



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1300

PRINTER'S NO. 2441

PRIME SPONSOR: Mehaffie

SUMMARY: House Bill 1300, Printer's Number 2441, amends The Fiscal Code, providing for the 2023-2024 fiscal year budget implementation and other changes.

ANALYSIS & FISCAL IMPACT:

Article I-C. Emergency COVID-19 Response

- Department of Education – Declined and unclaimed allocations (Section 148-C)
 - Requires PDE to determine the amount of declined or unclaimed federal ARPA money by local education agencies and allows the Budget Secretary to transfer up to \$26 million of the aggregate amount of unclaimed or declined ARPA money to a restricted account for PDE to use to provide performance monitoring of ARPA funds.

Fiscal Impact: This section will have no fiscal impact to the commonwealth because it directs federal funds that have already been appropriated or allocated to school entities.

Article I-K. 911 Emergency Communication Services

Section 102-K maintains the current \$1.65 surcharge for 911 services through February 29, 2024. Beginning March 1, 2024 and ending January 31, 2026, the 911 surcharge is increased to \$1.95.

Fiscal Impact: The 911 surcharges at the current \$1.65 rate generated \$331.3 million for the 911 Fund in the 2022-23 fiscal year. After the increased rate goes into effect, the surcharges would generate approximately \$392 million per full fiscal year, an increase of just over \$60 million.

Section 103-K requires the Legislative Budget and Finance Committee, in conjunction with the Joint State Government Commission and the Local Government Commission, to conduct an efficiency study on 911 services. That study will examine operations in other states, explore combining 911 services with other services such as the 998 suicide and crisis lifeline, and other related subjects. The report must be submitted to the majority and minority chairs of the House and Senate Veterans Affairs and Emergency Preparedness Committees by December 30, 2024.

Article I-L. Institutions of Purely Public Charity

The addition of Article I-L provides that an institution shall be considered to benefit a substantial and indefinite class of persons who are legitimate subjects of charity for state tax purposes if:

- It is a domestic fraternal society, order, or association that has been in the Commonwealth for at least 100 years upon the effective date of the legislation, has not been issued a liquor license, qualifies for a federal tax exemption, and is operating under a lodge system where the net earnings are devoted to religious, charitable, scientific, literary, educational, and fraternal purposes; or
- The institution is a title-holding organization that qualifies for a federal tax exemption that is wholly owned or controlled by one or more qualifying domestic fraternal organizations.

Fiscal Impact: The provision will result in qualifying domestic fraternal societies, orders, or associations becoming tax exempt in the commonwealth, which would reduce state revenues. The fiscal impact of exempting these organizations from state taxation would depend on the actual number of organizations that meet the criteria and their tax liability in a given tax year. Therefore, the fiscal impact of this provision is currently indeterminate.

Section 202.3. Exclusion of Dependent Care Assistance from Classes of Income.

The legislation would exclude amounts paid or incurred by an employer of an employee for dependent care assistance provided to the employee that is currently excludable under 26 U.S.C. § 129 from any of the enumerated classes of income under Section 303 of Act 2 of 1971 (Tax Reform Code of 1971) as it relates to state Personal Income Tax beginning in tax year 2023.

Fiscal Impact: Excluding amounts paid or incurred for dependent care assistance provided to employees would reduce the overall income tax liability for Pennsylvania taxpayers that receive these benefits, thereby reducing Personal Income Tax collections for the General Fund. Based on this exclusion taking effect beginning with tax year 2023, the Department of Revenue estimates that this revenue reduction will be about \$5.2 million in 2023/24 and \$6.2 million in 2024/25.

Article II-F. Indigent Defense

This section establishes the Indigent Defense Advisory Committee within the Pennsylvania Commission of Crime and Delinquency, the duties and responsibilities of the committee, and the funding for the committee.

Fiscal Impact: Enactment of this section will have no adverse impact on Commonwealth funds. The General Appropriations Act of 2023 includes \$7.5 million for Indigent Defense.

Section 1601.2-E. Oil and Gas Lease Fund

The bill eliminates the Oil & Gas Lease Fund transfer to Marcellus Legacy Fund and then to the Environmental Stewardship Fund for 2023/24.

Fiscal Impact: Enactment of this section would prevent the transfer of \$10.5 million for 2023/24 from the Oil and Gas Lease Fund to the Marcellus Legacy Fund, resulting in savings of \$10.5 million to the Oil and Gas Lease Fund and a cost of \$10.5 million to the Marcellus Legacy Fund.

Section 1607-M. Designated Municipal Agent and Authorized Salvor for City of the First Class

This section designates the Philadelphia Parking Authority as the designated municipal agent and authorized salvor for the City of Philadelphia.

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

Section 1602.1-T Medical Assistance Dental Services and Packages

From money appropriated for MA - Capitation and subject to Federal approval, \$12 million in State funds shall be used by the Department of Human Services to increase the calendar year capitation rates for specified dental services, beginning January 1, 2025.

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

Article XVI-U. Authority of Attorney General and Director of Bureau of Consumer Protection

This section allows the Attorney General or his or her authorized representative or employee to use documentary material or copies of documentary material pursuant to a demand under section 919 of the Administrative Code of 1929 as necessary in the enforcement of any civil laws related to the powers and duties granted to the Attorney General, including:

- sharing the documentary material with a Federal or State agency or their duly authorized representatives or employees that may be assisting in the investigation of the subject matter of the subpoena
- presentation in a subsequent administrative or judicial proceeding

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

Article XVI-V. Pennsylvania Long-Term Care Council

This article requires the Department of Aging to maintain the Pennsylvania Long-Term Care Council and add one member to the Council from the Office of the State Long-Term Care Ombudsman.

