

FISCAL CODE - OMNIBUS AMENDMENTS - LINE ITEM VETO

Act of Jul. 10, 2014, P.L. 1053, No. 126

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Session of 2014

No. 2014-126

HB 278

AN ACT

Amending the act of April 9, 1929 (P.L.343, No.176), entitled, as amended, "An act relating to the finances of the State government; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth, authorizing the Commonwealth to issue tax anticipation notes to defray current expenses, implementing the provisions of section 7(a) of Article VIII of the Constitution of Pennsylvania authorizing and restricting the incurring of certain debt and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," in Treasury Department, further providing for investment of moneys; in disposition of abandoned and unclaimed property, further providing for definitions, for property held by financial institutions, for property held by insurers, for property held by utilities, for property held by business associations, for property held by fiduciaries, for property held by courts and public officers and agencies, for miscellaneous property held for or owing to another and for report of property subject to custody and control of the Commonwealth, providing for certificate of finder registration, for revocation of finder registration and for appeals, further providing for examination of records, for proceeding to compel reporting or delivery and for penalties and providing for relation to Electronic Signatures in Global and National Commerce Act; in inquisitorial powers of fiscal officers, further providing for examination and adjustment of public accounts and the collection of amounts due the Commonwealth; in oil and gas wells, providing for legislative findings and further providing for appropriation, for the Department of Conservation and Natural Resources and for additional transfers; in special funds, further providing for funding, establishing the H2O PA Account and providing for other grants; in additional special funds, further

providing for use of fund, providing for termination, for transfer to Public School Employees' Retirement System and further providing for distributions from Pennsylvania Race Horse Development Fund; in general budget implementation, further providing for State Civil Service Commission; providing for Environmental Quality Board, for surcharges and for other agencies; providing for rural regional college for underserved counties, for 2014-2015 budget implementation and for 2014-2015 restrictions on appropriations for funds and accounts; and making related repeals.

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

Section 1. The General Assembly finds and declares as follows:

(1) The intent of this act is to provide for the implementation of the 2014-2015 Commonwealth budget.

(2) The Constitution of Pennsylvania confers numerous express duties upon the General Assembly, including the passage of a balanced budget for the Commonwealth.

(3) Section 24 of Article III of the Constitution of Pennsylvania requires the General Assembly to adopt all appropriations for the operation of government in the Commonwealth, regardless of their source. The Supreme Court has repeatedly affirmed that, "It is fundamental within Pennsylvania's tripartite system that the General Assembly enacts the legislation establishing those programs which the state provides for its citizens and appropriates the funds necessary for their operation."

(4) Pursuant to section 13 of Article VIII of the Constitution of Pennsylvania, the General Assembly is explicitly required to adopt a balanced Commonwealth budget. Given the unpredictability and potential insufficiency of revenue collections, various changes in State law relating to sources of revenue, the collection of revenue and the implementation of statutes which impact revenue may be required to discharge this constitutional obligation.

(5) Section 11 of Article III of the Constitution of Pennsylvania requires the adoption of a general appropriation bill that embraces "nothing but appropriations." While actual appropriations can be contained in a General Appropriations Act, the achievement and implementation of a comprehensive budget involves more than appropriations. Ultimately, the budget has to be balanced under section 13 of Article VIII of the Constitution of Pennsylvania. This may necessitate changes to sources of funding and enactment of statutes to achieve full compliance with these constitutional provisions.

(6) For the reasons set forth in paragraphs (1), (2), (3), (4) and (5), it is the intent of the General Assembly through this act to provide for the implementation of the 2014-2015 Commonwealth budget.

(7) Every provision of this act relates to the implementation of the operating budget of the Commonwealth for this fiscal year, addressing in various ways the fiscal operations, revenues and potential liabilities of the Commonwealth. To that end, this act places conditions on appropriations, provides for accountability for spending and makes any necessary transfers or other changes necessary to impact the availability of revenue or the fiscal conditions of the Commonwealth, in order to meet the requirements of section 13 of Article VIII of the Constitution of

Pennsylvania and to implement the act of July 10, 2014 (P.L.3052, No.1A), known as the General Appropriation Act of 2014.

Section 1.1. Section 301.1(i)(2) of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, amended July 6, 2010 (P.L.279, No.46), is amended to read:

Section 301.1. Investment of Moneys.--\* \* \*

(i) \* \* \*

(2) The authority to invest or reinvest the moneys of any fund pursuant to this subsection shall expire December 31, [2014] **2019**. The Treasury Department may maintain investments pursuant to this subsection which are in existence on the expiration date in this paragraph for not more than two years following such expiration date.

Section 1.2. The definitions of "holder" and "owner" in section 1301.1 of the act, amended or added December 9, 1982 (P.L.1057, No.248) and June 29, 2002 (P.L.614, No.91), are amended and the section is amended by adding definitions to read:

Section 1301.1. Definitions.--As used in this article, unless the context otherwise requires:

\* \* \*

**"Electronic" shall mean relating to technology having electrical, digital, magnetic, wireless, optical, electromagnet or similar capabilities.**

\* \* \*

**"Holder" shall mean a person obligated to hold for the account of or deliver or pay to the owner property which is subject to this article and shall include any person in possession of property subject to this article belonging to another, or who is a trustee in case of a trust, or is indebted to another on an obligation subject to this article [or any financial institution which has paid amounts and sums to the State Treasurer under subsection (c) of section 1301.13 of this article] and the agent or legal representative of the person obligated, the person in possession, the trustee or the debtor.**

**"Indicated an interest in property" shall mean any contact, communication or transaction, related to property, from the owner, or involving some affirmative action by the owner, which is documented in a contemporaneous record prepared by or on behalf of the holder or in the possession of the holder, including:**

(i) a written contact, communication or transaction;

(ii) a secure or password-protected electronic contact, communication or transaction;

(iii) a verbal contact, communication or transaction, in which the holder takes reasonable action to verify the identity of the owner; or

(iv) a contact, communication or transaction, which is evidenced by other criteria provided by the State Treasurer.

\* \* \*

**"Owner" shall mean a person that has a legal or equitable interest in property subject to this article or a person whose name appears on the record of a holder as the person entitled to property held, issued or owing by the holder and shall include a depositor in case of a deposit, a creditor, claimant or payee in case of other choses in action[, or any other person having a legal or equitable interest in property subject to this article, or his] and a legal representative of the person with the interest, the entitled person, the depositor, the creditor, the claimant or the payee.**

\* \* \*

**"Record" shall mean information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.**

\* \* \*

Section 2. Section 1301.3 of the act, amended June 29, 2002 (P.L.614, No.91) and December 23, 2003 (P.L.243, No.45), is amended to read:

Section 1301.3. Property Held by Financial Institutions.--The following property held or owing by a financial institution is presumed abandoned and unclaimed:

1. Any demand, saving or matured time deposit in a financial institution, or any funds paid toward the purchase of shares or other interest in a savings association, savings and loan or building and loan association, excluding any charges that may lawfully be withheld, unless within the preceding [five (5)] **three (3)** years the owner has:

(i) Increased the amount of the deposit, shares or claim, otherwise than by the crediting of accrued interest, or decreased it, or presented to the holder evidence of the deposit, shares or claim; or

(ii) Corresponded in writing with the holder concerning the deposit, shares or claim; or

**(ii.1) Affirmatively, in written or electronic communication, changed or assented to a change in the terms and conditions under which the deposit, shares or claim is held; or**

(iii) Otherwise indicated an interest in the deposit, shares or claim as evidenced by a writing on file with the holder; or

(iv) Received tax reports or regular statements of the deposits, shares or claim by certified mail or other method of communication that will provide the financial institution with a record that such report or statement was transmitted and received; or

(v) Owned other property held by the financial institution to which subclause (i), (ii), (iii) or (iv) applies.

2. A deposit under clause 1 shall include any interest or dividend which the financial institution would pay to the owner upon claim therefor. The charges which may be excluded hereunder shall not include any charge due to inactivity imposed, directly or indirectly, after December 31, 1981 unless there is a valid and enforceable written contract between the financial institution and the owner of the deposit pursuant to which the financial institution may impose said charge.

3. Any sum payable on checks or on written instruments including, but not limited to, drafts, money orders and travelers checks, on which a financial institution is directly liable, and (i) which have been outstanding for more than [five (5)] **three (3)** years, or in the case of travelers checks, fifteen (15) years, or in the case of money orders, six (6) years in calendar year 2003 and seven (7) years in calendar year 2004 and thereafter, from the date payable or from the date of issuance if payable on demand; and (ii) the owner of which has not written to the financial institution concerning it, nor otherwise indicated an interest [as evidenced by a writing on file with the financial institution]. **An indication of interest in a check or instrument on which a financial institution is directly liable shall be recognized if it is made with respect to the interests of the remitter, the payee or a person entitled to enforce the instrument.**

4. Any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository in the Commonwealth on which the lease

or rental period has expired due to nonpayment of rental charges or other reason, or any surplus amounts arising from the sale thereof pursuant to law, if the same has not been claimed by the owner for more than [five (5)] **three (3)** years from the date on which the rental period expired.

5. The following deposits described in clause 1 shall be excluded from the presumption of being abandoned and unclaimed only while the conditions described below are in effect:

(i) Deposits during any period when withdrawals may be made only upon an order of a court of competent jurisdiction.

(ii) Deposits established under 20 Pa.C.S. Ch. 53 (relating to Pennsylvania Uniform Transfers to Minors Act) or similar law concerning transfers to minors while the custodianship has not been terminated.

(iii) Burial reserve accounts and similar deposits established under written agreements to provide for the funeral and/or burial expenses of a person while the person is still alive.

Section 3. Section 1301.4 of the act, amended December 23, 2003 (P.L.243, No.45), is amended to read:

Section 1301.4. Property Held by Insurers.--(a) In the case of life insurance, the following property held or owing by an insurer is presumed abandoned and unclaimed:

1. Any moneys held or owing by an insurer as established by its records under any contract of annuity or policy of life insurance including premiums returnable or dividends payable, unclaimed and unpaid for more than [five (5)] **three (3)** years after the moneys have or shall become due and payable under the provisions of such contract of annuity or policy of insurance. A life insurance policy not matured by actual proof of the death of the insured is deemed to be matured and the proceeds thereof are deemed to be due and payable if such policy was in force when the insured attained the limiting age under the mortality table on which the reserve is based, unless the person appearing entitled thereto has within the preceding [five (5)] **three (3)** years, (i) assigned, readjusted or paid premiums on the policy, or subjected the policy to loan, or (ii) corresponded in writing with the insurer concerning the policy.

2. If a person other than the insured or annuitant is entitled to the funds and no address of such person is known to the insurer or if it is not definite and certain from the records of the insurer what person is entitled to the funds, it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured or annuitant according to the records of the insurer.

3. Moneys otherwise payable according to the records of the insurer are deemed due and payable although the policy or contract has not been surrendered as required.

4. Property distributable in the course of a demutualization or related reorganization of an insurance company is deemed abandoned two (2) years after the date of the demutualization or reorganization if instruments or statements reflecting the distribution are either mailed to the owner and returned by the post office as undeliverable or not mailed to the owner because of a known bad address on the books and records of the holder.

(b) In the case of insurance other than life insurance, the following property held or owing by an insurer is presumed abandoned and unclaimed:

1. Any moneys held or owing by an insurer as established by its records under any contract of insurance other than annuity or life insurance, including premiums or deposits

returnable or dividends payable to policy or contract holders or other persons entitled thereto, unclaimed and unpaid for more than [five (5)] **three (3)** years after the moneys have or shall become due and payable under the provisions of such contracts of insurance.

2. If a person other than the insured, the principal or the claimant is entitled to the funds and no address of such person is known to the insurer or if it is not definite and certain from the records of the insurer what person is entitled to the funds, it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured, the principal or the claimant according to the records of the insurer.

Section 4. Section 1301.5 of the act, amended June 29, 2002 (P.L.614, No.91), is amended to read:

Section 1301.5. Property Held by Utilities.--The following funds held or owing by any utility are presumed abandoned and unclaimed:

1. Any customer advance, toll, deposit or collateral security or any other property held by any utility if under the terms of an agreement the advance, toll, deposit, collateral security or other property is due to or demandable by the owner and has remained unclaimed for [five (5)] **three (3)** years or more from the date when it first became due to or demandable by the owner under the agreement.

2. Any sum which a utility has been ordered to refund, less any lawful deductions, and which has remained unclaimed by the person appearing on the records of the utility entitled thereto for two (2) years or more after the date it became payable in accordance with the final order providing for the refund.

Section 5. Section 1301.6 of the act, amended June 29, 2002 (P.L.614, No.91) and November 9, 2006 (P.L.1335, No.138), is amended to read:

Section 1301.6. Property Held by Business Associations.--The following property held or owing by a business association is presumed abandoned and unclaimed:

1. The consideration paid for a gift certificate or gift card which has remained unredeemed for two (2) years or more after its redemption period has expired **or after the minimum period specified in section 915(c) of the Consumer Credit Protection Act (Public Law 90-321, 15 U.S.C. § 16931-1(c)), whichever occurs later**, or for [five (5)] **three (3)** years or more from the date of issuance if no redemption period is specified. The provisions of this clause shall not apply to a qualified gift certificate.

