

AN ACT

1 Amending Title 64 (Public Authorities and Quasi-Public
2 Corporations) of the Pennsylvania Consolidated Statutes,
3 providing for the delinquent tax intercept authority.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 64 of the Pennsylvania Consolidated
7 Statutes is amended by adding a chapter to read:

8 CHAPTER 62

9 DELINQUENT TAX INTERCEPT AUTHORITY

10 Subchapter

11 A. General Provisions

12 B. Structure and Powers

13 C. Accounts

14 D. Delinquent Tax Intercept Program

15 E. Executive Agencies

16 F. Nonexecutive Governmental Agencies

17 SUBCHAPTER A

18 GENERAL PROVISIONS

1 Sec.

2 6201. Scope.

3 6202. Construction.

4 6203. Definitions.

5 § 6201. Scope.

6 This chapter relates to the Delinquent Tax Intercept
7 Authority.

8 § 6202. Construction.

9 This chapter shall be liberally construed in order to affect
10 the public purposes of this chapter.

11 § 6203. Definitions.

12 The following words and phrases when used in this chapter
13 shall have the meanings given to them in this section unless the
14 context clearly indicates otherwise:

15 "Authority." The Delinquent Tax Intercept Authority
16 established in section 6211 (relating to authority).

17 "Board." The board of the Delinquent Tax Intercept Authority
18 established in section 6212 (relating to board).

19 "Certified Commonwealth income tax obligation." A final
20 Commonwealth income tax obligation which has been certified by
21 the office.

22 "Certified debt." Any of the following:

23 (1) A final claim which has been certified by the
24 office.

25 (2) A final claim which has been certified by the
26 governing body of a government agency which is not an
27 executive agency.

28 (3) A final claim which has been certified by the
29 governing body of a government agency which is not an
30 executive agency.

1 "Claims." An amount owed to a Federal agency or government
2 agency. The term includes taxes, fines, fees, interest and civil
3 penalties. The term does not include:

4 (1) A court-ordered child support obligation.

5 (2) A Federal tax liability.

6 (3) An obligation which is less than \$25.

7 (4) An obligation secured by collateral.

8 "Commonwealth agency." An executive agency, an independent
9 agency or a State-affiliated entity.

10 "Commonwealth income tax obligation." An obligation owed the
11 Commonwealth under Article III or IV under the act of March 4,
12 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

13 "Debtor." A person that owes a claim to a Federal agency or
14 that owes a certified debt to a government agency.

15 "Executive agency." The Governor and the departments,
16 boards, commissions, authorities and other officers and agencies
17 of the Commonwealth. The term does not include a court or other
18 officer or agency of the Unified Judicial System, the General
19 Assembly and its officers and agencies, an independent agency, a
20 State-affiliated entity, a State-related institution, a
21 political subdivision, a municipal authority or a local,
22 regional or metropolitan transportation authority.

23 "Federal agency." The United States of America, the
24 President of the United States of America, the Congress and any
25 department, corporation, agency or instrumentality designated or
26 established by the United States of America.

27 "Federal payment." A payment to be made by a Federal agency
28 to a person. The term does not include any of the following:

29 (1) A Federal tax refund payment.

30 (2) A Federal payment for salary, wage, pensions or

1 other compensation to or on behalf of an employee of a
2 Federal agency.

3 (3) A payment due an individual under the Social
4 Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.).

5 (4) A payment due an individual under Part B of the
6 Black Lung Benefits Act (Public Law 91-173, 30 U.S.C. §§ 921,
7 922, 923, 924 and 925).

8 (5) A payment due an individual under any law
9 administered by the Railroad Retirement Board.

10 (6) Any other payment excluded by the Secretary of the
11 United States Treasury under the Treasury Offset Program.
12 "Federal tax payment." A Federal tax refund payment to be
13 made by a Federal agency to a person.

14 "Final claim." A claim which remains unpaid or uncollected
15 for a period exceeding 30 days from the date the right to appeal
16 or contest the claim expired.

17 "Final Commonwealth income tax obligation." A Commonwealth
18 income tax obligation which remains unpaid or uncollected for a
19 period exceeding 30 days from the date the right to appeal or
20 contest the obligation expired.

21 "Government agency." A Commonwealth agency; the unified
22 judicial system and its courts, officers and agencies; a
23 political subdivision; a municipal authority or a metropolitan,
24 regional or local transportation authority.