Fiscal Impact: As this Council is already in operation, current appropriations enacted in the General

Appropriations Act would be sufficient to cover costs associated with the Council. Therefore, there is no fiscal impact to the commonwealth.

Article XVI-W. Pennsylvania Child and Dependent Care Enhancement Tax Credit Program

The addition of Article XVI-W would move the existing Pennsylvania Child and Dependent Care Enhancement Tax Credit from Act 2 of 1971 (Tax Reform Code of 1971) to the Fiscal Code. Additionally, this legislation would increase the credit amount that a Pennsylvania taxpayer can claim beginning in tax year 2023 from the current 30 percent to 100 percent of either of the following, whichever is less:

- The actual amount of employment-related expenses incurred by the taxpayer and claimed for the Federal credit during the prior taxable year, multiplied by the taxpayer's applicable percent based on their annual income; or
- \$3,000 for one qualifying individual or \$6,000 for two or more qualifying individuals with respect to the taxpayer, multiplied by the taxpayer's applicable percent based on their annual income.

Fiscal Impact: Expansion of the Pennsylvania Child and Dependent Care Enhancement Tax Credit would reduce General Fund revenues beginning in 2023/24 due to the higher tax credit that eligible Pennsylvanians would be able to claim when they file their 2023 tax returns.

The Department of Revenue estimates that expanding the tax credit to 100 percent of the federal credit would result in a total cost to the General Fund of \$83.3 million in 2023/24 and \$124.9 million in 2024/25, reflecting an increased cost of \$57.4 million and \$87.4 million, respectively, relative to current law.

Article XVI-X. Additional Keystone Opportunity Expansion Zones

This article creates additional Keystone Opportunity Expansion Zones (KOEZ). The first additional KOEZ is for deteriorated, underutilized, or unoccupied parcels. DCED may designate one additional KOEZ that includes an area in a county with a population of at least 80,000 but less than 83,000 based on the 2020 Federal decennial census.

This KOEZ:

- May not be less than 300 acres.
- Shall employ a micro-grid power source utilizing renewable and nonrenewable energy sources, including, but not limited to solar, wind, natural gas or biomass.
- Shall encompass one or more parcels that are deteriorated, underutilized, or unoccupied.

A business or affiliate of a business located within this additional KOEZ shall be entitled to all tax exemptions, deductions, abatements or credits under Chapters 5 and 7 of the KOZ Act, except for exemptions for sales and use taxes under section 511(a) or 705(a) of the KOZ Act, for a period of 10 years from the date manufacturing commences in the KOEZ. Exemptions for sales and use taxes under section 511(a) or 705(a) the KOZ Act shall commence upon designation of the KOEZ by DCED and continue for 10 years.

An application for designation must be received by Oct. 1, 2026. If the DCED does not approve of the designation, the department must hold a public hearing in the municipality to provide information on the disapproval.

The second KOEZ is for parcels impacted by current or former mining operations. DCED may designate one additional KOEZ that includes an area in a county with a population of at least 200,000 but less than 215,000 and an area in a county with a population of at least 1,000,000 but less than 1,300,000 both based on the 2020 Federal decennial census.

This KOEZ:

- May not be less than 300 acres.
- Shall be comprised of parcels of land where not less than 50% of the total acreage:

- Is currently being used for mining operations or activities.
- Was formerly used for mining operations or activities.
- Shall be utilized for activities related to the production, generation, or storage of renewable energy.
- Shall be occupied by a qualified business that makes a capital investment of at least \$100,000,000 in the KOEZ within five years of its designation.

A business or affiliate of a business located within this additional KOEZ shall be entitled to all tax exemptions, deductions, abatements or credits under Chapter 5 of the KOZ Act, except for exemptions for sales and use taxes under section 511(a) of the KOZ Act, for a period of 15 years from the time production or generation of renewable energy is commenced. Exemptions for sales and use taxes under section 511(a) of the KOZ Act shall commence upon designation of the KOEZ by DCED and continue for 15 years.

An application for designation must be received by Oct. 1, 2027. If the DCED does not approve of the designation, the department must hold a public hearing in the municipality to provide information on the disapproval.

Fiscal Impact: The addition of Keystone Opportunity Expansion Zones or any changes to the Keystone Opportunity Improvement Zone Act would have a fiscal impact on Commonwealth funds to the extent that zones are designated, and the tax incentives authorized under the legislation are utilized. However, the exact impact of these additional designations is currently indeterminate.

Article AVII-A Special Funds

The legislation amends Section 1702-A (Funding) by adding a definition for “surplus” as it relates to annual transfers to the Budget Stabilization Reserve Fund to mean a fiscal operating result which occurs in a fund at the end of a fiscal year, whereby expenditures, including tax refunds, are less than the fund’s beginning balance, revenues and receipts, and lapses during the same period.

Fiscal Impact: The addition of the definition for “surplus” will have no fiscal impact for 2023/24. The transfer to the Budget Stabilization Reserve Fund authorized on November 2, 2023, from the budget surplus resulting from 2022/23 would conform to this definition. This definition would direct the amount to be transferred in future fiscal years assuming the transfer in any given fiscal year is not modified through amending statute.