2. Any certificate of stock or participating right in a business association, for which a certificate has been issued or is issuable but has not been delivered, whenever the owner thereof has not claimed **or indicated an interest in** such property[, or corresponded in writing with the business association concerning it,] within [five (5)] **three (3)** years after the date prescribed for delivery of the property to the owner.

3. Any sum due as a dividend, profit, distribution, payment or distributive share of principal held or owing by a business association, whenever the owner has not claimed **or indicated an interest in** such sum [or corresponded in writing with the business association concerning it] within [five (5)] **three (3)** years after the date prescribed for payment or delivery.

4. Any sum due as principal or interest on the business association's bonds or debentures, or coupons attached thereto, whenever the owner has not claimed **or indicated an interest in**

such sum [or corresponded in writing with the business association concerning it] within [five (5)] **three (3)** years after the date prescribed for payment.

5. Any sum or certificate or participating right due by a cooperative to a participating patron, whenever the owner has not claimed **or indicated an interest in** such property[, or corresponded with the cooperative concerning the same] within [five (5)] **three (3)** years after the date prescribed for payment or delivery.

Section 6. Section 1301.8 of the act, amended June 29, 2002 (P.L.614, No.91), is amended to read:

Section 1301.8. Property Held by Fiduciaries.--The following property held by fiduciaries is presumed abandoned and unclaimed:

1. All property held in a fiduciary capacity for the benefit of another person, unless the owner, within [five (5)] **three (3)** years after it has or shall become payable or distributable, has increased or decreased the principal, accepted payment of principal or income[, corresponded in writing concerning the property] or otherwise indicated an interest [therein as evidenced by a writing on file with the fiduciary] **in the property or in other property of the owner in the possession, custody or control of the holder.**

2. For an individual retirement account, a retirement plan for self-employed individuals or a similar account or plan created pursuant to Federal internal revenue law or to the law of this Commonwealth and not subject to a mandatory distribution requirement, **three (3) years after the owner has:**

(i) attained seventy and one-half (70.5) years of age; or  
(ii) indicated an interest in the account or plan or in other property of the owner in the possession, custody or control of the holder.

Section 7. Section 1301.9 of the act, amended November 9, 2006 (P.L.1335, No.138), is amended to read:

Section 1301.9. Property Held by Courts and Public Officers and Agencies.--The following property is presumed abandoned and unclaimed:

1. Except as provided in clauses 2 and 2.1 or clause 6, all property held for the owner by any court, public corporation, public authority or instrumentality of the United States, the Commonwealth, or any other state, or by a public officer or political subdivision thereof, unclaimed by the owner for more than [five (5)] **three (3)** years from the date it first became demandable or distributable.

2. Bicycles held for the owner by a municipality unclaimed by the owner for more than ninety (90) days from the date it first became demandable or distributable.

2.1. All tangible property, other than bicycles, held for the owner by a municipality unclaimed by the owner for more than three (3) years from the date it first became demandable or distributable.

3. The bicycles held pursuant to clause 2 and tangible property held pursuant to clause 2.1 and which the State Treasurer refuses in writing to accept may be disposed of by the municipality to the highest bidder after due notice by advertisement for bids or at public auction at such time and place as may be designated by the municipality or the governing body may, by resolution, donate the bicycles or such tangible property to a charitable organization. Any proceeds from the sale of the bicycles or such tangible property shall be retained by the municipality and used for municipal purposes.

4. Bicycles held by or acquired by the Commonwealth for ninety (90) days may be disposed of at public auction at such time and place as may be designated by the State Treasurer. Proceeds of such sale or sales shall be deposited in the General Fund.

5. All property held by or subject to the control of any court, public corporation, public authority or instrumentality of the Commonwealth or by a public officer or political subdivision thereof, which is without a rightful or lawful owner, to the extent not otherwise provided for by law, held for more than one year.

6. Restitution held for the owner by any court, public corporation, public authority or instrumentality of the Commonwealth, or by a public officer or political subdivision thereof, unclaimed by the owner for more than [five (5)] **three (3)** years from the date it first became demandable or distributable.

Section 8. Section 1301.10 of the act, amended December 23, 2003 (P.L.243, No.45), is amended to read:

Section 1301.10. Miscellaneous Property Held for or Owing to Another.--The following property, held or owing to any owner, is presumed abandoned and unclaimed:

1. All property, not otherwise covered by this article, [that] **which** is admitted in writing by the holder and adjudicated to be due, [that] **which** is held or owing in the ordinary course of the holder's business, [and that] **which** has remained unclaimed by the owner for more than [five (5)] **three (3)** years after it became payable or distributable **and in which the owner has not indicated an interest** is presumed abandoned and unclaimed except for clause 2.

2. Wages or other compensation for personal services that have remained unclaimed by the owner for more than two (2) years after the wages or other compensation for personal services become payable or are distributed are presumed abandoned and unclaimed.

Section 8.1. Section 1301.11(g) of the act, amended June 29, 2002 (P.L.614, No.91), is amended to read:

Section 1301.11. Report of Property Subject to Custody and Control of the Commonwealth under this Article.--\* \* \*

(g) All agreements or powers of attorney to recover or collect abandoned and unclaimed property contained in the reports filed under this article shall be valid and enforceable only if the agreements:

1. are in writing and duly signed and acknowledged by the owner;

2. clearly state the fee or compensation to be paid, which shall not exceed fifteen per centum of the value of the abandoned and unclaimed property;

3. disclose the nature and value of the property; [and]

4. disclose the name and address of the holder and, if known, whether the abandoned and unclaimed property has been paid or delivered to the State Treasurer[.];

5. **identify the name, address and telephone number of the person assisting in the location, delivery or recovery of the abandoned and unclaimed property; and**

6. **identify the valid certificate of registration number assigned to the person assisting in the location, delivery or recovery of the abandoned and unclaimed property under section 1301.11a.**

\* \* \*

Section 8.2. The act is amended by adding sections to read:



Section 1301.11a. Certificate of Finder Registration.--(a) Except for a person who is admitted to practice law before a court of a Federal or State jurisdiction or subject to section 1301.11(i), a person may not on behalf of another:

1. engage in an activity for the purpose of locating, delivering, recovering or assisting in the recovery of abandoned or unclaimed property; and

2. receive a fee, compensation, commission or other remuneration for the activity under clause 1 without first obtaining a certificate of registration from the State Treasurer in accordance with this section.

(b) An application for a certificate of registration shall be in writing and on the form prescribed by the State Treasurer and accompanied by a recent full face color photograph of the applicant. In addition to information that may be requested by the State Treasurer, the application shall provide the following:

1. the applicant's full name, telephone number, e-mail address, home address and work address;

2. a statement that the applicant has not, during the ten-year (10) period immediately preceding the submission of the application, violated a provision of this article or has been convicted of a felony or an offense of:

(i) theft or other related offenses against property as enumerated under 18 Pa.C.S. Ch. 39 (relating to theft and related offenses) or its equivalent if committed in another jurisdiction;

(ii) forgery or other fraudulent practices as enumerated in 18 Pa.C.S. Ch. 41 (relating to forgery and fraudulent practices) or its equivalent if committed in another jurisdiction; or

(iii) perjury, false swearing, fraud or other offense as enumerated in 18 Pa.C.S. Ch. 49 Subch. A (relating to perjury and falsification in official matters) or its equivalent if committed in another jurisdiction;

3. A statement that, to the applicant's knowledge, the applicant is not the subject of an ongoing investigation or prosecution involving an alleged violation of a provision of this article or an offense of:

(i) theft or other related offenses against property as enumerated under 18 Pa.C.S. Ch. 39 or its equivalent if committed in another jurisdiction;

(ii) forgery or other fraudulent practices as enumerated in 18 Pa.C.S. Ch. 41 or its equivalent if committed in another jurisdiction; or

(iii) perjury, false swearing, fraud or other offense as enumerated in 18 Pa.C.S. Ch. 49 Subch. A or its equivalent if committed in another jurisdiction; and

4. The notarized signature of the applicant immediately following an acknowledgment that a false or perjured statement subjects the applicant to criminal liability.

(c) Upon the filing of the application, the State Treasurer may investigate the applicant to verify the information provided in the application and to determine the applicant's eligibility for a certificate of registration under this section. False information on an application is grounds for a denial, nonrenewal, suspension or revocation of the applicant's certificate of registration.

(d) A certificate of registration with a unique registration number may be issued to an applicant if the following conditions are met:

1. During the ten-year (10) period immediately preceding the submission of the application, the applicant has not violated a provision of this article or has been convicted of a felony or an offense of:

(i) theft or other related offenses against property as enumerated under 18 Pa.C.S. Ch. 39 or its equivalent if committed in another jurisdiction;

(ii) forgery or other fraudulent practices as enumerated in 18 Pa.C.S. Ch. 41 or its equivalent if committed in another jurisdiction; or

(iii) perjury, false swearing, fraud or other offense as enumerated in 18 Pa.C.S. Ch. 49 Subch. A or its equivalent if committed in another jurisdiction; and

2. The applicant has executed a sworn statement that is a commitment to conduct his actions as a finder of abandoned and unclaimed property in compliance with this article and the regulations promulgated under this article.

(e) The certificate of registration issued under this section is for a period of two (2) years and may be renewed every two (2) years if the following conditions are met:

1. The applicant submits a renewal application form prescribed by the State Treasurer.

2. The applicant meets the conditions set forth under subsection (d).

3. The applicant is not the subject of an ongoing investigation or order of revocation by the State Treasurer or the equivalent in another jurisdiction or an ongoing investigation or prosecution by a law enforcement agency involving an offense enumerated under subsection (d)1.

Section 1301.11b. Revocation of Finder Registration.--(a) After notice and an opportunity for a hearing, the State Treasurer may revoke, suspend or refuse to issue or renew a certificate of registration if the following are found:

1. The person violated a provision of this article or the regulations promulgated under this article or has been convicted of a felony or an offense of:

(i) theft or other related offenses against property as enumerated under 18 Pa.C.S. Ch. 39 (relating to theft and related offenses) or its equivalent if committed in another jurisdiction;

(ii) forgery or other fraudulent practices as enumerated in 18 Pa.C.S. Ch. 41 (relating to forgery and fraudulent practices) or its equivalent if committed in another jurisdiction; or

(iii) perjury, false swearing, fraud or other offense as enumerated in 18 Pa.C.S. Ch. 49 Subch. A (relating to perjury and falsification in official matters) or its equivalent if committed in another jurisdiction.

2. In the opinion of the State Treasurer, the person's conduct as a finder of abandoned or unclaimed property undermines the confidence of the public or warrants the belief that the person's business will not be conducted honestly and fairly.

(b) The State Treasurer may investigate an allegation or complaint of misconduct involving an applicant for or a person holding a certification of registration.

(c) In conducting an investigation under this section, the State Treasurer may compel, by subpoena, witnesses to testify in relation to any alleged misconduct or complaint and may require the production of a book, record or other document pertaining to that matter. If a person fails to file a statement or report, obey a subpoena, give testimony, produce a book,

record or other document as required by a subpoena, or permit photocopying of a book, record or other document subpoenaed, the Commonwealth Court, upon application made to it by the State Treasurer, may compel obedience by an attachment proceeding for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify in the court.

(d) If a person is engaged in an activity that constitutes a violation of this article or has attempted or committed an offense identified under subsection (a)1, the State Treasurer shall immediately revoke the certificate of registration of the person.

Section 1301.11c. Appeals.--(a) The Commonwealth Court shall be vested with exclusive appellate jurisdiction to consider appeals of a final order, determination or decision of the State Treasurer involving the issuance, nonissuance, renewal, nonrenewal, revocation or suspension of a certification of registration under this article.

(b) Notwithstanding law to the contrary, orders, determinations or decisions of the State Treasurer involving the issuance, nonissuance, renewal, nonrenewal, revocation or suspension of a certification of registration under this article shall be affirmed unless it is found that the State Treasurer committed an error of law or that the order, determination or decision was arbitrary and there was a capricious disregard of the evidence.

Section 8.3. Section 1301.23 of the act, amended June 29, 2002 (P.L.614, No.91), is amended to read:

Section 1301.23. Examination of Records.--[(a) If the State Treasurer has reason to believe that any holder has failed to report property that should have been reported pursuant to this article, the State Treasurer may, at reasonable times and upon reasonable notice, examine the records of such person with respect to such property.

(b) If a holder fails after the effective date of this subsection to maintain the records required or the records of the holder available for the periods subject to this act are insufficient to permit the preparation of a report, the State Treasurer may require the holder to report and pay the amount the State Treasurer may reasonably estimate on the basis of any available records of the holder or on the basis of any other reasonable method of estimation that the State Treasurer may select.]

(a) The State Treasurer may require a person who has not filed a report, or a person who the State Treasurer believes has filed an inaccurate, incomplete or false report, to file a verified report in a form specified by the State Treasurer. The report must state whether the holder or agent thereof is holding property reportable under this article, describe property not previously reported or as to which the State Treasurer has made inquiry and specifically identify and state the amounts of property that may be in issue.

(b) The State Treasurer, at reasonable times and upon reasonable notice, may examine the records of any person or agent thereof to determine whether the person has complied with this article. The administrator may conduct the examination even if the person believes it is not in possession of any property that must be reported, paid or delivered under this article. The State Treasurer may contract with any other person to conduct the examination on behalf of the State Treasurer, the selection of whom shall not be questioned.

