part D
- Justice Assistance
- Juvenile Accountability Incentive
- Early Retiree Reinsurance Program

Section 1734-F.2. Fund Transfers.

The sum of \$12,317,000 shall be transferred to the Environmental Stewardship Fund. The initial deposit of \$15,000,000 into the School Safety and Security Fund shall not apply for the 2022-2023 fiscal year.

Abrogation of Regulations

Sections 3270.137, 3270.153, 3280.137, 3280.153, 3290.137, and 3290.153 of Title 55 (Human Services) of the Pennsylvania Code are abrogated, to the extent they apply to individuals with symptoms of COVID-19, in order to remove the requirement that child care employees and children enrolled in child care must receive a physician or nurse practitioner note before returning to the child care center or child care home.

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Jeff Miller  
Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** July 8, 2022

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