Section 1712-A.1. Tobacco Settlement Fund

This section directs the same transfer from Cigarette Tax revenues in the General Fund to the Tobacco Settlement Fund as 2022/23 to cover annual debt service and maintains the same distributions from the Tobacco Settlement Fund as the 2022/23 fiscal year. The allocations are:

- 4.5%, reflecting \$16.2 million, for tobacco use prevention and cessation programs;
- 8.82%, reflecting \$31.8 million, for health research;
- \$1.0 million (0.28%) for spinal cord injury research programs;
- 2.62%, reflecting \$9.5 million, for pediatric cancer research;
- 0.87%, reflecting \$3.2 million, for biotechnology research capital and equipment grants;
- 1%, reflecting \$3.6 million, for health and related research;
- 8.18%, reflecting \$29.5 million, for the uncompensated care payment program;
- 30%, reflecting \$108.1 million, for the Medical Assistance for Workers with Disabilities Program;
- and
- 43.72%, reflecting \$157.5 million, to be separately appropriated for health-related programs.

Fiscal Impact: The transfer from the General Fund to the Tobacco Settlement Fund from Cigarette Tax revenue for debt service is \$115.3 million for 2023/24. The overall percentage allocations for health-related programs from the Tobacco Settlement Fund will be \$360.2 million in 2023/24.

Section 1723-A.1. Race Horse Development Fund

Authorizes the transfer of \$9.309 million from the PA Race Horse Development Fund (RHDF) for disbursement to the Animal Health Commission, the PA Veterinary Laboratory System, PA Fairs, and the State Farm Products Show Fund for 2023/24. (new reduced amount)

For 2023/24, \$10.066 million will be transferred from the PA Racehorse Development Fund to the State Racing Fund to cover costs of enforcement of equine medication rules testing

Fiscal Impact: Enactment of these provisions will provide \$9.309 million for agricultural-related programs and \$10.066 million for enforcement of medication rules in horse racing for 2023/24.

Article XVII-A.1 Subarticle G – Enhanced Revenue Collections Account (Repeal)

The bill repeals Subarticle G, which provides for the Enhanced Revenue Collections Account (ERCA) as a restricted account within the General Fund for the Department of Revenue to support refund avoidance, expanded tax return reviews, and tax collection activities within the department.

Fiscal Impact: The elimination of ERCA is estimated to increase revenue for the General Fund by \$21.1 million, which is offset by increased appropriations from the General Fund to the Department of Revenue for continuation of these expanded tax collection activities.

Article XVII-A.2 Subarticle C – Sports, Marketing, and Tourism Account

The bill makes multiple changes to the Sports Tourism and Marketing Account, including revising its name from the Tourism and Marketing Account to the Sports, Marketing and Tourism Account.

The definition of “eligible applicant” is revised to include a nonprofit entity that has been designated to manage and organize an international sporting event, as well as a municipality, local authority, nonprofit organization or legal entity participating or planning to participate in a competitive selection process conducted by a site selection organization not located in the Commonwealth for the purpose of securing a single year or multiyear commitment from the site selection organization to conduct the sporting event at one or more locations in the Commonwealth. In addition, “international sporting event” is defined to be a sporting event in the city of the first class (Philadelphia) as well as other cities in North America that is no less than 25 days in length, has at least five competition days in the commonwealth, and will attract teams from no fewer than 40 countries.

The use of funds with the account is expanded to include promotion of business, tourism, and tourism activities in the commonwealth. The Department of Community and Economic Development may award \$10 million to an eligible applicant for costs related to conducting an international sporting event and use \$15 million for a statewide marketing strategy.

The bill also provides that eligible applicants would not be prohibited from receiving an award for each separate high-quality amateur or professional sporting and e-sporting event for which the applicant has submitted an application to the department.

The bill transfers \$25 million from the Pennsylvania Gaming Economic Development and Tourism Fund to the account for 2023/24. The bill also provides for annual funding for the Sports, Marketing and Tourism Account equal to the greater of 5 percent of the revenue generated from the Sports Wagering Tax or \$2.5 million, with a maximum annual transfer of \$5 million.

Fiscal Impact: This provision will result in \$25.0 million being transferred from the Pennsylvania Gaming Economic Development and Tourism Fund to the Sports, Marketing, and Tourism Account in 2023/24. In addition, up to \$5.0 million from Sports Wagering Tax revenue in the General Fund will annually be transferred to the Sports, Marketing, and Tourism Account.

Section 1741-A.2. Service and Infrastructure Improvement Fund

This section deposits \$65 million to the UC Service and Infrastructure Improvement Fund from revenues ordinarily directed to the Unemployment Compensation Fund, but stipulates that any of these funds unexpended by 12/31/23 shall not be transferred to the Unemployment Compensation Fund.

Fiscal Impact: Enactment of this provision will increase the contributions from the Unemployment Compensation Contribution Fund to the Unemployment Service and Infrastructure Improvement Fund by approximately \$44 million over the 2022/23 fiscal year.

Section 1712-E. Executive Offices

- Funding appropriated for violence prevention shall be used to provide grants to:
 - Community-based Organizations
 - Institutions of Higher Education
 - Municipalities
 - District Attorneys
 - Other entities in accordance with the Public-School Code
- Deposit of costs, into the Local Victim Services Fund established in each County, associated with the Crime Victim's Act, shall apply to all costs regardless of:
 - Date of the crime
 - When the offender was placed on:
 - probation or parole
 - accelerated rehabilitative disposition
 - probations without verdict
 - intermediate punishment
- Deposit of fees, into the County Supervision Fee restricted account, associated with the Crime Victim's Act, shall apply to all fees regardless of:
 - When the offender was placed on:
 - probation or parole
 - accelerated rehabilitative disposition
 - probations without verdict
 - intermediate punishment

Fiscal Impact: Enactment of this section will have no fiscal impact on Commonwealth funds.