(c) The State Treasurer at reasonable times may examine the records of an agent, including a dividend disbursing agent or

transfer agent, of a business association or financial association that is the holder of property presumed abandoned if the administrator has given the notice required by subsection (b) to both the association or organization and the agent at least 90 days before the examination.

(d) Documents and working papers obtained or compiled by the State Treasurer, or the State Treasurer's agents, employees or designated representatives, in the course of conducting an examination are confidential and are not public records, but the documents and papers may be:

1. used by the State Treasurer in the course of an action to collect unclaimed property or otherwise enforce this article;
2. used in joint examinations conducted with or pursuant to an agreement with another state, the Federal Government or any other governmental subdivision, agency or instrumentality;
3. produced pursuant to subpoena or court order; or
4. disclosed to the abandoned property office of another state for that state's use in circumstances equivalent to those described in this subdivision if the other state is bound to keep the documents and papers confidential.

(e) If an examination of the records of a holder results in the disclosure of property reportable under this article, the State Treasurer may assess the cost of the examination against the holder at the rate of two hundred dollars (\$200) a day for each examiner, or a greater amount that is reasonable and was incurred, but the assessment may not exceed the value of the property found to be reportable. The cost of an examination made pursuant to subsection (c) may be assessed only against the business association or financial institution.

(f) If, after the effective date of this section, a holder does not maintain the adequate records and the records of the holder that are available are insufficient to permit the preparation of a report, the State Treasurer may require the holder to report and pay to the State Treasurer the amount the State Treasurer reasonably estimates, on the basis of any available records of the holder or by any other reasonable method of estimation that the State Treasurer may select.

Section 8.4. Sections 1301.24 and 1301.25 of the act are amended by adding subsections to read:

Section 1301.24. Proceeding to Compel Reporting or Delivery.--\* \* \*

(c) If a holder fails, without proper cause, to report or to pay and deliver to the State Treasurer property subject to custody and control of the Commonwealth under this article, the holder shall pay a penalty not to exceed one thousand dollars (\$1,000) per day to the State Treasurer beginning with the day after the report should have been filed and continuing each day thereafter until a proper report is filed with the State Treasurer. The State Treasurer may waive all or a portion of the penalty for good cause.

Section 1301.25. Penalties.--\* \* \*

(d) A person who is found to have violated section 1301.11 or 1301.11a, in addition to other sanctions under this article, shall be guilty of a misdemeanor of the third degree and shall, upon conviction, be sentenced to pay a fine not to exceed one thousand dollars (\$1,000) for the first offense. A person who is found guilty of a subsequent offense shall be subject to a fine not to exceed five thousand dollars (\$5,000).

Section 8.5. The act is amended by adding a section to read:

Section 1301.28b. Relation to Electronic Signatures in Global and National Commerce Act.--(a) Except as set forth in subsection (b), this article modifies, limits and supersedes

the Electronic Signatures in Global and National Commerce Act (Public Law 106-229, 15 U.S.C. § 7001 et seq.).

(b) This article does not:

1. modify, limit or supersede section 101(c) of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. § 7001(c)); or

2. authorize electronic delivery of the notice described in section 103(b) of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. § 7003(b)).

Section 8.6. Section 1602(a) and (b) of the act are amended to read:

Section 1602. In the Examination and Adjustment of Public Accounts and the Collection of Amounts Due the Commonwealth.--(a) To enable the Auditor General to examine and adjust the public accounts, the State Treasurer to examine and revise the same **and abandoned and unclaimed property accounts**, and the Secretary of Revenue to settle or otherwise determine the amount of and collect taxes, or collect other amounts due the Commonwealth, each of said officers is severally hereby invested with power to compel all persons, in the receipt or possession of public moneys, to render to him their accounts, and to enforce the attendance (in the manner hereinafter pointed out) at his office of such persons, whether parties or witnesses, whom he may deem necessary to examine in the investigation of any public account, and to administer all necessary oaths or affirmations; and each of said officers is hereby also invested with power to compel the exhibition or delivery to him (as the case may be), by any person possessing the same, in the manner hereinafter pointed out, of all official or public books, accounts, documents[,] or papers, which have any relation to or connection with any public account **or abandoned and unclaimed property account**, and which he may deem necessary in the investigation, adjustment[,] or collection of the same: Provided, however, That if by reason of the distance of residence from the seat of government, or from any sufficient cause satisfactory to the Auditor General, the State Treasurer, or the Secretary of Revenue, as the case may be, if it be found impracticable or difficult to procure the attendance of such person at the office of such officer for the purpose of giving information respecting any public account **or abandoned and unclaimed property account**, it is hereby made the duty of such officer to procure the testimony of all such persons to be taken before any judge of a court of common pleas, or justice of the peace, on a commission, with interrogatories annexed, issued under the hand and seal of office of such officer.

(b) In order to procure the attendance of such persons as the Auditor General, the State Treasurer, or the Secretary of Revenue, may deem necessary in relation to any public account **or abandoned and unclaimed property account**, already furnished or to be furnished, he, the said Auditor General, State Treasurer, or Secretary of Revenue, shall issue his writ, directed to and commanding the sheriff of the county wherein such person or persons reside, whom he may summon to cause the attendance at the office of the Auditor General, the State Treasurer, or the Secretary of Revenue, as the case may be, of such person or persons; and, if, after thirty days from the time the said person or persons ought to have appeared in the office of the Auditor General, the State Treasurer, or the Secretary of Revenue, agreeably to the said summons, such person or persons neglect or refuse to appear, he, the said Auditor General, State Treasurer, or Secretary of Revenue, may issue his writ of attachment, commanding the sheriff to commit such

person or persons, so neglecting or refusing to appear, to the common jail of the county, there to remain until he or they shall consent to comply with this act or shall be discharged by due course of law.

\* \* \*

Section 8.7. The act is amended by adding a section to read:  
**Section 1601.1-E. Legislative findings.**

The General Assembly finds and declares as follows:

(1) Revenue from the leasing of State land to extract natural gas is necessary to obtain the revenue necessary to effectuate the act of July 10, 2014 (P.L.3052, No.1A), known as the General Appropriation Act of 2014.

(2) Leases utilized by the department include provisions that are highly protective of the ecological integrity of State forest lands and carefully crafted to minimize impacts to rare and endangered plants, wildlife and their habitat and the vast number of streams and watersheds that are part of State forest and park lands.

(3) Leases utilized by the department for shale gas provide for enhanced environmental and surface protections, including:

(i) Increased setback distances from critical recreation infrastructure, streams and water features, State parks and designated wild and natural areas.

(ii) Limiting the amount of surface area disturbed, prohibiting shallow well drilling and authorizing the application of strict forestry resource management principles.

(iii) Limiting the number of well pads allowed to be constructed on the lease tract; providing for deep drilling insurance; and prohibiting the development of the ecologically sensitive areas, including designated wild and natural areas and areas of special consideration, without the department's prior written approval.

(4) The department continually updates and employs best management practices when managing oil and gas activities on State forest lands to ensure that shale gas activities are consistent with the recreational and ecological uses of State forest.

(5) The department has implemented a Shale Gas Monitoring Program to monitor, evaluate and report any impacts of shale gas development on the State forest system.

(6) The fund is not a constitutional trust.

(7) Money in the fund has increased exponentially from the extraction of shale gas and the implementation of new gas extraction techniques.

(8) The Commonwealth's role as trustee of the public's natural resources is broader and more comprehensive than just conserving the State forest and parks.

(9) The General Assembly affirms its intent that:

(i) The department should continue the operation of the shale gas monitoring activities program to monitor, evaluate and report the impacts of shale gas activities in State forest and, in consultation with the Governor's Office, utilize data received from ongoing monitoring to adjust its management planning and practices.

(ii) The department should consider the State forest and park lands as one of the Commonwealth's interests when considering whether or not to lease additional State forest and park lands and determining what is in the

best interests of the Commonwealth. Interest involved in decisions relating to leasing State forest and park lands should not be made to the exclusion of all other interests of the Commonwealth.

(iii) Notwithstanding any other law to the contrary, it is in the best interest of the Commonwealth to lease oil and gas rights in State forests and parks if the department:

(A) in consultation with the Governor, continues strong and effective lease protections, best management practices and ongoing monitoring programs on the impact of gas operations; and

(B) maintains a balance of money in the fund to carry out the department's statutory obligation to protect State forest and park land and other environmental activities.

(10) If a balance in the funds is adequate to achieve the purposes of paragraph (9), transfers to the General Fund are permissible.

Section 8.8. Sections 1602-E and 1603-E of the act, added October 9, 2009 (P.L.537, No.50), are amended to read:  
Section 1602-E. Appropriation.

Notwithstanding any other provision of law and except as provided in section 1603-E, no money in the fund from royalties may be expended unless appropriated **or transferred to the General Fund** by the General Assembly **from the fund**. In making appropriations, the General Assembly shall consider the adoption of an allocation to municipalities impacted by a Marcellus well. Section 1603-E. Department of Conservation and Natural Resources.

Subject to the availability of money in the fund **following transfers**, up to \$50,000,000 from the fund from royalties shall be appropriated annually to the department to carry out the purposes set forth in the act of December 15, 1955 (P.L.865, No.256), entitled "An act requiring rents and royalties from oil and gas leases of Commonwealth land to be placed in a special fund to be used for conservation, recreation, dams, and flood control; authorizing the Secretary of Forests and Waters to determine the need for and location of such projects and to acquire the necessary land." The department shall give preference to the operation and maintenance of State parks and forests.

Section 8.9. Section 1605-E of the act, added July 6, 2010 P.L.279, No.46), is amended to read:  
Section 1605-E. Additional [transfer] **transfers**.

(a) **Fiscal year 2010-2011.**--Notwithstanding section 1603-E or any other provision of law, in fiscal year 2010-2011, the amount of \$180,000,000 shall be transferred from the fund to the General Fund.

(b) **Fiscal year 2014-2015.**--Notwithstanding section 1603-E or any other provision of law, in fiscal year 2014-2015, the amount of \$95,000,000 shall be transferred from the fund to the General Fund.

Section 9. Section 1702-A of the act, amended July 18, 2013 (P.L.574, No.71), is amended to read:  
Section 1702-A. Funding.

(a) Intent.--It is hereby declared as the intent and goal of the General Assembly to create a stabilization reserve in an eventual amount of 6% of the revenues of the General Fund of the Commonwealth.

(b) Transfer of portion of surplus.--

(1) Except as may be provided in paragraph (2), for fiscal years beginning after June 30, 2002, the following apply:

(i) Except as set forth in this paragraph, if the Secretary of the Budget certifies that there is a surplus in the General Fund for a specific fiscal year, 25% of the surplus shall be deposited by the end of the next succeeding quarter into the Budget Stabilization Reserve Fund.

(ii) If the Secretary of the Budget certifies, after June 30, 2005, that there is a surplus in the General Fund for the fiscal year 2004-2005, 15% of the surplus shall be deposited by the end of the next succeeding quarter into the Budget Stabilization Reserve Fund.

(iii) No amount of the surplus in the General Fund for fiscal year 2007-2008 may be deposited into the Budget Stabilization Reserve Fund.

(iv) No amount of the surplus in the General Fund for fiscal year 2010-2011 may be deposited into the Budget Stabilization Reserve Fund.

(v) No amount of the surplus in the General Fund for fiscal year 2011-2012 may be deposited into the Budget Stabilization Reserve Fund.

(vi) No amount of the surplus in the General Fund for fiscal year 2012-2013 may be deposited into the Budget Stabilization Reserve Fund.

**(vii) No amount of the surplus in the General Fund for fiscal year 2013-2014 may be deposited into the Budget Stabilization Reserve Fund.**

(2) If, at the end of any fiscal year, the ending balance of the Budget Stabilization Reserve Fund equals or exceeds 6% of the actual General Fund revenues received for the fiscal year in which the surplus occurs, 10% of the surplus shall be deposited by the end of the next succeeding quarter into the Budget Reserve Stabilization Fund.

(c) Appropriated funds.--The General Assembly may at any time provide additional amounts from any funds available to this Commonwealth as an appropriation to the Budget Stabilization Reserve Fund.

Section 10. The act is amended by adding sections to read:  
**Section 1772.1-A. H2O PA Account.**

**(a) Establishment.--There is established in the Gaming Economic Development and Tourism Fund a restricted account to be known as the H2O PA Account, which shall contain the following:**

**(1) Moneys available from transfers under section 1772-A and Chapter 5 of the act of July 9, 2008 (P.L.908, No.63), known as the H2O PA Act.**

**(2) Moneys available from transfers under 58 Pa.C.S. § 2315(a.1)(4) (relating to Statewide initiatives).**

**(3) Other appropriations or transfers made to the account.**

**(b) Purpose.--Money in the account shall be used for payments of debt and grants made under the H2O PA Program.**

**(c) Nonlapse.--Money in the account is continuously appropriated for debt service or grants in accordance with section 1774.1-A and Chapter 5 of the H2O PA Act.**

**Section 1774.2-A. Other grants.**

**Money in the H2O PA Account may be used for grants awarded under section 1774.1-A.**

Section 11. Section 1713-A.1 of the act, added July 18, 2013 (P.L.574, No.71), is amended to read:



Section 1713-A.1. Use of fund.