25 "Governing body." The court, body or board authorized by law
26 to adopt binding resolutions or enact ordinances for a
27 government agency.

28 "Independent agency." A board, commission or other agency or
29 officer of the Commonwealth which is not subject to the policy,
30 supervision and control of the Governor. The term does not

1 include a court or other officer or agency of the unified
2 judicial system, the General Assembly and its officers and
3 agencies, an executive agency, a State-affiliated entity, a
4 State-related institution, a political subdivision, a municipal
5 authority or a metropolitan, regional or local transportation
6 authority.

7 "Metropolitan, regional or local transportation authority."
8 An entity meeting the definition of an authority under 74
9 Pa.C.S. § 1701 (relating to definitions).

10 "Municipal authority." A public authority created under 53
11 Pa.C.S. Ch. 56 (relating to municipal authorities) or under the
12 former act of May 2, 1945 (P.L.382, No.164), known as the
13 Municipality Authorities Act of 1945.

14 "Office." The Office of the Budget.

15 "Payee." A debtor owed a payment from a Federal agency or an
16 executive agency.

17 "Political subdivision." As that term is defined in 1
18 Pa.C.S. § 1991 (relating to definitions).

19 "Program." The Delinquent Tax Intercept Program established
20 in Subchapter D (relating to Delinquent Tax Intercept Program).

21 "Secretary." The Secretary of the Budget of the
22 Commonwealth.

23 "State-affiliated entity." A Commonwealth authority or a
24 Commonwealth entity. The term includes the Pennsylvania Turnpike
25 Commission, the Pennsylvania Housing Finance Agency, the
26 Commonwealth Financing Authority, the Pennsylvania Municipal
27 Retirement System, the Pennsylvania Infrastructure Investment
28 Authority, the State Public School Building Authority, the
29 Pennsylvania Higher Educational Facilities Authority and the
30 State System of Higher Education. The term does not include a

1 court or other officer or agency of the unified judicial system,
2 the General Assembly and its officers and agencies, an executive
3 agency, a State-related institution, a political subdivision, a
4 municipal authority or a metropolitan, regional or local
5 transportation authority.

6 "State-related institution." The Pennsylvania State
7 University, the University of Pittsburgh, Lincoln University or
8 Temple University.

9 "State payment." A payment to be made by an executive agency
10 to a person. The term does not include any of the following:

11 (1) Payments for salary, wage, pension or other
12 compensation to or on behalf of an employee of an executive
13 agency.

14 (2) Payments to be made to an individual under the act
15 of June 13, 1967 (P.L.31, No.21), known as the Public Welfare
16 Code.

17 (3) Payments to be made to an individual under the act
18 of June 2, 1915 (P.L.736, No.338), known as the Workers'
19 Compensation Act.

20 (4) Payments to be made to an individual under the act
21 of December 5, 1936 (2nd Sp.Sess., P.L.2897, No.1), known as
22 the Unemployment Compensation Law.

23 "Treasury Offset Program." The program authorized under 31
24 U.S.C. § 3716 (relating to administrative offset).

25 SUBCHAPTER B

26 STRUCTURE AND POWERS

27 Sec.

28 6211. Authority.

29 6212. Board.

30 6213. Powers.

1 § 6211. Authority.

2 (a) Establishment.--The Delinquent Tax Intercept Authority
3 is established as an independent authority. The authority shall
4 be an instrumentality of the Commonwealth and a body corporate
5 and politic, with corporate succession.

6 (b) Governance.--The authority shall be governed by the
7 board. The powers of the authority shall be exercised by the
8 board.

9 (c) Expenses.--Expenses of the authority shall be paid from
10 income of the authority. Except as provided in this chapter or
11 by other law, the Commonwealth shall not be responsible for
12 funding the expenses of the authority.

13 (d) Fiscal year.--The fiscal year of the authority shall be
14 the same as the fiscal year of the Commonwealth.

15 (e) Audit.--

16 (1) The accounts and books of the authority shall be
17 examined and audited annually by an independent certified
18 public accounting firm.

19 (2) The authority shall, by December 31 of each year,
20 file a copy of the audit required by paragraph (1) with the
21 Secretary of the Senate and the Chief Clerk of the House of
22 Representatives.