Section 1718-E. Department of Agriculture

- Bans the use of money appropriated from the Motor License Fund to the Department of Agriculture for mitigation of dust and sediment control on land owned or otherwise under the control of the Pennsylvania Game Commission

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

Section 1719-E. Department of Community and Economic Development

- Updates language surrounding the Keystone Opportunity Zone, Keystone Opportunity Expansion Zone, Keystone Opportunity Improvement Zone Act, including:
 - Allows the Department to approve a substitution of one or more parcels designed under the Act for other parcels creating a new subzone if the new subzone is substantially similar in acreage and adjacent to the original subzone.
 - Requires a business entity making a capital investment of more than \$25,000 on the new subzone to verify with the Department of Labor and Industry that individuals employed by the taxpayer or any contractor or subcontractor of the taxpayer for construction were paid the prevailing minimum wage rate.
 - A business operating within any portion of any real property designated as a Keystone Opportunity Zone, Keystone Opportunity Expansion Zone, or Keystone Opportunity Improvement Zone under the Act which would qualify as a "qualified business" under the Act, and any owner of any portion of the real property shall, for a time period not to expire until the expiration of all the Keystone Opportunity Zones, Keystone Opportunity Expansion Zones and Keystone Opportunity Improvement Zones to the same portion of the entire real property, be entitled to the same Commonwealth tax benefits and relief as if the real property in question

was entirely designated as a Keystone Opportunity Zone, Keystone Opportunity Expansion Zone, and Keystone Opportunity Improvement Zone if it meets certain requirements:

- Be within a city and county of the first class
- Be at least 1,200 acres in the aggregate
- Be entirely owned by one entity
- Have over 50% of its acreage designated as a Keystone Opportunity Zone, Keystone Opportunity Expansion Zone, or Keystone Opportunity Improvement Zone.
- Provides the criteria for the Department to create additional Keystone Opportunity Expansion Zones. This criteria stipulates:
 - The Keystone Opportunity Expansion Zone is not to exceed 200 acres, of which an area not exceeding 80 acres shall be situated in a borough of that county with a population between 315 and 325.

Fiscal Impact: Changes to the Keystone Opportunity Zone, Keystone Opportunity Expansion Zone, or Keystone Opportunity Improvement Zone Act may have a fiscal impact on Commonwealth funds, but exact figures are indeterminable at this time.

Section 1720-E. Department of Conservation and Natural Resources

This section requires that DCNR continues to provide access to the Regional ATV pilot area for at least 2024 and 2025. In addition, the department shall submit a report to the General Assembly on the department's ATV pilot area, starting in December 2023 and every three years thereafter.

Furthermore, the section bans the use of money appropriated from the Motor License Fund to the Department for mitigation of dust and sediment control on land owned or otherwise under the control of the Pennsylvania Game Commission (\$7M annual appropriation).

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

Section 1725-E. Department of Health

The requirement for the Rural Health Redesign Center Authority to repay the balance of the loan owed to the department by June 30, 2024, is repealed.

Fiscal Impact: This would result in a reduction to revenue anticipated by the department for 2023/24 in the amount of \$1.4 million.

Section 1729-E. Department of Human Services

\$25 million from money appropriated for Child-Care Services shall be allocated to apply an income limit for subsidized child care during the redetermination of eligibility to no more than 300% of the federal poverty income guidelines or 85% of the state median income, whichever is lower.

Fiscal Impact: The General Appropriations Act of 2023 includes \$271.9 million in state funds for the continuation of the Child-Care, so this section has no fiscal impact on the commonwealth.

Section 1733-E. Pennsylvania State Police

The bill contains new language adjusting the State Police trooper cap to 4,410, up from the current cap of 4,310. As with the current cap, officers and enlisted members assigned to the Turnpike, the Delaware River Joint Toll Bridge Commission, gaming enforcement and liquor control enforcement do not count against the cap.

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

Section 1753.2-E. Commonwealth Financing Authority

This section creates the Public School Facility Improvement Grant Program within the Commonwealth Financing Authority (CFA) to provide grants to school districts and career and technical centers for an array of eligible facility improvement projects (e.g., roof, window, HVAC, plumbing, environmental hazard remediation, energy saving projects, etc.). Projects must have a minimum cost of \$500,000, the maximum grant award is \$5 million, and grant awards require a 25% local match. This program is funded through a

\$100 million transfer of funds that were appropriated to the Department of Education for Level Up for 2023/24.

Fiscal Impact: This section repurposes \$100 million that has already been appropriated for 2023/24. Therefore, there is no new fiscal impact.