(a) Annual report.--The Governor shall report on the fund in the annual budget which shall include the amounts appropriated to each program.

(b) Appropriations.--

(1) [The] **Except as otherwise provided in paragraphs (1.1), (1.2) and (1.3),** the General Assembly appropriates moneys in the fund in accordance with the following percentages based on the annual payment received in each year:

(i) Thirteen percent for home and community-based services pursuant to Chapter 5 of the Tobacco Settlement Act.

(ii) Four and five-tenths percent for tobacco use prevention and cessation programs pursuant to Chapter 7 of the Tobacco Settlement Act.

(iii) Twelve and six-tenths percent for health and related research pursuant to section 906 of the Tobacco Settlement Act.

(iv) One percent for health and related research pursuant to section 909 of the Tobacco Settlement Act.

(v) Eight and eighteen one-hundredths percent for the uncompensated care payment program pursuant to Chapter 11 of the Tobacco Settlement Act.

(vi) Thirty percent for the purchase of Medicaid benefits for workers with disabilities pursuant to Chapter 15 of the Tobacco Settlement Act.

(vii) Eight percent for the expansion of the PACENET program pursuant to Chapter 23 of the Tobacco Settlement Act.

(viii) Twenty-two and seventy-two one-hundredths percent shall remain in the fund to be separately appropriated for health-related purposes.

**(1.1) For fiscal year 2013-2014, the General Assembly appropriates money in the fund in accordance with the following percentage based on the annual payment received each year:**

**(i) Thirteen percent for home-based and community-based services under Chapter 5 of the Tobacco Settlement Act.**

**(ii) Two and ninety-three hundredths percent for tobacco use prevention and cessation programs under Chapter 7 of the Tobacco Settlement Act.**

**(iii) Six and three-tenths percent for health and related research under section 906 of the Tobacco Settlement Act.**

**(iv) One-half percent for health and related research under section 909 of the Tobacco Settlement Act.**

**(v) Four and nine-hundredths percent for the uncompensated care payment program under Chapter 11 of the Tobacco Settlement Act.**

**(vi) Thirty percent for the purchase of Medicaid benefits for workers with disabilities under Chapter 15 of the Tobacco Settlement Act.**

**(vii) Forty-three and eighteen hundredths percent shall remain in the fund to be separately appropriated for health-related purposes.**

**(1.2) For fiscal year 2014-2015, money in the fund from a payment received due to the recalculation of a prior annual payment shall remain in the fund to be separately appropriated for health-related purposes.**

(1.3) For fiscal year 2014-2015, the General Assembly appropriates money in the fund in accordance with the following percentages based on the annual payment received each year:

(i) Thirteen percent for home-based and community-based services under Chapter 5 of the Tobacco Settlement Act.

(ii) Four and five-tenths percent for tobacco use prevention and cessation programs under Chapter 7 of the Tobacco Settlement Act.

(iii) Twelve and six-tenths percent for health and related research under section 906 of the Tobacco Settlement Act.

(iv) One percent for health and related research under section 909 of the Tobacco Settlement Act.

(v) Eight and eighteen hundredths percent for the uncompensated care payment program under Chapter 11 of the Tobacco Settlement Act.

(vi) Fifteen and twelve hundredths percent for the purchase of Medicaid benefits for workers with disabilities under Chapter 15 of the Tobacco Settlement Act.

(vii) Forty-five and six-tenths percent shall remain in the fund to be separately appropriated for health-related purposes.

(2) In addition, any Federal funds received for any of these programs are specifically appropriated to those programs.

(3) All other payments and revenue received in the fund other than the annual payment shall remain in the fund and are available to be appropriated for health-related purposes.

(c) Lapses.--Lapses shall remain in the fund except that lapses from money provided for the home and community-based care services shall be reallocated to the home and community-based care program for use in succeeding years.

(d) Lobbying restrictions.--No money derived from appropriations made by the General Assembly from the fund may be used for the lobbying of any State public official.

[(e) Health venture investment account.--Notwithstanding Chapter 3 of the Tobacco Settlement Act, all assets, nonliquid investments, contractually obligated money, return on investments and any other money or assets in the Health Venture Investment Account shall be retained in that account. The requirements for venture capital investments outlined in section 305(f) of the Tobacco Settlement Act shall be maintained. The board shall not enter into any partnerships or long-term investments through June 30, 2014.]

(f) Allocation of local program funding.--

(1) Funding for local programs under section 708(b) of the Tobacco Settlement Act shall be allocated as follows:

(i) Thirty percent of grant funding to primary contractors for local programs shall be allocated equally among each of the 67 counties.

(ii) The remaining 70% of the grant funding to primary contractors for local programs shall be allocated on a per capita basis of each county with a population greater than 60,000. The per capita formula shall be applied only to that portion of the population that is greater than 60,000 for each county.

(2) Budgets shall be developed by each primary contractor to reflect service planning and expenditures in each county. Each primary contractor shall ensure that

services are available to residents of each county and must expend the allocated funds on a per-county basis pursuant to paragraph (1) and this paragraph.

(3) The Department of Health shall compile a detailed annual report of expenditures per county and the specific programs offered in each region. This report shall be made available on the Department of Health's publicly available Internet website within 60 days following the close of each fiscal year.

(4) During the third quarter of the fiscal year, funds which have not been spent within a service area may be reallocated to support programming in the same region.

(g) Transfer.--The strategic contribution payment received in fiscal year 2012-2013, and all assets and cash in the Health Account, shall be transferred to the fund by August 1, 2013.

Section 12. The act is amended by adding sections to read:  
**Section 1714-A.1. Termination.**

(a) Termination.--The accounts shall terminate and close January 1, 2015.

(b) Transfer of assets.--Notwithstanding Chapter 3 of the Tobacco Settlement Act or other law to the contrary, all assets, nonliquid investments, contractually obligated money, return on investments and any other money or assets in the accounts shall be retained in the accounts until distributed under section 1715-A.1.

(c) Investments.--Beginning July 1, 2014, the board shall not enter into any partnerships or investments.

Section 1715-A.1. Transfer to Public School Employees' Retirement System.

(a) Payments.--Notwithstanding 24 Pa.C.S. § 8326(c) (relating to contributions by the Commonwealth), no later than December 31, 2014, the board shall make each of the following one-time payments or transfers directly to the Public School Employees' Retirement System to pay amounts required to be contributed by the Commonwealth under 24 Pa.C.S. §§ 8328 (relating to actuarial cost method) and 8535 (relating to payments to school entities by Commonwealth) for fiscal year 2014-2015:

(1) any and all assets, nonliquid investments, contractually obligated money, return on investments and all other money, cash or assets in the accounts.

(2) any and all nonliquid investments over which the board has management control or authority that are in the fund; and

(3) the dollar amount of cash from the fund which is the difference calculated by taking \$225,000,000 and subtracting the following from that amount:

(i) the value of only the nonliquid investments under paragraphs (1) and (2) valued as of the latest valuation report received by the board prior to the date of the transfers under paragraphs (1) and (2);

(ii) the dollar amount of cash transferred from the Health Venture Investment Account under paragraph (1); and

(iii) the dollar amount of cash transferred from the Health Account under paragraph (1).

(b) Duty of board.--The Public School Employees' Retirement Board shall:

(1) accept the transfer made under subsection (a);

(2) credit the value of the transfer under subsection

(a) to the system's State accumulation account; and

(3) apply the value of the transfer as a credit to the system's employers on a pro rata basis, as the board deems appropriate.

(c) Immunity.--Notwithstanding any other provision of law, fiduciary requirement, actuarial standard of practice or other requirement, members of the Public School Employees' Retirement Board and its actuaries and employees may not be held liable or in breach or violation of any law or standards as individuals, in their official capacity or as a governmental or corporate entity, for any action taken or calculation made under this section.

(d) Report.--No later than 15 days after the transfer of funds under subsection (a), the Secretary of the Budget shall notify the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives of the date on which the transfers were made and a detailed statement of the assets, nonliquid investments, contractually obligated money, return on investments and any other money, cash or assets transferred.

Section 13. Section 1723-A.1 of the act, amended or added July 18, 2013 (P.L.574, No.71) and April 10, 2014 (P.L.408, No.30), is amended to read:

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

Funds in the fund are appropriated to the department on a continuing basis for the purposes set forth in this subsection and shall be distributed to each active and operating Category 1 licensee conducting live racing as follows:

(1) An amount equal to 18% of the daily gross terminal revenue of each Category 1 licensee shall be distributed to each active and operating Category 1 licensee conducting live racing unless the daily assessments are affected by the daily assessment cap provided for in 4 Pa.C.S. § 1405(c) (relating to Pennsylvania Race Horse Development Fund). In cases in which the daily assessment cap affects daily assessments, the distribution to each active and operating Category 1 licensee conducting live racing for that day shall be a percentage of the total daily assessments paid into the fund for that day equal to the gross terminal revenue of each active and operating Category 1 licensee conducting live racing for that day divided by the total gross terminal revenue of all active and operating Category 1 licensees conducting live racing for that day. Except as provided in paragraphs (2) and (2.1), the distributions to licensed racing entities from the fund shall be allocated as follows:

(i) Eighty percent shall be deposited weekly into a separate, interest-bearing purse account to be established by and for the benefit of the horsemen. The earned interest on the account shall be credited to the purse account. Licensees shall combine these funds with revenues from existing purse agreements to fund purses for live races consistent with those agreements with the advice and consent of the horsemen.

(ii) For thoroughbred tracks, 16% shall be deposited on a monthly basis into the Pennsylvania Breeding Fund as defined in section 223 of the Race Horse Industry Reform Act. For standardbred tracks, 8% shall be deposited on a monthly basis in the Pennsylvania Sire Stakes Fund as defined in section 224 of the Race Horse Industry Reform Act, and 8% shall be deposited on a monthly basis into a restricted account in the State

Racing Fund to be known as the Pennsylvania Standardbred Breeders Development Fund. The State Harness Racing Commission shall, in consultation with the Secretary of Agriculture, by rule or by regulation, adopt a standardbred breeders program that will include the administration of the Pennsylvania Stallion Award, the Pennsylvania Bred Award and the Pennsylvania Sired and Bred Award.

(iii) Four percent shall be used to fund health and pension benefits for the members of the horsemen's organizations representing the owners and trainers at the racetrack at which the licensed racing entity operates for the benefit of the organization's members, their families, employees and others in accordance with the rules and eligibility requirements of the organization, as approved by the State Horse Racing Commission or the State Harness Racing Commission. This amount shall be deposited within five business days of the end of each month into a separate account to be established by each respective horsemen's organization at a banking institution of its choice. Of this amount, \$250,000 shall be paid annually by the horsemen's organization to the thoroughbred jockeys or standardbred drivers organization at the racetrack at which the licensed racing entity operates for health insurance, life insurance or other benefits to active and disabled thoroughbred jockeys or standardbred drivers in accordance with the rules and eligibility requirements of that organization.

(2) Distributions from the fund shall be allocated as follows:

(i) For fiscal [year] **years 2013-2014 and 2014-2015**, each week, \$802,682 in the fund shall be transferred to the account. This transfer shall not exceed \$17,659,000 annually.

(i.1) In addition to the transfer under subparagraph (i), for a total of 14 weeks from the effective date of this subparagraph, each week, \$300,000 shall be transferred from the fund, for a total amount of \$4,200,000, to the State Racing Fund to be used exclusively for the enforcement of the act of December 17, 1981 (P.L.435, No.135), known as the Race Horse Industry Reform Act. Moneys transferred pursuant to this subparagraph shall not be transferred subsequently to any other State fund or account for any purpose.

(ii) [For fiscal year 2013-2014, each] **Each** week, the money remaining in the fund after any transfer under subparagraphs (i) and (i.1) shall be distributed to each active and operating Category 1 licensee conducting live racing in accordance with the following formula:

(A) Divide:

(I) the total daily assessments paid, by each active and operating Category 1 licensee conducting live racing, into the fund for that week; by

(II) the total daily assessments paid, by all active and operating Category 1 licensees conducting live racing, into the fund for that week.

(B) Multiply the quotient under clause (A) by the amount to be distributed under this subparagraph.

(iii) The distribution under subparagraph (ii) shall be allocated as follows:

(A) The greater of 4% of the amount to be distributed under subparagraph (ii) or \$220,000 shall be used to fund health and pension benefits for the members of the horsemen's organizations representing the owners and trainers at the racetrack at which the licensed racing entity operates for the benefit of the organization's members, their families, employees and others in accordance with the rules and eligibility requirements of the organization, as approved by the State Horse Racing Commission or the State Harness Racing Commission. This amount shall be deposited within five business days of the end of each week into a separate account to be established by each respective horsemen's organization at a banking institution of its choice. Of this amount, a minimum of \$250,000 shall be paid annually by the horsemen's organization to the thoroughbred jockeys or standardbred drivers organization at the racetrack at which the licensed racing entity operates for health insurance, life insurance or other benefits to active and disabled thoroughbred jockeys or standardbred drivers in accordance with the rules and eligibility requirements of that organization. The total distribution under this clause in any fiscal year shall not exceed \$11,400,000.