23 (f) Publication of financial statement.--The authority shall
24 annually publish a concise financial statement in the
25 Pennsylvania Bulletin.

26 (g) Cooperation.--Executive agencies shall cooperate with
27 and provide assistance to the authority without financial
28 reimbursement.

29 (h) Existence and dissolution.--

30 (1) The authority shall exist until terminated by law.

1 (2) The authority may be dissolved by law if all
2 outstanding liabilities of the authority have been fully
3 paid, or provision has been made for payment. Upon the
4 dissolution of the authority, all funds, assets and other
5 property of the authority shall vest in the Commonwealth.

6 (i) Procurement.--The authority shall be considered an
7 independent agency for the purposes of 62 Pa.C.S. Pt. I
8 (relating to Commonwealth procurement code).

9 (j) Relationship with office.--

10 (1) The office shall provide administrative services and
11 staff to the authority and the board. The authority shall
12 reimburse the office for the cost of providing the
13 administrative services and staff.

14 (2) The authority may enter into agreements with the
15 office stating the rights and obligations each party has to
16 each other in carrying out their respective responsibilities
17 under and to further the intent of this chapter.

18 (k) Applicability.--The following acts shall apply to the
19 authority and the board:

20 (1) The act of February 14, 2008 (P.L.6, No.3), known as
21 the Right-to-Know Law.

22 (2) The act of July 19, 1957 (P.L.1017, No.451), known
23 as the State Adverse Interest Act.

24 (3) The provisions of 65 Pa.C.S. Chs. 7 (relating to
25 open meetings) and 11 (relating to ethics standards and
26 financial disclosure).

27 § 6212. Board.

28 (a) Composition.--The board shall be composed of the
29 following members:

30 (1) The State Treasurer or a designee.

1 (2) The Attorney General or a designee.

2 (3) The Secretary of the Budget or a designee.

3 (4) The Secretary of Community and Economic Development
4 or a designee.

5 (5) One individual appointed by the Governor.

6 (6) Four legislative appointees.

7 (i) Appointments shall be as follows:

8 (A) One individual who is a member of the
9 government of a city of the third class and who shall
10 be appointed by the President pro tempore of the
11 Senate.

12 (B) One individual who is a member of the
13 government of a township of the first or second class
14 and who shall be appointed by the Minority Leader of
15 the Senate.

16 (C) One individual who is a member of the
17 government of a city of the first or second class and
18 who shall be appointed by the Speaker of the House of
19 Representatives.

20 (D) One individual who is a member of a school
21 board and who shall be appointed by the Minority
22 Leader of the House of Representatives.

23 (ii) Legislative appointees shall serve at the
24 pleasure of the appointing authority.

25 (iii) An individual appointed to the board pursuant
26 to subparagraph (i) may not be a member of the General
27 Assembly or staff of a member of the General Assembly.

28 (b) Organization.--The Governor shall select a member of the
29 board to serve as chairperson. The members shall select from
30 among themselves such officers as they shall determine.

1 (c) Meetings.--The board shall meet at the call of the
2 chairperson.

3 (d) Quorum.--Five members of the board shall constitute a
4 quorum, and the following shall apply:

5 (1) The consent of at least five members of the board,
6 with at least four of the consenting members having been
7 appointed under subsection (a)(6), shall be necessary to take
8 action on behalf of the authority for any of the following:

9 (i) Adopting bylaws.

10 (ii) Hiring professionals under section 6213(a)(5)
11 and (6) (relating to powers).

12 (iii) Modifying or terminating a contract assumed
13 under section 6213(b) (relating to powers).

14 (2) The consent of at least five members of the board
15 shall be necessary to take any other action on behalf of the
16 authority.

17 (e) Compensation.--The members of the board shall not be
18 entitled to compensation for their services as members of the
19 board but shall be entitled to reimbursement for all necessary
20 and reasonable expenses incurred in connection with the
21 performance of their duties as members of the board.

22 (f) Liability.--Members of the board shall not be personally
23 liable for any debt of the authority.

24 (g) Initial appointment and vacancy.--Appointing authorities
25 shall appoint the initial members to the board within 30 days of
26 the effective date of this section. Whenever a vacancy occurs on
27 the board, the appointing authority shall appoint a successor
28 member within 30 days of the vacancy.

29 § 6213. Powers.

30 (a) Powers.--The authority may:

1 (1) Adopt bylaws and guidelines proposed by the office
2 as necessary.

