

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** Senate Bill 109

**PRINTER NO.** 102

**AMOUNT**

See Fiscal Impact

**FUND**

COVID-19 Response Restricted Account  
Workers' Compensation Security Fund

**DATE INTRODUCED**

January 23, 2021

**PRIME SPONSOR**

Senator Pittman

**DESCRIPTION**

Senate Bill 109 as amended provides for the appropriation and program requirements associated with federal stimulus dollars allocated to Pennsylvania as part of H.R. 133, the Consolidated Appropriations Act, 2021, and a new Hospitality Industry Recovery Program.

Rental and Utility Assistance

Funding for rental and utility assistance was included in H.R. 133, but direct federal payments were limited to counties with populations of 200,000 or more. Senate Bill 109 will ensure a proportionate share of funding is provided to all 67 counties for rental and utility assistance. The Department of Human Services will distribute the funds to the counties who are responsible for administering the program.

Governor's Emergency Education Relief

H.R. 133 included additional funding for the Governor's Emergency Education Relief Fund (GEER), which was also part of the CARES Act enacted in March 2020. Senate Bill 109 provides for the second round of discretionary GEER funds which will be driven out to entities that received limited funding through previous COVID-19 federal funding sources. These entities include career and technical centers, intermediate units, charter schools for the deaf and blind, and approved private schools. Additionally, funding will be provided to the State System of Higher Education.

Congress also set aside GEER funds to provide assistance to students and teachers in non-public schools. Senate Bill 109 appropriates funding for non-public schools which the Department of Education will administer in accordance with federal guidance.

Hospitality Industry Recovery Program

Senate Bill 109 appropriates funding to the Department of Community and Economic Development to establish the Hospitality Industry Recovery Program to support hotels, restaurants, bars and taverns. The funds will be allocated to all 67 counties, and the program will be administered by certified local economic development agencies.

# SENATE APPROPRIATIONS COMMITTEE

## FISCAL NOTE

### **FISCAL IMPACT:**

Senate Bill 109 provides for the distribution of \$912 million from the COVID-19 Response Restricted Account in the following manner:

- Rental and Utility Assistance - \$569.808 million will be allocated proportionally to all 67 counties based on U.S. Census Bureau population estimates for calendar year 2019. By September 30, counties must identify any excess or shortfall in funding. Any excess funding will be reallocated to counties identifying a need for additional funding based on the relative population proportion of the county.
- Governor's Emergency Education Relief (Discretionary) - \$47.075 million for Pennsylvania's discretionary allocation which will be appropriated as follows:
  - Career and Technical Centers - \$17.5 million to be allocated proportionally based on the secondary Career and Technical Education subsidy for the 2019-2020 school year.
  - Intermediate Units - \$17.5 million to be allocated proportionally based on aid ratio and average daily membership.
  - Charter Schools for the Deaf and Blind and Approved Private Schools - \$7.075 million to be allocated proportionally based on the total number of students.
  - State System of Higher Education - \$5 million.
- Governor's Emergency Education Relief (Non-Public Schools) - \$150.023 million in funding for non-public schools.
- Hospitality Industry Recovery Program - \$145 million to be allocated proportionally to all 67 counties for grants to hotels, restaurants, bars and taverns. Certified local economic development agencies will be responsible for administering the program, and they will be limited on the amount of fees they can charge (1% of the grant amount plus a flat fee not to exceed \$750; the combined maximum fee is \$1,250). The maximum grant award is limited to \$50,000 per eligible recipient.

Funding for the Hospitality Industry Recovery Program will be provided through a transfer from the Workers' Compensation Security Fund. This transfer will be treated as a loan that must be repaid by July 1, 2029 or within 180 days of the federal government providing a flexible stimulus allocation to the Commonwealth. Any unexpended funds from the Hospitality Industry Recovery Program will be deposited into the Workers' Compensation Security Fund.

All federal funding provided through Senate Bill 109 is a one-time payment for costs related to the COVID-19 outbreak.