(B) Of the money remaining to be distributed under subparagraph (ii) after application of clause (A), the following disbursements shall be made:

(I) Eighty-three and one-third percent of the money to be distributed under this clause shall be deposited on a weekly basis into a separate, interest-bearing purse account to be established by and for the benefit of the horsemen. The earned interest on the account shall be credited to the purse account. Licensees shall combine these funds with revenues from existing purse agreements to fund purses for live races consistent with those agreements with the advice and consent of the horsemen.

(II) For thoroughbred tracks, 16 and 2/3% of the money to be distributed under this clause shall be deposited on a weekly basis into the Pennsylvania Breeding Fund established in section 223 of the Race Horse Industry Reform Act. For standardbred tracks, 8 and 1/3% of the money to be distributed under this clause shall be deposited on a weekly basis into the Pennsylvania Sire Stakes Fund as defined in section 224 of the Race Horse Industry Reform Act; and 8 and 1/3% of the money to be distributed under this clause shall be deposited on a weekly basis into a restricted account in the State Racing Fund to be known as the Pennsylvania Standardbred Breeders Development Fund. The State Harness Racing Commission shall, in consultation with the Secretary of Agriculture, promulgate regulations adopting a standardbred breeders program that will include the administration of the Pennsylvania Stallion Award, the Pennsylvania

Bred Award and the Pennsylvania Sired and Bred Award.

Section 13.1. Section 1734-E of the act, added July 17, 2007 (P.L.141, No.42), is amended to read:  
Section 1734-E. State Civil Service Commission.

(a) **Appropriation.**--Funds appropriated to the State Civil Service Commission shall include any funds collected by the commission for the administration of the merit system for employees under the act of August 5, 1941 (P.L.752, No.286), known as the Civil Service Act.

(b) **Contracts.**--From funds appropriated for the operation and administration of the State Civil Service Commission, the commission may enter into contracts for the production of physical copies of examinations or tests, including the questions or other material used in the examinations or tests. Contracts shall require the contractor to maintain security over the examinations or tests to prevent unauthorized persons from gaining access to them while in the contractor's possession.

(c) **Agreements.**--From funds appropriated for the operation of the commission, the commission may enter into cooperative agreements with departments, boards, commissions and other agencies to provide services, including budget preparation, fiscal oversight, human resources and personnel services, technology services, procurement, courier and mailing and other services. Notwithstanding 62 Pa.C.S. (relating to procurement), the commission may use the Department of General Services as its purchasing agency. The commission shall retain authority over commission work under the cooperative agreement.

Section 13.2. The act is amended by adding sections to read:  
Section 1741.1-E. Environmental Quality Board.

(a) **Regulations.**--From funds appropriated to the Environmental Quality Board, the board shall promulgate proposed regulations and regulations under 58 Pa.C.S. (relating to oil and gas) or other laws of this Commonwealth relating to conventional oil and gas wells separately from proposed regulations and regulations relating to unconventional gas wells. All regulations under 58 Pa.C.S. shall differentiate between conventional oil and gas wells and unconventional gas wells. Regulations promulgated under this section shall apply to regulations promulgated on or after the effective date of this section.

(b) **Definitions.**--As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Conventional oil and gas well." A bore hole drilled for the purpose of producing oil or gas from a conventional formation. The term includes any of the following:

- (1) A well drilled to produce oil.
- (2) A well drilled to produce natural gas from formations other than shale formations.
- (3) A well drilled to produce natural gas from shale formations located above the base of the Elk Group or its stratigraphic equivalent.
- (4) A well drilled to produce natural gas from shale formations located below the base of the Elk Group where natural gas can be produced at economic flow rates or in economic volumes without the use of vertical or nonvertical well bores stimulated by hydraulic fracture treatments or by using multilateral well bores or other techniques to expose more of the formation to the well bore.

(5) Irrespective of formation, a well drilled for collateral purposes, such as monitoring, geologic logging, secondary and tertiary recovery or disposal injection.

"Unconventional gas well." As defined in 58 Pa.C.S. § 2301 (relating to definitions).

Section 1795.1-E. Surcharges.

(a) Legislative finding.--Due to reductions in revenue available to the Commonwealth, it is necessary to increase certain fees or surcharges to adequately fund the Unified Judicial System.

(b) Imposition.--In addition to the fee under 42 Pa.C.S. § 3733.1(a)(1) (relating to surcharge), an additional surcharge of \$10 shall be charged and collected by a division of the Unified Judicial System. This subsection shall expire December 31, 2017.

Section 13.3. Article XVII-E of the act is amended by adding a subarticle to read:

**SUBARTICLE F  
OTHER AGENCIES**

Section 1799.1-E. Pennsylvania Liquor Control Board.

In order to encourage applications for licensure for tavern gaming, the Pennsylvania Liquor Control Board may reduce the license fee under section 905(c) of the act of December 19, 1988 (P.L.1262, No.156), known as the Local Option Small Games of Chance Act, to \$500 upon approval of the license.

Section 14. Repeals are as follows:

(1) The General Assembly finds and declares as follows:

(i) Each year, articles on budget implementation are added to the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code.

(ii) These articles are temporary in nature but are placed permanently into the act, utilizing article numbers and section numbers.

(iii) Reusing article numbers and section numbers will keep the text of the act more concise.

(iv) The repeals under paragraph (2) are necessary to effectuate subparagraph (iii).

(2) Articles XVII-J and XVII-K of the act, added October 9, 2009 (P.L.537, No.50), are repealed.

Section 15. The act is amended by adding articles to read:

**ARTICLE XVII-E.1**

**RURAL REGIONAL COLLEGE FOR UNDERSERVED COUNTIES**

Section 1701-E.1. Applicability.

This article applies to appropriations from every General Appropriation Act.

Section 1702-E.1. Scope of article.

This article provides for the establishment of a rural regional college in a multicounty rural area that is underserved by comprehensive community college education and work force development.

Section 1703-E.1. Definitions.

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

"Annual." A 12-month period coterminous with the Commonwealth's fiscal year beginning July 1 and ending June 30.

"Board of trustees." The board of trustees of a rural regional college established under this article.

"Certified public accountant." A member of the American Institute of Certified Public Accountants who has a minimum of five years' verifiable experience in performing audits of



government funds for nonprofit organizations with a comparable or larger annual budget.

"County." Any county in this Commonwealth.

"Middle States." The Middle States Association of Colleges and Schools.

"Partner institution." One or more Middle States-accredited institutions of higher education.

"Rural regional college." A public institution of higher education which is established in a rural area and operated in accordance with the provisions of this article as a college which provides up to a two-year, postsecondary education not to exceed the level of an associate of arts or sciences degree and which is active in work force development.

"Rural regional college plan" or "plan." A plan for the establishment and operation of a rural regional college under this article.

"Secretary." The Secretary of Education of the Commonwealth or such person as the secretary may designate to act on behalf of the secretary with regard to any of the duties and prerogatives imposed by this article.

"State Board." The State Board of Education.

Section 1704-E.1. Designations by secretary.

(a) Duties of secretary.--

(1) Within 30 days of the effective date of this section, the secretary shall designate an established nonprofit organization as defined under section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)), which represents a rural multicounty region underserved by a comprehensive community college program, including work force development, to assist the secretary with the designation under paragraph (2).

(2) Within 30 days of the designation under paragraph (1), the secretary shall, in consultation with the nonprofit organization, designate contiguous counties or parts of contiguous counties to be served by establishment of a rural regional college.

(b) Changes.--No sooner than four years after the effective date of this section, the secretary, with approval of the board of trustees, may add counties or parts of counties to be served by the rural regional college.

Section 1705-E.1. Designation and board of trustees.

Within 60 days of the secretary's designation under section 1704-E.1(a)(2), a board of trustees shall be appointed to establish a rural regional college. The board of trustees shall consist of not fewer than seven members nor more than 15 members appointed by the secretary in consultation and jointly with the nonprofit organization designated under section 1704-E.1(a)(1). The following shall apply to the board of trustees established under this section:

(1) Members of the board of trustees shall be representative of the area designated under section 1704-E.1(a)(2) and may include school administrators, community education council officials, business leaders and government officials.

(2) Members of the board of trustees shall be appointed for terms of three years each, except that those persons initially appointed shall draw lots to determine which trustees shall serve for a term of three years, which trustees shall serve for a term of two years and which trustees shall serve for a term of one year. To the extent practicable, from those trustees initially appointed, an equal number shall draw lots to serve for a term of three

years, for a term of two years and for a term of one year. Thereafter, all members shall be appointed for terms of three years each.

(3) Vacancies on the board shall be filled by the existing board. A trustee may succeed himself, provided that no member shall serve for longer than ten years.

(4) The secretary shall convene an initial meeting of the board of trustees within 30 days of the secretary's appointment of a board of trustees under this section. After the initial meeting, the board of trustees shall meet at such times each year as the board of trustees determines to be necessary to satisfy the requirements of this article.

(5) The board of trustees shall adopt standing operating rules and procedures, bylaws and articles of incorporation.

(6) The board of trustees shall establish an advisory council of presidents, or their designees, from institutions with postsecondary education programs within the region designated under section 1704-E.1(a)(2). The advisory council shall meet quarterly to discuss employer and work force needs, new educational offerings and general coordination of service and facilities. One advisory council member representing a community college and one advisory council member that is a president of a college or university shall serve as cochairs.

(7) The board of trustees shall choose from among its members a chairman, vice chairman and secretary.

(8) A majority of the members of the board of trustees shall constitute a quorum.

(9) Trustees shall serve without compensation, except that they shall be reimbursed by the rural regional college for their actual and necessary expenses incurred in the performance of their duties.

#### Section 1706-E.1. Establishment.

(a) General rule.--Within one year of its initial meeting, the board of trustees appointed under section 1705-E.1 shall submit to the secretary a proposed rural regional college plan in such form and containing such information as the secretary may require. In addition to other information which may be required by the secretary, the plan shall include the following:

(1) A designation of the name of the proposed rural regional college which shall be the "Rural Regional College of \_\_\_\_\_ " or " \_\_\_\_\_ Rural Regional College."

(2) A survey of the educational, vocational and occupational needs of the area and the means by which the proposed rural regional college will meet those needs, reengage high school dropouts to earn their secondary credentials and postsecondary credentials or industry certification, reduce unemployment and improve the employable skills of residents of the area to be served by the rural regional college.

(3) An operating and financial plan for the proposed rural regional college, including a plan for the capital needs and expenses of the proposed rural regional college.

(4) A plan by which the rural regional college shall seek accreditation by an accrediting association which is recognized by the United States Department of Education.

(b) Submission of plan.--Within 60 days of the submission of the rural regional college plan to the secretary, the secretary shall issue an approval or rejection of the plan. A rejection of the plan shall be accompanied by a written statement of the reasons for the rejection of the plan. If the

plan is rejected, the board of trustees shall submit a revised plan to the secretary within 60 days of the plan's rejection.

(c) Plan approval.--Upon the approval of the plan by the secretary, the rural regional college shall be considered established.

Section 1707-E.1. Powers and duties of board of trustees.

(a) General rule.--The board of trustees appointed under section 1705-E.1 shall administer and supervise the affairs of the rural regional college established under this article. Subject to any other law and to any regulations promulgated by the State Board pertaining to rural regional colleges, the board of trustees shall have the following powers and duties:

(1) To advance the mission of the rural regional college in service to residents of the region designated under section 1704-E.1(a)(2).

(2) To appoint and fix the salary of a president of the rural regional college.

(3) To appoint and fix the salary of a chief financial officer of the rural regional college.

(4) To hold, rent, lease, sell, purchase and improve land, buildings, furnishings, equipment, materials, books and supplies.

(5) To enter into contracts for services with community education councils, schools, colleges or universities, or with school districts or municipalities, and other applicable or appropriate agencies and organizations, to effectuate the purposes of this article.

(6) To accept and receive gifts of real and personal property and Federal, State and local moneys, loans and grants, and to expend the same.

(7) To make policies providing for the admission and expulsion of students, the courses of instruction, the tuition and fees to be charged and for all matters related to the government and administration of the rural regional college, provided that policies related to admission, tuition and fees give preference to residents of the area designated by the secretary pursuant to section 1704-E.1(a)(2).

(8) To submit to the secretary for approval proposed amendments to the rural regional college plan.

(9) To enter into contracts for services to high schools located in the area designated by the secretary under section 1704-E.1 to provide services, including area vocational-technical education services.

(10) To approve an annual budget to be submitted to the secretary for funding.

(11) To exercise such other powers and perform such other duties as are necessary to effectuate the purposes of this article.

(b) Duties of board.--The board of trustees shall enter into contracts, hold property and take other actions in the name of the rural regional college.

(c) Initial partnership.--

(1) The board of trustees shall select initially a partner institution to develop and offer accredited courses and programs of study at the approved sites of operation.

(2) The partner institution shall select programs only with approval of the board of trustees and consistent with the partner institution's accreditation and shall be responsible for staffing and evaluation and provision of other support services as may be required for students.

(3) The board of trustees may contract with other colleges to provide curricula not available through the partner institution.

(4) As the rural regional college is able to operate on its own, a transition plan and budget shall be included in the contract between the rural regional college and the partner institution to efficiently expedite the transition.