3 (2) Sue and be sued, implead and be impleaded,
4 interplead, complain and defend in any court.

5 (3) Adopt, use and alter a corporate seal. No seal shall
6 be required to take official action.

7 (4) Establish accounts necessary or desirable for its
8 corporate purposes.

9 (5) Employ an executive director.

10 (6) Retain attorneys, accountants, auditors and
11 financial experts to render services and engage the services
12 of other advisors, consultants and agents as necessary. For
13 the purposes of this paragraph, the authority shall be
14 considered an independent agency for purposes of the act of
15 October 15, 1980 (P.L.950, No.164), known as the Commonwealth
16 Attorneys Act.

17 (7) Pay or satisfy debts of the authority.

18 (8) Contract and execute instruments.

19 (9) Impose and collect surcharges in connection with the
20 offsetting of debts on behalf of Federal agencies and of
21 certified debts on behalf of governmental agencies.

22 (10) Agree to and comply with conditions attached to
23 Federal or Commonwealth funds not inconsistent with the
24 provisions of this chapter.

25 (11) Exercise rights provided by law for the benefit or
26 protection of the authority, a Federal agency or a government
27 agency.

28 (12) Invest money of the authority not required for
29 immediate use, as the board determines.

30 (13) Procure insurance against any loss in connection

1 with its property and other assets.

2 (14) Promulgate regulations and adopt guidelines and
3 statements of policy containing restrictions as it may deem
4 necessary and appropriate to effectuate the public purposes
5 of this chapter.

6 (15) Perform any other appropriate act necessary or
7 convenient to:

8 (i) carry out and effectuate the purposes of this
9 chapter; or

10 (ii) exercise the powers enumerated in this
11 subsection, including any act reasonably implied from
12 those powers.

13 (b) Duties.--The authority shall do all of the following:

14 (1) Assume the rights, obligations, duties and
15 responsibilities of the office under an agreement between the
16 office and a Federal agency relating to the participation of
17 the Commonwealth in the Treasury Offset Program.

18 (2) Assume the rights, obligations, duties and
19 responsibilities of the office under any contract for
20 services relating to the participation of the Commonwealth in
21 the Treasury Offset Program.

22 (3) Reimburse the office for costs the office incurred
23 under any agreement or contract the authority assumes under
24 paragraphs (1) and (2).

25 (4) Administer the program established in Subchapter D
26 (relating to delinquent tax intercept program) in accordance
27 with this chapter and the requirements of the Treasury Offset
28 Program.

29 SUBCHAPTER C

30 ACCOUNTS

- 1 Sec.
- 2 6221. Trust accounts.
- 3 6222. Governmental agency payments.
- 4 6223. Administrative accounts.
- 5 § 6221. Trust accounts.

6 The authority shall establish one or more trust accounts in
7 the State Treasury for each government agency that elects to
8 submit certified debts to the authority for offset against
9 payments to be made by a Federal agency or against State
10 payments to be made by an executive agency. Offsets for
11 certified debts received by the authority under the program
12 shall be deposited into the trust account of the government
13 agency that certified the final claim upon which the offset was
14 made.

- 15 § 6222. Governmental agency payments.

16 On the last Friday of each month, the authority shall pay to
17 a government agency that elects to submit certified debts to the
18 authority under the program the moneys in the trust account
19 established for the government agency.

- 20 § 6223. Administrative accounts.

21 The authority shall establish one or more administrative
22 accounts in the State Treasury. Surcharges imposed by the
23 authority under the program shall be deposited into the
24 administrative accounts for use by the authority.

25 SUBCHAPTER D

26 DELINQUENT TAX INTERCEPT PROGRAM

- 27 Sec.
- 28 6231. Federal agreements.
- 29 6232. Government agency agreements.
- 30 6233. Placement.

1 6234. Duration.

2 6235. Notification of offset.

3 6236. Removal.

4 6237. Surcharge.

5 6238. Application of offsets.

6 6239. Applicability of existing statutes.

7 6240. Immunity.

8 § 6231. Federal agreements.