Section 1798.1-E. Federal and Commonwealth Use of Forest Land

The bill provides for the increase to Payment-in-Lieu-of-Taxes (PILOTS) annual charges related to real property owned by:

- Department of Conservation and Natural Resources:
 - From \$2.00 to \$2.40 per acre for each county where the real property is located
 - \$1.20 paid by Department of Conservation and Natural Resources
 - \$1.20 paid by slot machine revenues deposited into the State Gaming Fund
 - From \$2.00 to \$2.40 per acre for schools in each school district where the real property is located
 - \$1.20 paid by Department of Conservation and Natural Resources
 - \$1.20 paid by slot machine revenues deposited into the State Gaming Fund
 - From \$2.00 to \$2.40 per acre for the township where the real property is located
 - \$1.20 paid by Department of Conservation and Natural Resources
 - \$1.20 paid by slot machine revenues deposited into the State Gaming Fund
- Pennsylvania Game Commission or Pennsylvania Fish and Boat Commission
 - From \$1.20 to \$2.40 per acre for each county where the real property is located
 - \$0.40 paid by the Commonwealth Agency which owns the property
 - \$2.00 paid by slot machine revenues deposited into the State Gaming Fund
 - From \$1.20 to \$2.40 per acre for schools in each school district where the real property is located
 - \$0.40 paid by the Commonwealth Agency which owns the property
 - \$2.00 paid by slot machine revenues deposited into the State Gaming Fund
 - From \$1.20 to \$2.40 per acre for the township where the real property is located
 - \$0.40 paid by the Commonwealth Agency which owns the property
 - \$2.00 paid by slot machine revenues deposited into the State Gaming Fund

Fiscal Impact: The increased annual charges for the Department of Conservation and Natural Resources, Pennsylvania Game Commission, and Fish and Boat Commission are estimated to result in a total cost to the State Gaming Fund of \$17.4 million for 2023/24, reflecting an additional cost of \$8.3 million incurred by the fund.

Section 1798.3-E. Multimodal Transportation Fund (MTF)

This section extends the existing multimodal local match waiver through December 31, 2024.

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

Section 1799.5-E. Sales by Distilleries (Repealed)

The bill repeals Section 1799.5-E, which currently limits aggregate liquor sales made by licensed distilleries and limited distilleries directly to other license or permit holders to 50,000 gallons a year. This would allow distilleries and limited distilleries to sell an unlimited volume of liquor to other license and permit holders.

Fiscal Impact: This change is not expected to have a fiscal impact on commonwealth funds.

Article XVII-F.3 2023/24 Budget Implementation

- Pennsylvania Commission on Crime and Delinquency (Section 1712-F.3)
 - Section 1712-F.3 makes several earmarks to appropriations to the Pennsylvania Commission on Crime and Delinquency.
 - No less than the amount used in 2014/15 is required to be used to support the Statewide Automated Victim Information and Notification System (SAVIN) and

- No less than the amount used in 2014/15 is required to be used for a residential treatment community facility for at-risk youth located in a county of the fifth class.
 - \$400,000 shall be used for an innovative police data sharing system, and \$600,000 shall be used for a diversion program for first-time nonviolent offenders.
 - \$3 million is allocated for a pilot program in Philadelphia and Delaware County to hire additional assistant district attorneys designated as Special United States Attorneys as part of Project Safe Neighborhoods to exclusively prosecute certain firearms crimes.
 - \$500,000 will support a statewide child predator unit
 - \$500,000 will be used for training and equipment for the identification, investigation and prosecution of crimes related to the sexual abuse of children
 - \$1.75 million is allocated for the nonnarcotic medication substance use disorder treatment program. This funding was allocated under the Department of Corrections in prior years in the same amount.
 - \$2 million shall be distributed to a nonprofit organization to monitor conditions in State and county correctional institutions.
 - Violence and delinquency prevention programs
 - No less than the amount used in 2014/15 shall be used for programs in a city of the second class (Pittsburgh).
 - No less than the amount used in 2014/15 shall be used for blueprint mentoring programs addressing youth violence in cities of the first, second, and third class. Programs in cities of the second and third class will also receive a proportional share of \$350,000 (proportional share increased from \$200,000).
 - County intermediate punishment
 - The bill includes general guidelines for county intermediate punishment funding.
- Office of the Budget (Section 1712.1-F.3)
 - Provides for the transfer of \$75 million to the School Environmental Repairs Program Restricted Account from unexpended money appropriated to agencies under the Governor's jurisdiction for general government operations.
 - \$60 million shall be from the Department of Revenue
 - \$15 million shall be determined by the Secretary of the Budget
- Attorney General (Section 1714-F.3)
 - Joint Local-State Firearms Task Force
 - Stipulates that, of the \$13.9 million appropriated to the Attorney General for the Joint Local-State Firearms Task Force:
 - \$8.4 million shall be distributed between the Attorney General and the Philadelphia district attorney's office
 - No more than 20% shall be allocated to Philadelphia
 - \$3.1 million for costs associated with the Philadelphia task force
 - \$1.5 million for establishing and operating a task force in Pittsburgh
 - \$0.9 million to the Attorney General for operating and property costs related to the Joint Task Force
 - Use of restricted accounts by the Attorney General
 - The bill permits the Attorney General to spend up to \$4 million from a list of restricted accounts for general government operations.
- Department of Agriculture (Section 1718-F.3)
 - Directs that at least \$250,000 shall be used for the Commission of Agricultural Education Excellence to assist in the development and implementation of agricultural education programming from money appropriated for General Government Operations
 - From money appropriated for Agricultural Preparedness and Response:
 - Up to \$25 million shall be used for grants to assist with costs associated with preparing for and responding to the avian influenza outbreak, including:
 - Income loss