(5) Nothing in this article shall be construed to preclude the board of trustees from contracting for specific services or programs following the transition from the initial partner institution.

#### Section 1708-E.1. Officers of rural regional college.

(a) President.--The president shall be the chief executive and administrative officer of the rural regional college and shall perform all duties which the board of trustees may prescribe. The president shall have the right to attend meetings of the board of trustees and to be heard on all matters before it but shall have no right to vote on any matter.

(b) Chief financial officer.--The chief financial officer of the rural regional college shall give a proper bond in such amount and with such corporate surety as is approved by the board of trustees. The chief financial officer shall file the bond with the board of trustees. The account of the chief financial officer shall be audited annually by a certified public accountant or other qualified public accountant selected by the board of trustees.

#### Section 1709-E.1. Students.

Any individual may apply for admission to the rural regional college established under this article, provided that preference in admissions, tuition and fees may be given to residents of the multicounty area designated by the secretary pursuant to section 1704-E.1(a)(2). In considering applicants for admission, the rural regional college shall not discriminate on the basis of race, color, gender, marital status, ethnic group or religion.

#### Section 1710-E.1. Tuition.

The tuition and fees charged by the rural regional college shall be an amount determined by the board of trustees, in accordance with the budget submitted to the secretary. The board of trustees shall annually establish a separate schedule of tuition and fees for students that reside inside the region designated under section 1704-E.1(a)(2) and students that reside outside the region.

#### Section 1711-E.1. Dissolution and transition of rural regional college.

The rural regional college established under this article may not be dissolved without the approval of the secretary. Upon dissolution of the rural regional college, the Commonwealth shall assume all assets and liabilities of the rural regional college, except that such assets that are the property of any partner institution that may be operating for and within the rural regional college shall remain the property of the partner institution.

#### Section 1712-E.1. Degrees.

The rural regional college established under this article may award any type of diploma, technical or career training certificate or associate degrees in the arts, sciences, technologies or general education upon successful completion of programs authorized by the board of trustees. As long as the partner institution provides the accredited curricula and courses under contract to the rural regional college, the

requirements of the accrediting agency shall pertain to the granting of such awards.

Section 1713-E.1. Funding.

The rural regional college established under this article shall be funded by tuition and fees established by the board of trustees and may accept appropriations from the General Assembly, grants from the Federal Government, grants from the Commonwealth, grants from private foundations or any combination thereof.

Section 1714-E.1. Financial aid.

(a) Initial partnership period.--During the rural regional college's initial partnership with a partner institution, a student enrolled in the rural regional college shall be eligible for consideration for a Pennsylvania State Grant and other Commonwealth-funded financial aid administered by the Pennsylvania Higher Education Assistance Agency, provided that the partner institution is an institution of higher education as approved by and in accordance with rules and regulations of the Pennsylvania Higher Education Assistance Agency.

(b) Posttransition period.--Upon the rural regional college operating on its own without a partner institution, a student shall only be eligible for consideration for a Pennsylvania State Grant and any other Commonwealth-funded financial aid if the rural regional college is approved by the Department of Education and is accredited or a recognized candidate for accreditation with an accrediting body recognized under rules and regulations of the Pennsylvania Higher Education Assistance Agency and satisfies any other institutional and administrative program requirements as the Pennsylvania Higher Education Assistance Agency may require.

Section 1715-E.1. Regulations.

The State Board may promulgate regulations pursuant to the act of June 25, 1982 (P.L.633, No.181), known as the Regulatory Review Act, as necessary to implement this article.

Section 1716-E.1. Reports.

The Legislative Budget and Finance Committee shall prepare and submit to the General Assembly written interim and final reports evaluating the operation of this article. The interim report shall be submitted by June 30, 2018, and the final report shall be submitted by June 30, 2022. Each report shall include, but may not be limited to, the following:

(1) A review of the success of the rural regional college established under this article in satisfying the goals set forth in the rural regional college plan approved by the secretary and in satisfying the needs of the multicounty area the rural regional college was established to serve.

(2) Demographic and program data, including the following:

(i) Numbers of full-time and part-time faculty and student enrollments, in total and within curricular areas.

(ii) Dual enrollment participation.

(iii) Credit hours taught by faculty.

(iv) Distance learning courses offered.

(v) Articulation agreements with higher education institutions.

(vi) Lists of courses with fewer than 20 students.

(vii) Lists of courses with more than 50 students.

Where available, student data shall be disaggregated by categories, including gender, race and age.

(3) Student progress and achievement measures, including the following:

- (i) Retention rates related to student goals.
- (ii) Graduation and completion rates after two, three and four years.
- (iii) Passing rates on certification and licensure examinations.
- (iv) Number of students employed within one year of program completion.
- (v) Placement into additional education or employment in the student's field of study.

Where available, data shall be disaggregated by categories, including gender, race and age.

(4) Economic and work force development measures, including:

- (i) Employer satisfaction.
  - (ii) Customized job training offerings.
  - (iii) Employment status.
  - (iv) Numbers of businesses and organizations served.
- (5) Recommendations for future legislation.

Section 1717-E.1. Transfers of credits.

For purposes of facilitating the transfer of credits attained by students of the rural regional college, the rural regional college shall be considered a public institution of higher education as defined in section 2001-C of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, and, upon the rural regional college being able to operate on its own, shall be required to fulfill all the duties and obtain for its students all the benefits of Article XX-C of the Public School Code of 1949, within two years of operation of the established rural regional college.

ARTICLE XVII-J  
2014-2015 BUDGET IMPLEMENTATION  
SUBARTICLE A  
PRELIMINARY PROVISIONS

Section 1701-J. Applicability.

Except as specifically provided in this article, this article applies to the General Appropriation Act and all other appropriation acts of 2014.

Section 1702-J. Definitions.

(a) Definitions.--The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"General Appropriation Act." The act of July 10, 2014 (P.L.3052, No.1A), known as the General Appropriation Act of 2014.

"Public School Code of 1949." The act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949.

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

(b) Abbreviations.--The following abbreviations when used in this article shall have the meanings given to them in this section:

"AIDS." Acquired Immune Deficiency Syndrome.

"ARC." Appalachian Regional Commission.

"ARRA." The American Recovery and Reinvestment Act of 2009 (Public Law 111-5, 123 Stat. 115).

"BG." Block Grant.

"CCDFBG." Child Care and Development Fund Block Grant.

"CSBG." Community Services Block Grant.

"DCSI." Drug Control and Systems Improvement Formula Grant Program.

"DFSC." The Safe and Drug-Free Schools and Communities Act (Public Law 107-110, 20 U.S.C. § 7101 et seq.).  
"DOE." Department of Energy.  
"EEOC." Equal Employment Opportunity Commission.  
"EPA." Environmental Protection Agency.  
"ESEA." The Elementary and Secondary Education Act of 1965 (Public Law 89-10, 20 U.S.C. § 6301 et seq.).  
"FEMA." Federal Emergency Management Agency.  
"FTA." Federal Transit Administration.  
"HUD." Department of Housing and Urban Development.  
"ID." Intellectual Disability.  
"LIHEABG." Low-Income Home Energy Assistance Block Grant.  
"LSTA." The Library Services and Technology Act (Public Law 104-208, 20 U.S.C. § 9101 et seq.).  
"MCHSBG." Maternal and Child Health Services Block Grant.  
"MHSBG." Mental Health Services Block Grant.  
"PAFE." Pennsylvania Agricultural Food Exposition.  
"PHHSBG." Preventive Health and Health Services Block Grant.  
"RSAT." Residential Substance Abuse Treatment.  
"SABG." Substance Abuse Block Grant.  
"SCDBG." Small Communities Development Block Grant.  
"SDA." Service Delivery Area.  
"SSBG." Social Services Block Grant.  
"TANF." Temporary Assistance for Needy Families.  
"TANFBG." Temporary Assistance for Needy Families Block Grant.  
"TEFAP." Temporary Emergency Food Assistance Program.  
"WIA." The Workforce Investment Act of 1998 (Public Law 105-220, 112 Stat. 936).  
"WIC." Women, Infants and Children Program.

#### SUBARTICLE B

#### EXECUTIVE DEPARTMENTS

Section 1711-J. Governor (Reserved).

Section 1712-J. Executive offices.

(1) Funds appropriated to the Pennsylvania Commission on Crime and Delinquency for intermediate punishment treatment programs shall be distributed competitively to counties for offenders sentenced to intermediate punishment programs. The portion of funds for drug and alcohol treatment programs shall be based on national statistics that identify the percentage of incarcerated individuals that are in need of treatment for substance issues but in no case shall be less than 80% of the amount appropriated.

(2) From funds appropriated to the commission, at least \$285,000 shall be used to support the Statewide Automated Victim Information and Notification System (SAVIN) to provide offender information through county jails, and \$200,000 shall be used for a residential treatment community facility for at-risk youth located in a county of the fifth class.

(3) From funds appropriated for violence prevention programs, at least \$250,000 shall be used for programs in a city of the second class, and at least \$450,000 shall be used for a blueprint mentoring program that addresses reducing youth violence in cities of the first, second and third class.

(4) From funds appropriated for child advocacy centers, \$250,000 shall be used for a mobile child advocacy center.

Section 1713-J. Lieutenant Governor (Reserved).

Section 1714-J. Attorney General (Reserved).

Section 1715-J. Auditor General (Reserved).

Section 1716-J. Treasury Department.

From funds appropriated for intergovernmental organizations, \$45,000 shall be allocated for payment of dues for fiscal years 2013-2014 and 2014-2015 to a commission of the Atlantic coastal states that coordinates the conservation and management of near-shore fish species.

Section 1717-J. Department of Aging (Reserved).

Section 1718-J. Department of Agriculture.

(1) From funds appropriated for agricultural research, at least \$300,000 shall be used for an agricultural resource center in conjunction with a land-grant university.

(2) At least 80% of the funds appropriated for hardwoods research and promotion shall be equally distributed among the hardwood utilization groups of this Commonwealth established prior to the effective date of this section.

(3) From funds appropriated for general government operations, \$250,000 shall be transferred to the Dog Law Restricted Account.

Section 1719-J. Department of Community and Economic Development.

The following shall apply to appropriations for the Department of Community and Economic Development:

(1) For fiscal year 2014-2015, \$250,000 of the funds appropriated for Keystone Communities shall be used for the restoration of a historic property to provide affordable housing in a county of the fourth class with a population, based on the most recent Federal decennial census, of at least 150,000 but not more than 155,000, and \$500,000 shall be used for a downtown revitalization project, including installation of new lighting systems, signal upgrade and sidewalk replacements, in a city of the third class in a county of the fifth class. The remaining funds include an allocation for the Main Street and Elm Street programs which are distributed in the same proportion as amounts allocated in fiscal year 2012-2013.

(2) The sum of \$4,700,000 of the funds appropriated for marketing to attract tourists includes an allocation to plan and market a biennial arts and cultural activity which generates Statewide and regional economic impact, allocations to promote annual arts and cultural activities and an allocation of \$300,000 for an annual Statewide competition serving approximately 2,000 athletes with intellectual disabilities from across this Commonwealth to be held in a county of the fourth class.

(3) From funds appropriated for intergovernmental cooperation authority, \$300,000 to cities of the second class for purposes determined by the board to be necessary to achieve or sustain fiscal recovery.

Section 1720-J. Department of Conservation and Natural Resources.

The following shall apply to appropriations from the Department of Conservation and Natural Resources in the General Appropriation Act:

(1) From funds appropriated for heritage and other parks, \$500,000 shall be used for the operation and maintenance of the Washington Crossing Historical Park.

(2) (Reserved).

Section 1721-J. Department of Corrections (Reserved).

Section 1722-J. Department of Education.

The following shall apply to appropriations for the Department of Education in the General Appropriation Act:



(1) From funds appropriated for general government operations, \$50,000 shall be allocated to promote a national veteran's education program.

(2) From an appropriation for adult and family literacy programs, summer reading programs and the adult high school diplomas program, \$400,000 shall be allocated for an after-school learning program servicing low-income students located in a county of the sixth class with a population, based on the most recent Federal decennial census, of at least 60,000 but not more than 70,000.

(3) From funds appropriated for mobile science and mathematics education programs, \$50,000 shall be allocated for a mathematics education program that targets middle school students, \$150,000 shall be allocated to a nautical science center in a county of the second class, \$14,000 shall be allocated for a mathematics laboratory in a school district in a city of the third class located in a county of the third class, \$500,000 shall be allocated for the construction of a National Aeronautics and Space Administration-sponsored science, technology, engineering and mathematics center in a township of the second class in a county of the sixth class, and \$500,000 shall be allocated for a regional science, technology, engineering and mathematics center serving sixth through twelfth grade students located in a township of the first class in a county of the third class.

(4) Notwithstanding any other provision of law, funds appropriated for community education councils shall be distributed as follows:

(i) Each community education council which received funding in fiscal year 2013-2014 shall receive an amount equal to the amount it received in that fiscal year and a pro rata share of \$50,000.

(ii) No less than \$480,000 for an education consortium serving Cameron, Clarion, Clearfield, Crawford, Elk, Forest, Jefferson, McKean, Potter, Venango and Warren Counties.

(5) From funds appropriated for regional community college services, \$500,000 shall be distributed to a community college in a county of the fourth class with a population, based on the most recent Federal decennial census, of at least 175,000 but not more than 190,000, and \$1,200,000 shall be distributed to a rural regional college serving multiple rural communities or parts of rural communities.