9 (a) Federal and Commonwealth offsets.--The authority, in
10 cooperation with the office, may enter into an agreement with a
11 Federal agency to participate in the Treasury Offset Program for
12 the offset of Commonwealth income tax obligations and Federal
13 tax payments. The agreement shall provide for the authority to
14 submit the sum of a certified Commonwealth income tax obligation
15 and the surcharge imposed by the authority for offset against
16 Federal tax payments. The agreement shall provide for any debtor
17 notification and remedy or other requirements necessary for
18 participation in the Treasury Offset Program and shall require
19 the Federal agency or Commonwealth to provide the authority with
20 all of the following:

21 (1) The name of the debtor.

22 (2) The last known address of the debtor.

23 (3) The Social Security number or other tax
24 identification number of the debtor.

25 (4) The sum of the certified Commonwealth income tax
26 obligation and the surcharge.

27 (5) The date on which the certified Commonwealth income
28 tax obligation became delinquent.

29 (6) The name, address and telephone number of the
30 Commonwealth department to which questions may be directed.

1 (7) Written certification by the Commonwealth of the
2 certified Commonwealth income tax obligation.

3 (8) Any other information deemed necessary by the
4 Federal agency.

5 (b) Federal government agency offsets.--The authority, in
6 cooperation with the office, may enter into an agreement with a
7 Federal agency to participate in the Treasury Offset Program for
8 the offset of any nontax debts owed to a Federal agency and of
9 any certified debts owed to a government agency. The agreement
10 shall provide for the Federal agency to submit the sum of a
11 nontax debt owed to a Federal agency and the surcharge imposed
12 by the authority for offset against State payments to be made by
13 an executive agency. The agreement shall also provide for the
14 authority to submit the sum of a certified debt owed to a
15 government agency and the surcharge imposed by the authority for
16 offset against Federal payments to be made by a Federal agency.
17 The agreement shall provide for any debtor notification and
18 remedy or other requirements necessary for participation in the
19 Treasury Offset Program and shall require the Federal agency or
20 government agency to provide the authority with all of the
21 following:

22 (1) The name of the debtor.

23 (2) The last known address of the debtor.

24 (3) The Social Security number or other tax
25 identification number of the debtor.

26 (4) The sum of the nontax debt or certified debt and the
27 surcharge.

28 (5) The date on which the nontax debt or certified debt
29 became delinquent.

30 (6) The name, address and telephone number of the

1 Federal agency owed the nontax debt or of the government
2 agency owed the certified debt.

3 (7) Written certification by the government official or
4 governing body certifying the nontax debt or certified debt.

5 (8) Any other information deemed necessary by the
6 Federal agency.

7 § 6232. Government agency agreements.

8 The authority, in cooperation with the office, may enter into
9 an agreement with a government agency for the offset of
10 certified debts owed to the government agency. The agreement
11 shall provide for the government agency to submit the sum of a
12 certified debt owed to the government agency and the surcharge
13 imposed by the authority for offset against Federal payments to
14 be made by a Federal agency in accordance with an agreement
15 entered into under section 6231(b) (relating to Federal
16 agreements) and against State payments to be made by an
17 executive agency. The agreement shall provide for any debtor
18 notification and remedy or other requirements necessary for
19 participation in the program and in the Treasury Offset Program
20 and shall require the government agency to provide the authority
21 with all of the following:

22 (1) The name of the debtor.

23 (2) The last known address of the debtor.

24 (3) The Social Security number or other tax
25 identification number of the debtor.

26 (4) The sum of the certified debt and the surcharge.

27 (5) The date on which the certified debt became
28 delinquent.

29 (6) The name, address and telephone number of the
30 government agency owed the certified debt.

1 (7) Written annual certification by the government
2 official or by the governing body, which is certifying the
3 certified debt.

4 (8) Any other information deemed necessary by the
5 authority or the Federal agency or which is required for
6 participation in the Treasury Offset Program.

7 § 6233. Placement.

8 (a) Certified Commonwealth income tax obligations.--Upon
9 receiving a request from the office, the authority shall attempt
10 to offset the following:

11 (1) the sum of:

12 (i) the certified Commonwealth income tax
13 obligation; and

14 (ii) the surcharge imposed by the authority;
15 against

16 (2) any Federal tax payments to be made by a Federal
17 agency.

18 (b) Federal nontax debt and certified debt.--Upon receiving
19 a request from a Federal agency or a government agency, the
20 authority shall attempt to offset the following:

21 (1) the sum of:

22 (i) the certified debt owed to a government agency
23 or the nontax debt owed to a Federal agency; and

24 (ii) the surcharge imposed by the authority;
25 against

26 (2) any Federal payments to be made by a Federal agency
27 and any State payments to be made by an executive agency.