- Workforce payroll and rent/mortgage obligations
 - Utility payments
 - Depopulation and re-opening of facilities
 - Other costs, not eligible or covered by insurance or other funding sources
- No more than \$2 million to be utilized for the establishment of highly pathogenic avian influenza Rapid Response Team (new)
- No less than \$6 million shall be used for costs incurred by the Animal Health and Diagnostic Laboratory System in preparing and responding to an avian influenza outbreak
- From money appropriated for Agricultural Research:
 - No less than \$300,000 shall be used for agricultural resource center
 - No less than \$100,000 shall be used for agricultural law research in conjunction with land-grant university
- From money appropriated for Hardwoods Research and Promotion, at least 80 percent will be equally distributed among hardwood utilization groups
- Money appropriated for the Animal Health & Diagnostic Commission shall be equally distributed to animal diagnostic system laboratories at Penn State University and the University of Pennsylvania School of Veterinary Medicine
- Department of Community and Economic Development (Section 1719-F.3)
 - From money appropriated for general government operations, no less than \$1,900,000 shall be used to support manufacturing technology development, to assist small businesses with cyber security, and to test coal ash refuse extraction of rare earth metals for domestic chip manufacturing in a county of the fourth class with a population of at least 130,000 but not more than 135,000.
 - From money appropriated for marketing to attract tourists:
 - \$4,145,000 to fund activities of the tourism office within the Department.
 - \$1,000,000 for an annual statewide competition for athletes with intellectual disabilities to be held in a county of the fourth class.
 - The remaining money includes an allocation for a series of arts and cultural activities.
 - From money appropriated for Pennsylvania First, no less than \$8,000,000 to fund the Workforce and Economic Development Network of Pennsylvania (WEDnetPA).
 - From money appropriated for Keystone Communities:
 - \$6,405,000 to fund the Main Street Program, Elm Street Program, Enterprise Zone Program, and accessible housing to be distributed in the same proportion as allocated in fiscal year 2012-13.
 - The remaining money shall be used for projects supporting economic growth, community development and municipal assistance.
 - Allows the Commonwealth to use up to 3% of money from the Community Development Block Grant Entitlement Program for Nonurban Counties and Certain Other Municipalities for administrative costs.
 - Allows money appropriated for local municipal relief to provide state assistance to individuals, persons, or political subdivisions impacted by natural or manmade disasters, public safety emergencies, or other situations that pose a public safety danger.
 - Allows money appropriated for hospital and health system emergency relief to provide state assistance to hospitals and health care systems that experience unexpected financial impact situations.
 - Allows money appropriated for community and economic assistance to include an allocation to provide state assistance for community and economic development, including projects in the public interest.
 - Allows money appropriated to the Department to pay one-third of the cost for the Commission on Education and Economic Competitiveness.
 - Allows money appropriated for workforce development to be distributed in the same proportion as in fiscal year 2022-23.

- Department of Conservation and Natural Resources (Section 1720-F.3)
 - Directs money appropriated for parks, forests and recreation projects be used for grants by the Department
- Department of Education (Section 1723-F.3)
 - Provides that the Adult and Family Literacy appropriation contains allocations for after school programs in certain counties as well as \$1.05 million to be used to develop a program to subsidize the cost of high school equivalency testing
 - Prohibits any redirection of the pupil transportation appropriation
 - Requires the balance of the Chartered Schools for the Deaf and Blind Children appropriation after all tuition payments have been made to be distributed pro rata for PSERS costs and divides \$1 million equally between the four schools for deferred maintenance costs.
 - An Approved Private School will receive a payment from the Special Education Contingency Fund in the same amount as in 2015/16
 - Specifies that each entity that received funding under the Regional Community College Services and Community Education Councils appropriations last year will receive the same amounts in 2023/24
 - Outlines that the new appropriation within the 2023/24 budget for Parent Pathways will be used to expand the Parent Pathways Learning Network Pilot Program. The program will support parenting students who pursue a postsecondary degree or certificate completion. PDE will provide financial and technical assistance to institutions to help remove barriers to a postsecondary degree or certificate completion.
 - Requires PDE to pay one-third of the cost for the Commission on Education and Economic Competitiveness to implement a contract with a nonprofit entity experienced in long-term education planning efforts.
 - Earmarks \$2 million within the career and technical education subsidy for a state level Industry in the School Program to bring trade industry professionals into the classroom.
 - Specifies that funds for the job training and education programs appropriation shall be used for grants for job training, dual enrollment and educational programs
 - Specifies that funds for the mobile science and mathematics education programs appropriation shall be used for grants to support mobile science and mathematics education programs
- Department of General Services (Section 1725-F.3)
 - Requires money appropriated for capitol fire protection, be used for by the City of Harrisburg to support the provisions of fire services to the Capitol complex
- Department of Health (Section 1726-F.3)
 - Directs that funds appropriated for general government operations must include funds to coordinate donated dental services
 - Requires that from funds appropriated for primary health care practitioners:
 - No less than \$3.451 million shall be used for Primary Care Loan Repayment Grants Awards
 - No less than \$1.5 million shall be used for the Pennsylvania Academy of Family Physicians Family Medicine Residency Expansion Program
 - No less than \$1.3 million shall be used for the Pennsylvania Academy of Family Physicians Family Medicine Residency Community Health Impact Grant Program
 - All other grantees that received funding in the 2022-23 fiscal year must be held harmless compared to fiscal year 2022-23 funding levels
 - Funds appropriated for services for children with special needs shall be distributed to grantees in the same proportion as in the 2019-20 fiscal year
 - From funds appropriated for adult cystic fibrosis and other chronic respiratory illnesses:
 - \$212,000 shall be used for a cystic fibrosis research program in Allegheny County (same level as FY 2022-23)
 - \$106,000 shall be used for childhood cystic fibrosis research in Philadelphia (same level as FY 2022-23)
 - All other funds will be distributed to grantees in the same proportion as in FY 2019-20