(6) From funds appropriated for Pennsylvania Charter Schools for the Deaf and Blind, \$1,100,000 shall be distributed pro rata based on each school's increased share of required contributions for public school employees' retirement.

(7) Notwithstanding section 1724-A of the Public School Code of 1949 or 24 Pa.C.S. § 8329 (relating to payments on account of social security deductions from appropriations), no payments shall be made to charter schools or cyber charter schools authorized under Article XVII-A of the Public School Code of 1949 from funds appropriated for school employees' Social Security.

(8) Notwithstanding any other provision of law, the following shall apply to school building construction and reconstruction projects for which reimbursement from the appropriation for payments on account of annual rental or

sinking fund charges on school buildings or charter schools is being sought:

(i) For a school district that has received approval from the department for reimbursement, but fails to submit all additional project documentation requested within 90 days of the request, the department shall move the project back in the reimbursement order until such time as the school district complies with the information request and shall move other projects up in the reimbursement order.

(ii) The Secretary of Education may grant waivers to school districts that fail to submit requested documentation under subparagraph (i) and are in the process of reconciling financial records or are facing litigation or bond refinancing delays.

(9) Notwithstanding section 1724-A of the Public School Code of 1949 or 24 Pa.C.S. §§ 8326 (relating to contributions by the Commonwealth) and 8535 (relating to payments to school entities by Commonwealth), no payments shall be made to charter schools or cyber charter schools authorized under Article XVII-A of the Public School Code of 1949 from funds appropriated for payment of required contributions for public school employees' retirement.

(10) From the appropriation for payments on account of special education for exceptional children, the amount of the appropriation allocated for payments to school districts shall be distributed as follows:

(i) Each school district shall receive an amount equal to the amount paid during the 2013-2014 school year under section 2509.5(aaa) of the Public School Code of 1949.

(ii) A student-based allocation to be calculated as follows:

(A) Multiply the sum of the school district's weighted special education student headcount and its sparsity/size adjustment by its market value/income aid ratio and its equalized millage multiplier.

(B) Multiply the product in clause (A) by \$19,800,000.

(C) Divide the product from clause (B) by the sum of the products in clause (A) for all school districts.

(11) For the purposes of paragraph (10):

(i) The weighted special education student headcount shall be calculated for each school district as follows:

(A) Multiply the number of special education students who reside in the school district for which the annual expenditure is less than \$25,000, which shall be known as Category 1, by 1.51.

(B) Multiply the number of special education students that reside in the school district for which the annual expenditure is equal to or greater than \$25,000 but less than \$50,000, which shall be known as Category 2, by 3.77.

(C) Multiply the number of special education students who reside in the school district for which the annual expenditure is equal to or greater than \$50,000, which shall be known as Category 3, by 7.46.

(D) Add the products in clauses (A), (B) and (C).

The annual expenditure amount used to calculate funding shall be based on the information reported to the

department under section 1372(8) of the Public School Code of 1949.

(ii) The sparsity ratio shall be calculated for each school district as follows:

(A) Divide the school district's average daily membership per square mile by the State's average daily membership per square mile.

(B) Multiply the quotient of clause (A) by 0.5.

(C) Subtract the product in clause (B) from 1.

(iii) The size ratio for each school district shall be calculated as follows:

(A) Divide the school district's average daily membership by the average of the average daily membership of all school districts.

(B) Multiply the quotient of clause (A) by 0.5.

(C) Subtract the product in clause (B) from 1.

(iv) The sparsity/size ratio for each school district shall be calculated by adding 40% of the sparsity ratio and 60% of the size ratio.

(v) The sparsity/size adjustment for each school district shall be calculated as follows:

(A) For a school district with a sparsity/size ratio less than or equal to the sparsity/size ratio that represents the 70th percentile of the sparsity/size ratio of all school districts, the school district's sparsity/size adjustment shall be 0.

(B) For a school district with a sparsity/size ratio greater than the sparsity/size ratio that represents the 70th percentile of the sparsity/size ratio of all school districts, the school district's sparsity/size adjustment shall be calculated as follows:

(I) Divide the school district's sparsity/size ratio by the sparsity/size ratio that represents the 70th percentile of the sparsity/size ratio of all school districts.

(II) Subtract 1 from the quotient in subclause (I).

(III) Multiply the remainder in subclause (II) by 0.5.

(IV) Multiply the product in subclause (III) by the school district's weighted special education student headcount.

(vi) The equalized millage multiplier for each school district shall be calculated as follows:

(A) For a school district with an equalized millage rate greater than or equal to the equalized millage rate that represents the 70th percentile of the equalized millage rate of all school districts, the school district's equalized millage multiplier shall be 1.

(B) For a school district with an equalized millage rate less than the equalized millage rate that represents the 70th percentile of the equalized millage rate of all school districts, the school district's equalized millage multiplier shall be calculated as follows:

(I) Divide the school district's equalized millage rate by the equalized millage rate that represents the 70th percentile of the equalized millage rate of all school districts.

(II) (Reserved).

(12) The data used to calculate the weighted special education student headcount in paragraph (11)(i) shall be based on information from the most recent year for which data is available as determined by the department. The data used to calculate the provisions in paragraph (11)(ii), (iii), (iv), (v) and (vi) shall be averaged for the three most recent years for which data is available as determined by the department.

(13) From the appropriation for payments on account of special education of exceptional children, the amount of the appropriation allocated to intermediate units on account of special education services shall remain the same as allocated in fiscal year 2013-2014 under section 2509.1(c.1) of the Public School Code of 1949 and shall be distributed as follows:

(i) Thirty-five percent of the amount shall be distributed to each intermediate unit equally among all intermediate units.

(ii) The remaining 65% of the amount shall be distributed on a pro rata basis to each intermediate unit based on its component school districts' average daily membership.

(14) (i) Notwithstanding any provisions contained in section 2509.8 of the Public School Code of 1949, from the appropriation for payments on account of special education for exceptional children, 1% of the special education appropriation shall be distributed to school districts and charter schools for extraordinary expenses incurred in providing a special education program or service to one or more students with disabilities as approved by the Secretary of Education. Such special education program or service shall include, but not be limited to, the transportation of students with disabilities; services related to occupational therapy, physical therapy, speech and language, hearing impairments or visual impairments; or training in orientation and mobility for children who are visually impaired or blind.

(ii) Funds distributed to a school district or charter school under this paragraph shall be allocated for students for which expenses are incurred on an annual basis that are equal to or greater than \$75,000 as follows:

(A) For a student for whom expenses are equal to or greater than \$75,000 and less than or equal to \$100,000, subtract the State subsidies paid on behalf of the student to the school district or, for a student enrolled in a charter school, the charter school payment received by the charter school where the child is enrolled from the expense incurred for the student and multiply the difference by the school district's or charter school's market value/personal income aid ratio.

(B) For a student for which expenses are greater than \$100,000, subtract the State subsidies paid on behalf of the student to the school district or, for a student enrolled in a charter school, the charter school payment received by the charter school where the child is enrolled from the expense incurred for the student.

(iii) No school district or charter school shall in any school year receive an amount under subparagraph (i) which exceeds the total amount of funding available multiplied by the percentage equal to the greatest percentage of the State's special education students enrolled in a school district or charter school.

(15) Funds from the set-aside under paragraph (14) shall be allocated to each approved private school with a day tuition rate determined to be less than \$32,000 during the 2010-2011 school year. The allocation shall be determined as follows:

(i) Subtract:

(A) the approved private school's 2010-2011 school year day tuition rate; from

(B) \$38,072.

(ii) Multiply:

(A) the difference under subparagraph (i); by

(B) the number of approved students enrolled in the approved private school during the 2010-2011 school year.

(16) (i) Funds appropriated for basic education funding to school districts shall be distributed to each school district in an amount equal to the amount paid for the 2012-2013 school year under section 2502.52 of the Public School Code of 1949.

(ii) Any funds remaining in the appropriation for basic education funding to school districts after distribution under subparagraph (i) shall be deposited in the Financial Recovery School District Transitional Loan Account.

(17) Notwithstanding any other provision of law, from the appropriation for payment of approved operating expenses for community colleges, each community college shall receive an amount equal to the amount paid during the 2013-2014 fiscal year under section 1913-A(b) (1.6) of the Public School Code of 1949 and a pro rata share of \$3,500,000.

(18) Notwithstanding any other provision of law, the following apply to libraries:

(i) Funds appropriated for libraries for the 2014-2015 fiscal year shall be distributed to each library under the following formula:

(A) Divide the amount of funding the library received in fiscal year 2013-2014 under 24 Pa.C.S. § 9342(k) (relating to special rules for specific fiscal years) by the total State aid subsidy for fiscal year 2013-2014.

(B) Multiply the quotient under clause (A) by the total State aid subsidy for fiscal year 2014-2015.

(ii) Following the distribution of funds appropriated for State aid to libraries under subparagraph (i), any remaining funds may be distributed to libraries at the discretion of the State Librarian.

(iii) If funds appropriated for State aid to libraries in fiscal year 2014-2015 are less than funds appropriated in fiscal year 2002-2003, the State Librarian may waive standards as prescribed under 24 Pa.C.S. § 9332 (relating to waiver of standards).

(iv) (A) Each library receiving State aid under this paragraph may distribute the local library share of that aid in a manner as determined by the board of directors of the library system.

(B) In the case of a library system that contains a library operating in a city of the second class, changes to the distribution of State aid to the library shall be made by mutual agreement between the library and the library system.

(v) In the event of a change in district library center population prior to the effective date of this section as a result of a city, borough, town, township, school district or county moving from one library center to another or a transfer of district library status to a county library system, funding of district center aid shall be paid based on the population of the newly established or reconfigured district library center.

(19) The department may utilize up to \$4,500,000 of undistributed funds not expended, encumbered or committed from appropriations for grants and subsidies made to the department to assist school districts declared to be in financial recovery status under section 621-A of the Public School Code of 1949 or identified for financial watch status under section 611-A of the Public School Code of 1949. The funds shall be transferred by the secretary to a restricted account as necessary to make payments under this paragraph and, when transferred, are hereby appropriated to carry out the provisions of this paragraph.

(20) Notwithstanding any provision of law, in order to supplement funds appropriated to the department for general government operations and to defray the costs of administration and oversight activities associated with alternative education programs:

(i) A school district, combination of school districts or charter school that makes an application to establish an alternative education program under Article XIX-C of the Public School Code of 1949 shall submit initial and renewal applications along with a fee of \$400 as prescribed by the department.

(ii) A private alternative education institution that makes an application for approval to operate under Article XIX-E of the Public School Code of 1949 shall submit initial and renewal applications along with a fee of \$1,000 as prescribed by the department.

(iii) The funds collected in subparagraphs (i) and (ii) shall be deposited into a restricted account in the General Fund to be known as the Alternative Education Program Account and are hereby appropriated to the department.

(21) From the appropriation for the Ready to Learn Block Grant, funds shall be distributed to school entities as follows:

(i) Each school entity shall receive an amount equal to the amount paid during the 2013-2014 school year under section 2599.2 of the Public School Code of 1949.

(ii) A Ready to Learn Block Grant subsidy as follows:

(A) A base amount equal to \$231.

(B) A per-student factor equal to the base amount multiplied by the product of a school entity's average daily membership and its market value/income aid ratio.

(C) An English language learner factor equal to:

(I) The base amount multiplied by 0.15.

(II) The product under subclause (I) multiplied by the product of students in the school entity identified as limited English proficient and its market value/income aid ratio.

(D) A poverty factor equal to:

(I) The base amount multiplied by 0.25.

(II) The product under subclause (I) multiplied by the product of students in the school entity identified as economically disadvantaged and its market value/income aid ratio.

(E) The amounts under subclauses (B), (C) and (D) shall be added.

(F) If insufficient or additional funds are available to make Commonwealth payments under this subparagraph, after distribution of funding under subparagraph (i), the payments shall be made on a pro rata basis.

(G) To determine the calculation contained in this subparagraph, the department shall use the most recent data available.

(iii) Funding received by a school entity under subparagraph (i) shall be used in accordance with section 2599.2 of the Public School Code of 1949, or as allowed under subparagraph (v).

(iv) To be eligible to receive funding under subparagraph (ii), each school entity shall submit a plan for approval to the department outlining how the funding will be used to maintain and improve academic performance.

(v) Funds distributed under subparagraph (ii) shall be used for the following purposes:

(A) Prekindergarten through grade 3 curriculum alignment with the current academic standards.

(B) Teacher training and professional development opportunities aligned with the current academic standards designed to improve early literacy and STEM education in prekindergarten through grade 3 classes.

(C) Prekindergarten through grade 3 extended learning opportunities that allow for additional classroom instruction before, during and after school.

(D) Establishing, maintaining or expanding a quality prekindergarten program aligned with the current academic standards.

(E) Establishing, maintaining or expanding a quality full-day kindergarten program aligned with current academic standards.

(F) Supplemental instruction and instructional coaches for the current Keystone Exams.

(G) Implementation of the Pennsylvania Comprehensive Literacy Plan.

(H) Efforts that improve student outcomes in STEM education, including STEM training and professional development for educators.