28 § 6234. Duration.

29 (a) Federal debts.--Unless otherwise stated in the agreement
30 required by section 6231(b) (relating to Federal agreements),

1 the authority shall continue to attempt to offset a nontax debt
2 owed to a Federal agency against a State payment to be made by
3 an executive agency until one of the following occurs:

4 (1) the nontax debt is paid in full; or

5 (2) the Federal agency notifies the authority to cease
6 attempts to offset the nontax debt.

7 (b) Commonwealth income tax obligations.--The authority
8 shall continue to attempt to offset a certified Commonwealth
9 income tax obligation against a Federal tax payment to be made
10 by a Federal agency until one of the following occurs;

11 (1) the certified Commonwealth income tax obligation is
12 paid in full; or

13 (2) the office notifies the authority to cease attempts
14 to offset the certified Commonwealth income tax obligation.

15 (c) Government debts.--The authority shall continue to
16 attempt to offset a certified debt owed to a government agency
17 against a Federal payment to be made by a Federal agency or
18 against a State payment to be made by an executive agency until
19 one of the following occurs:

20 (1) the certified debt is paid in full; or

21 (2) the government agency notifies the authority to
22 cease attempts to offset the certified debt.

23 § 6235. Notification of offset.

24 Upon an offset being made, the authority shall notify the
25 payee of all of the following:

26 (1) The date the offset occurred.

27 (2) The type and amount of the payment that was offset.

28 (3) The identity of the Federal agency or government
29 agency which requested the offset.

30 (4) The name, address and telephone number of the

1 Federal agency or of the government agency which requested
2 the offset.

3 (5) Any other information required for participation in
4 the Treasury Offset Program.

5 § 6236. Removal.

6 Unless otherwise stated in the agreement required by section
7 6231(b) (relating to Federal agreements), a Federal agency may
8 at any time request the authority to remove a nontax debt from
9 the program. A government agency may at any time request the
10 authority to remove a certified debt from the program.

11 § 6237. Surcharge.

12 The authority shall establish and impose a surcharge on each
13 offset made against a Federal tax payment or Federal payment to
14 be made by a Federal agency and on each offset made against a
15 State payment to be made by an executive agency. The surcharge
16 shall be a uniform percentage sufficient to fully fund the
17 operation of the authority.

18 § 6328. Application of offsets.

19 Offsets shall be applied with respect to each debtor in the
20 following order:

21 (1) The surcharge imposed by the authority for an
22 offset.

23 (2) The certified Commonwealth tax obligation.

24 (3) The certified debt owed to a government agency in
25 the date order the certified debt was received by the
26 authority.

27 (4) The nontax debt owed to a Federal agency.

28 § 6239. Applicability of existing statutes.

29 (a) Right-to-Know Law.--The act of February 14, 2008 (P.L.6,
30 No.3), known as the Right-to-Know Law, does not apply to the

1 program. Data, records and files containing information related
2 to a debtor and which are utilized for the program shall be
3 deemed confidential and privileged.

4 (b) Tax Reform Code of 1971.--The restrictions on the
5 sharing of information gained by the Department of Revenue under
6 the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform
7 Code of 1971, are inapplicable to the sharing of that
8 information by the Department of Revenue with the authority
9 insofar as the information is necessary to accomplish the
10 program.

11 § 6240. Immunity.

12 The authority shall be immune from suit by debtors as to the
13 validity of a nontax debt owed a Federal agency, of a certified
14 Commonwealth income tax obligation owed the Commonwealth or of a
15 certified debt owed a government agency.

16 SUBCHAPTER E

17 EXECUTIVE AGENCIES

18 Sec.

19 6251. Office of the Budget.

20 6252. Executive agencies.

21 6253. Certification and placement.

22 6254. Duration of placement.

23 § 6251. Office of the Budget.

24 (a) Assignment.--If the office enters into an agreement or a
25 contract authorizing or relating to participation of the
26 Commonwealth in the Treasury Offset Program under section 6231
27 (relating to Federal agreements), the office shall assign the
28 rights, obligations, duties and responsibilities of the office
29 under all of the following to the authority:

30 (1) The agreement with the Federal agency authorizing

1 participation of the Commonwealth in the Treasury Offset
2 Program.