- Funds appropriated for diagnosis and treatment of Cooley’s anemia will be distributed in the same proportions as in the 2019-20 fiscal year
- Funds appropriated for hemophilia services will be distributed in the same proportions as in the 2019-20 fiscal year
- Funds appropriated for lupus programs will be distributed in the same proportions as in the 2018-19 fiscal year
- From funds appropriated for sickle cell anemia services:
 - \$75,000 will be distributed to an academic medical center in Dauphin County
 - All other funds will be distributed in the same proportions as in the 2019-20 fiscal year
- From funds appropriated for Lyme disease \$1 million will go towards costs related to free tick testing and \$1 million for tick mitigation both of which are performed in conjunction with a PASSHE university
- From funds appropriated for biotechnology research allocations will be made toward: regenerative medicine, regenerative medicine medical technology, hepatitis and viral research, drug research and trials related to cancer, genetic and molecular research, vaccine immune response diagnostics, nanotechnology, and commercialization of applied research
- Department of Labor and Industry (Section 1728-F.3)
 - Maintains existing allocations to a workforce development program for veterans in Delaware County
 - Requires the department to pay one-third of the cost for the Commission on Education and Economic Development to implement a contract for long-term education planning efforts.
- Department of Human Services (Section 1730-F.3)
 - \$580,000 from funds appropriated for Mental Health Services shall be used for the operation and maintenance of a network of web portals that provide support and prevention for individuals with mental health or substance abuse conditions and for the expansion of existing web portals that identify services and resources for military veterans and their families.
 - \$20 million from money appropriated for Mental Health Services shall be used for county mental health services in addition to the county funding provided under the Mental Health and Intellectual Disabilities Act of 1966 and Article XIV-B of the Human Services Code.
 - Grantees who operated a PA Workwear program in the prior fiscal year and remain in operation shall be offered a grant for fiscal year 2023/24.
 - From funds appropriated for MA – Capitation:
 - At least the same amount that was used in fiscal year 2014/15 will be used for the prevention and treatment of depression and its complications in older individuals in Allegheny County.
 - \$12 million in state funds shall be used to make one-time payments to dentists enrolled in the MA program.
 - From funds appropriated for MA – Fee-for-Service:
 - Payments to hospitals for the Community Access Fund grants shall be made using the formula utilized during fiscal year 2014/15.
 - Funds allocated to the Select Plan for Women’s preventative health services shall be used for women’s medical services including noninvasive contraception supplies.
 - Sufficient funds are included to pay separate payments to inpatient acute care hospitals for normal newborn care and the mother’s delivery.
 - No less than \$330,000 shall be used for Cleft Palate and other Craniofacial Anomalies.
 - No less than \$800,000 shall be distributed to a hospital for clinical ophthalmological services located in Philadelphia.
 - No less than \$5 million shall be distributed to a hospital in the City of Chester in Delaware County, provided that services and specialties available on the effective date of this legislation remain available until July 1, 2024.
 - No less than \$2 million shall be distributed to a university located in Philadelphia to research the impact of trauma-informed programs on community violence prevention and health disparities.

- No less than \$3 million shall be distributed to an enrolled outpatient services provider located in the City of Pittsburgh in Allegheny County that provides behavioral health and medical rehabilitation pediatric outpatient services.
 - No less than \$1.25 million shall be distributed to a cancer treatment center in Unity Township in Westmoreland County.
- The department may adjust the premium amount paid by individuals enrolled in the Medical Assistance for Workers with Disabilities program upon federal approval.
- Qualifying Physician Practice Plans that received money for fiscal year 2017/18 shall not receive less than the same amount that was appropriated during that fiscal year.
- Funds appropriated for Trauma Centers that are not used to pay hospitals with Level III Trauma Centers shall be used to make payments to hospitals with Level I and Level II Trauma Centers.
- Qualifying Academic Medical Centers that received money for fiscal year 2017/18 shall receive the same amount that was appropriated during that fiscal year.
- Funds appropriated to Medical Assistance Transportation shall be used as the payment of last resort.
- From funds appropriated for Medical Assistance Long-Term Living:
 - No less than the amount distributed in fiscal year 2014/15 shall be distributed to county nursing homes located in Delaware County, with more than 725 beds and a Medicaid acuity at 0.79 as of August 1, 2015.
 - No less than the amount used in fiscal year 2020/21 shall be distributed to a nonpublic nursing home located in Philadelphia County with more than 395 beds and a Medicaid acuity at 1.06 as of August 1, 2022.
 - \$5 million shall be distributed to a nonpublic nursing home located in Sullivan County with more than 119 beds and a Medicaid acuity at 1.11 as of August 1, 2022.
 - An additional \$500,000 shall be paid in equal payments to nursing facilities, which remain open as of the effective date of this legislation, that qualified for supplemental ventilator care and tracheostomy care payment in fiscal year 2014/15 with a percentage of Medical Assistance recipient residents who required medically necessary ventilator care or tracheostomy care greater than 90%.
 - \$16 million is allocated for Medical Assistance Day-One Incentive Payments to qualified nonpublic nursing facilities.
- From funds appropriated for Autism Intervention and Services:
 - \$600,000 shall be allocated to behavioral health facility located in Lebanon County and shall be distributed to a health system that operates both a general acute care hospital and a behavioral health facility that has a center for autism and developmental disabilities located in Lebanon County
 - \$300,000 shall be allocated to an institution of higher education that provides autism education and diagnostic curriculum located in the City of Philadelphia, that operates a center for autism in Montgomery County.
 - \$300,000 shall be allocated to an institution of higher education that provides autism education and diagnostic curriculum and is located in Allegheny County
 - No less than the amount distributed in the fiscal year 2014/15 shall be allocated for programs that promote the health and fitness of individuals with developmental disabilities located in City of Philadelphia
 - \$600,000 shall be allocated for an entity that provides alternative educational services to individuals with autism and developmental disabilities in Lancaster County
- Funds appropriated for breast cancer screening may be used for women's medical services, including noninvasive contraception supplies.
- From funds appropriated for 211 communications, \$750,000 shall be allocated for the statewide 211 System Grant Program.
- From funds appropriated for services for the visually impaired:

- \$4,084,000 is allocated to a statewide professional services provider association for the blind.
 - \$618,000 is allocated to provide specialized services and prevention of blindness services in City of Philadelphia.
- The provisions of federal law regarding individuals that are ineligible for federal programs shall apply to payments and providers.
- The department shall not add non-medically necessary services to the MA program that would result in the need for a supplemental appropriation without the approval of the General Assembly.
- No later than 12 months after the enactment of the effective date of this paragraph, the department shall complete a report analyzing the wages for direct care workers and direct support professionals that provide services under the Office of Developmental Programs and Office of Long-term Living.
- Pennsylvania Emergency Management Agency (Section 1735-F.3)
 - Funds appropriated for search and rescue programs shall be used to support programs to train working service dogs for rescue and public safety
 - Funds appropriated to the State Fire Commissioner shall fund a statewide recruitment and retention coordinator and regional technical advisors to support local governments and fire organizations
 - Funds appropriated state disaster assistance shall be used to provide individual assistance for recovery from emergencies and non-federally declared disasters, including for critical needs assistance and residential repairs not covered by insurance or other funding sources.
- Pennsylvania Higher Education Assistance Agency (Section 1738-F.3)
 - Requires PHEAA to allocate \$500,000 from the Higher Education Assistance Fund to Cheyney University Keystone Academy
 - Allocates \$1 million funds appropriated for education assistance grants to merit scholarships at Mansfield University
 - Allows funds appropriated for Pennsylvania Internship Program grants to be used for internship and seminar programs
- Thaddeus Stevens College of Technology (Section 1739-F.3)
 - Imposes reporting requirements on the president of the college regarding how the funds will be used to expand student enrollment

Fiscal Impact: This section will have no fiscal impact on the commonwealth because it directs funds to the extent that they are appropriated.

Article XVII-F.4 2023-2024 Restrictions on Appropriations for Funds and Accounts

- Section 1703-F.4 states that money appropriated for PENNCARE from the State Lottery Fund may not be utilized for administrative costs by the Department of Aging.
- Section 1731-F.4 provides for the allocation of grants from money deposited into the Pennsylvania Preferred® Trademark Licensing Fund.
- Section 1732-F.4 provides that the Department of Agriculture may use up to \$165,000 from funds in the Agricultural Conservation Easement Purchase Fund to make grants of up to \$5,000 for family succession planning, to ensure that agricultural operations continue on land subject to agricultural conservation easements.
- Section 1732.1-F.4 allows the Pennsylvania Commission on Crime and Delinquency to spend \$5 million to from the School Safety and Security Fund to implement innovative school safety and security initiatives.
- Section 1733-F.4 allows the Budget Secretary to create restricted receipt accounts for the purpose of administering federal grants.

Section 1734-F.4 Fund Transfers.

Environmental Stewardship Fund

The legislation authorizes a transfer from the Personal Income Tax revenue to the Environmental Stewardship Fund.

Fiscal Impact: This provision will result in a transfer of \$10.538 million to the Environmental Stewardship Fund from Personal Income Tax revenue in the General Fund

Surface Mining Conservation and Reclamation Fund

The legislation authorizes a transfer from the Personal Income Tax revenue to the Surface Mining Conservation and Reclamation Fund.

Fiscal Impact: This provision will result in a transfer of \$4 million to the Surface Mining Conservation and Reclamation Fund from Personal Income Tax revenue in the General Fund

Medical Marijuana Program Fund

The legislation authorizes a transfer from the Medical Marijuana Program Fund to the General Fund.

Fiscal Impact: This provision would result in a transfer of \$31.9 million from the Medical Marijuana Fund to the General Fund.

Article XVII-F.5 2023-2024 Fund Transfers

Section 1734-F.5 authorizes a transfer within the Higher Education Assistance Fund from the SciTech and GI Bill Restricted Revenue Account to the State Grants Restricted Revenue Account.

Fiscal Impact: This provision will result in a transfer of \$8,551,000 from the SciTech and GI Bill Restricted Revenue Account to the State Grant Restricted Revenue Account in the Higher Education Assistance Fund.

Article XVII-F.6 Prior Year Appropriations

Technical language specifying that an appropriation in the 2023/24 budget that is the same or similar to an appropriation in the 2022/23 budget shall replace that appropriation.

Fiscal Impact: This provision will have no impact on Commonwealth funds.

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