3 (2) Any contract purchasing services relating to the
4 participation of the Commonwealth in the Treasury Offset
5 Program.

6 (b) Review.--If the office entered into an agreement
7 relating to participation of the Commonwealth in the Treasury
8 Offset Program under section 6231(b), the office shall review
9 each type of claim imposed, charged or collected by an executive
10 agency and each type of State payment made by an executive
11 agency to determine the appropriate time for the type of claim
12 or type of State payment to be added to the program.

13 (c) Determination.--If the office determines that it is
14 appropriate to add a type of claim or type of State payment to
15 the program, the office shall notify the executive agency which
16 is responsible by law for the collection of the type of claim or
17 for making the type of payment.

18 § 6252. Executive agencies.

19 (a) Commonwealth income tax obligations.--The Department of
20 Revenue shall, by the third Monday of each month, determine if
21 each unpaid or uncollected Commonwealth income tax obligation is
22 a final Commonwealth income tax obligation as of the third
23 Monday of each month. If the Department of Revenue determines
24 that the Commonwealth income tax obligation is a final
25 Commonwealth income tax obligation, the Department of Revenue
26 shall notify the office of the final Commonwealth income tax
27 obligation. The notice shall be in the form and manner as
28 required by the office.

29 (b) Claims.--Upon being notified by the office under section
30 6251 (relating to Office of the Budget), each executive agency

1 which is responsible by law for the collection of a claim shall,
2 by the third Monday of each month, determine if each unpaid or
3 uncollected claim is a final claim as of the third Monday of
4 each month. If the executive agency determines that the claim is
5 a final claim, the executive agency shall notify the office of
6 the final claim. The notice shall be in the form and manner as
7 required by the office.

8 § 6253. Certification and placement.

9 (a) Final Commonwealth income tax obligations.--Upon receipt
10 of a notice under section 6252(a) (relating to executive
11 agencies), the office shall certify the final Commonwealth
12 income tax obligation as a certified final income tax obligation
13 owed to the Commonwealth and shall request the authority to
14 obtain offset of the certified Commonwealth income tax
15 obligation under the program. The request and the information
16 relating to the certified Commonwealth income tax obligation
17 shall be in the form and manner required by the authority.

18 (b) Final claims.--Upon receipt of a notice under section
19 6252(b), the office shall certify the final claim as a certified
20 debt owed to the Commonwealth and shall request the authority to
21 obtain offset of the certified debt under the program. The
22 request and the information relating to the certified debt shall
23 be in the form and manner required by the authority.

24 § 6254. Duration of placement.

25 The office shall request the authority to obtain offset of
26 the certified Commonwealth income tax obligation or certified
27 debt until one of the following occurs:

28 (1) the certified Commonwealth income tax obligation or
29 certified debt is paid in full; or

30 (2) upon good cause shown, the secretary requests the

1 certified Commonwealth income tax obligation or certified
2 debt be removed from the program.

3 SUBCHAPTER F

4 NONEXECUTIVE GOVERNMENTAL AGENCIES

5 Sec.

6 6271. Certain government agencies.

7 6272. Certification and placement.

8 6273. Duration of placement.

9 § 6271. Certain government agencies.

10 The governing body of a government agency which is not an
11 executive agency may enter into an agreement with the authority
12 to submit certified debts owed to the government agency to the
13 authority for offset against Federal payments to be made by a
14 Federal agency in accordance with an agreement entered into
15 under section 6232(b) (relating to government agency agreements)
16 or against State payments to be made by an executive agency
17 under the program.

18 § 6272. Certification and placement.

19 Upon entering into an agreement with the authority in
20 accordance with section 6271 (relating to certain government
21 agencies), the governing body shall certify each final claim
22 which it elects to include in the program as a debt owed to the
23 government agency. Upon certification, the government agency may
24 request the authority to obtain offset of the certified debt
25 under the program. The request and the information relating to
26 the certified debt shall be in the form and manner required by
27 the authority.

28 § 6273. Duration of placement.

29 A government agency may request the authority to obtain
30 offset of the certified debt until one of the following occurs:

1 (1) the certified debt is paid in full; or

2 (2) the government agency requests the certified debt be
3 removed from the program.

4 Section 2. This act shall take effect immediately.