(I) Establishing, maintaining or expanding hybrid learning models.

(J) Researching, establishing, maintaining or expanding competency-based learning models.

(K) Uses allowed under section 2599.2 of the Public School Code of 1949.

(L) Other uses as approved by the department.

(vi) For the purpose of this paragraph, a school entity shall be a school district, charter school or cyber charter school.

(22) Notwithstanding any provision of law to the contrary, the revenues received by a school district under paragraph (21)(ii) shall not be included in the school district's budgeted total expenditure per average daily membership used to calculate the amount to be paid to a charter school under section 1725-A(a)(2) and (3) of the Public School Code of 1949.

(23) From funds appropriated for vocational education equipment, grants shall be distributed to each area vocational-technical school and school district with an approved vocational program that applies to and is approved by the department for funding for the purchase of equipment that meets industry standards as follows:

(i) A base amount of \$3,000.

(ii) A per-student amount calculated as follows:

(A) Multiply the 2013-2014 average daily membership in approved vocational education programs for each area vocational-technical school or school district that has been approved for funding by the department by the difference between \$3,000,000 and the sum of the funding distributed under subparagraph (i).

(B) Divide the product from clause (A) by the sum of the 2013-2014 average daily membership in approved vocational education programs for all vocational-technical schools and school districts that have been approved for funding by the department.

(24) The following apply:

(i) For the purposes of paragraph (23), the application to apply for funding shall be developed by the department within 30 days of the effective date of this section and only require the following, which may be collected electronically:

(A) Name, address, e-mail address and telephone number of the area vocational-technical school or school district.

(B) Name, e-mail address and telephone number of an employee of the area vocational-technical school or school district who will be available to answer questions regarding the funding application.

(C) Description of the equipment for which the requested funding will be used, the career and technical education program in which the equipment will be used, the date on which the occupational advisory committee recommended the purchase of the equipment and verification that the equipment will be used for technical classroom instruction. For purposes of this subclause, "occupational advisory committee" shall mean an occupational advisory committee established pursuant to 22 Pa. Code Ch. 339 (relating to vocational education).

(ii) The department may not request and consider any information other than the information provided in the funding application.

(iii) Each area vocational-technical school or school district with an approved vocational program that



submits a completed funding application shall receive funding in the amount determined under paragraph (23).  
Section 1723-J. Department of Environmental Protection.

The following shall apply to appropriations for the Department of Environmental Protection in the General Appropriation Act:

(1) Notwithstanding section 502 of the act of July 9, 2008 (1st Sp. Sess., P.L.1873, No.1), known as the Alternative Energy Investment Act, in fiscal year 2014-2015, no funds shall be appropriated from the General Fund to the department for the Consumer Energy Program. Any appropriation for fiscal year 2014-2015 is revoked.

(2) From funds appropriated for sewage facilities planning grants, up to \$35,600 shall be distributed for reimbursement of costs incurred by a borough in a county of the third class. Up to \$54,600 shall be distributed for reimbursement of costs incurred by a township of the first class in a county of the second class A. Five hundred thousand dollars shall be distributed for upgrades at an existing wastewater pumping station operated by a joint sewer authority serving a third class city in a county of the fifth class.

(3) Not later than 60 days after the effective date of this section, the department shall pay or transfer \$8,672,845 of the unexpended Alternative Energy Series 2010B proceeds allocated to the department under section 304(a) of the Alternative Energy Investment Act to the Commonwealth Financing Authority for the payment of interest due during fiscal year 2014-2015 on the authority's alternative energy tax-exempt bond issues.

(4) From funds appropriated for environmental program management, \$150,000 shall be used for independent research of natural gas drilling.

(5) The provisions of 25 Pa. Code §§ 94.11 (relating to sewer extensions), 94.21 (relating to existing overload), 94.22(2) (relating to projected overload), 94.31 (relating to organic or hydraulic overload) and 94.32 (relating to public health hazard or pollution) shall not apply in a municipality that is party to a 2004 Administrative Consent Order with a health department located in a county of the second class. The department shall grant to municipalities that signed the order exceptions under 25 Pa. Code § 94.51 (relating to request for exception) or otherwise remove other bans issued during calendar year 2014 under 25 Pa. Code Ch. 94 (relating to municipal wasteload management).

Section 1724-J. Department of General Services.

From funds appropriated for rental, relocation and municipal charges, \$2,500,000 shall be transferred to the Senate for distribution upon approval of the President pro tempore of the Senate and the Majority Leader of the Senate, and \$2,500,000 shall be transferred to the House of Representatives for distribution upon approval of the Speaker of the House of Representatives and the Majority Leader of the House of Representatives.

Section 1725-J. Department of Health.

(1) From funds appropriated for general government operations, \$50,000 is included for outreach to identify children in need of professional eye examination and eye care, sufficient funds are included for the coordination of donated dental services, and \$50,000 is included for outreach for Charcot-Marie-Tooth syndrome.

(2) From funds appropriated for newborn screening, \$150,000 shall be allocated to establish a new referral center for abnormal metabolic screenings at a children's hospital in a county of the eighth class.

(3) From funds appropriated for adult cystic fibrosis and other chronic respiratory illnesses, at least \$200,000 shall be used for a program promoting cystic fibrosis research in a county of the second class, and \$100,000 shall be used for research related to childhood cystic fibrosis in a city of the first class with a hospital that is nationally accredited as a cystic fibrosis treatment center and specializes in the treatment of children.

(4) Funds appropriated for lupus programs shall be distributed in the same proportion as distributed in fiscal year 2013-2014.

(5) Funds appropriated for biotechnology research include allocations for regenerative medicine research, for regenerative medicine medical technology, for hepatitis and viral research, for drug research and clinical trials related to cancer, for genetic and molecular research for disease identification and eradication, for a study related to nanotechnology and for the commercialization of applied research.

Section 1726-J. Insurance Department (Reserved).

Section 1727-J. Department of Labor and Industry.

The following shall apply to appropriations for the Department of Labor and Industry from the General Appropriation Act:

(1) From funds appropriated to the department for general government operations, \$250,000 shall be used for the purchase of transportation assistance for job retention, job training and job search activities for displaced, unemployed and disabled individuals and families in counties of the second class.

(2) The appropriation for payment to the Vocational Rehabilitation Fund for work of the State Board of Vocational Rehabilitation includes \$2,153,000 for a Statewide professional service provider association for the blind to provide specialized services and prevention of blindness services and \$431,000 to provide specialized services and prevention of blindness services in cities of the first class.

(3) From funds appropriated for Industry Partnerships, \$200,000 shall be allocated for a work force development program that links veterans with employment in a home rule county that was formerly a county of the second class A.

(4) From funds appropriated for work force development services for displaced homemakers, single parents, low-income heads of households and women in transition, a grantee or subgrantee shall provide to the Department of Labor and Industry all of the following information:

(i) A statistical report of the number of participants served.

(ii) A financial statement.

(iii) A projected budget.

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

From funds appropriated for veterans outreach, at least \$750,000 shall be used for programs providing treatment for post-traumatic stress disorder for veterans.

Section 1729-J. Department of Public Welfare.

The following shall apply to appropriations for the Department of Public Welfare from the General Appropriation Act:

(1) Authorized transfers for child-care services. The following shall apply:

(i) The department, upon approval of the secretary, may transfer Federal funds appropriated for TANFBG Child Care Assistance to the CCDFBG Child Care Services appropriation to provide child-care services to additional low-income families if the transfer of funds will not result in a deficit in the appropriation. The secretary shall provide notice ten days prior to a transfer under this subparagraph to the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives.

(ii) The department, upon approval of the secretary, may transfer Federal funds appropriated for CCDFBG Child Care Assistance to the CCDFBG Child Care Services appropriation to provide child-care services to additional low-income families, provided that the transfer of funds will not result in a deficit in the appropriation. The secretary shall provide notice ten days prior to a transfer under this subparagraph to the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives.

(2) Federal and State medical assistance payments. The following shall apply:

(i) For fiscal year 2014-2015, payments to hospitals for Community Access Fund grants shall be distributed under the formulas utilized for these grants in fiscal year 2013-2014. If the total funding available under this subparagraph is less than that available in fiscal year 2013-2014, payments shall be made on a pro rata basis.

(ii) Funds appropriated for medical assistance transportation shall only be utilized as a payment of last resort for transportation for eligible medical assistance recipients.

(iii) Amounts allocated from funds appropriated for medical assistance outpatient services for the Select Plan for Women Preventative Health Services shall be used for women's medical services, including noninvasive contraception supplies.

(iv) Federal or State funds appropriated under the General Appropriation Act in accordance with Article VIII-H of the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, not used to make payments to hospitals qualifying as Level III trauma centers or seeking accreditation as Level III trauma centers shall be used to make payments to hospitals qualifying as Levels I and II trauma centers.

(v) Qualifying university-affiliated physician practice plans which received funds for fiscal year 2013-2014 shall not receive any less than the State appropriation made available to those university-affiliated physician practice plans during fiscal year 2013-2014. From funds appropriated for physician practice plans:

(A) \$1,500,000 shall be distributed to a physician practice plan serving a health system located in a city of the first class and a contiguous county of the second class A which did receive funding during fiscal year 2013-2014;

(B) at least \$500,000 shall be distributed to a physician practice plan serving a hospital located in a county of the second class A which did receive funding in fiscal year 2013-2014; and

(C) at least \$500,000 shall be distributed to a physician practice plan serving a health system located in a city of the first class and two contiguous counties of the second class A that has an independent academic center which did receive funding during fiscal year 2013-2014.

(vi) Qualifying academic medical centers which received funds for fiscal year 2013-2014 shall not receive any less than the State appropriation made available to those academic medical centers during fiscal year 2013-2014. From funds appropriated for qualifying academic medical centers, a qualifying academic medical center located in a third class county with a population between 279,000 and 282,000 under the 2010 Federal decennial census shall receive an additional \$300,000, and an academic medical center located in a city of the first class that did not receive funding during fiscal year 2010-2011 shall receive an additional \$300,000.

(vii) Notwithstanding any other law, funds appropriated for medical assistance payments for inpatient care, exclusive of inpatient services provided through capitation plans, shall include sufficient funds for two separate All Patient Refined Diagnostic Related Group payments for inpatient acute care general hospital stays for:

(A) normal newborn care; and

(B) mothers' obstetrical delivery.

(viii) From funds appropriated for medical assistance payments for inpatient care, \$150,000 shall be used for treatment of cleft palates and other craniofacial anomalies.

(ix) From funds appropriated for medical assistance inpatient care, \$1,000,000 shall be distributed to an acute care hospital in a city of the third class in a county of the sixth class, \$300,000 shall be distributed for improvements to an intensive care facility in an acute care hospital located in a city of the first class, and \$3,000,000 shall be distributed for a hospital in a city of the third class in a home rule county of the second class A.

(x) From funds appropriated for medical assistance capitation, \$150,000 shall be used for prevention and treatment of depression and its complications in older Pennsylvanians in a county of the second class.

(xi) From funds appropriated for medical assistance long-term care, \$2,000,000 shall be distributed to county nursing homes located in a home rule county that was formerly a county of the second class A which have a medical assistance occupancy rate of at least 85%.

(xii) Subject to Federal approval of necessary amendments of the Title XIX State Plan, from funds appropriated for medical assistance long-term care, \$8,000,000 is allocated for quarterly medical assistance

day-one incentive payments to qualified nonpublic nursing facilities under methodology and criteria under section 443.1(7)(v) of the Public Welfare Code.

(xiii) Money appropriated for critical access hospitals shall be distributed for reimbursement in accordance with a formula established by the department. The department may consider the feasibility of reimbursing a "critical access hospital," as defined in section 1861(mm)(1) of the Social Security Act (49 Stat. 620, 42 U.S.C. § 1395x(mm)(1)), which is qualified to participate under Title XIX of the Social Security Act (42 U.S.C. § 1396 et seq.) at 101% of medical assistance allowable costs for:

(A) "Inpatient critical access hospital services," as defined in section 1861(mm)(2) of the Social Security Act (42 U.S.C. 1395x(mm)(2)), provided to a medical assistance recipient.

(B) "Outpatient critical access hospital services," as defined in section 1861(mm)(3) of the Social Security Act (42 U.S.C. § 1395 x(mm)(3)), provided to a medical assistance recipient.

(C) The payments to the critical access hospitals shall be the sum of the difference between 101% of medical assistance allowable cost and medical assistance payments received toward those costs as calculated for each critical access hospital, in the most recent year for which complete data are available.

(3) Breast cancer screening. The following shall apply:

(i) Funds appropriated for breast cancer screening may be used for women's medical services, including noninvasive contraception supplies.

(ii) (Reserved).

(4) Women's service programs. The following shall apply:

(i) Funds appropriated for women's service programs grants to nonprofit agencies whose primary function is to promote childbirth and provide alternatives to abortion shall be expended to provide services to women until childbirth and for up to 12 months thereafter, including food, shelter, clothing, health care, counseling, adoption services, parenting classes, assistance for postdelivery stress and other supportive programs and services and for related outreach programs. Agencies may subcontract with other nonprofit entities which operate projects designed specifically to provide all or a portion of these services. Projects receiving funds referred to in this subparagraph shall not promote, refer for or perform abortions or engage in any counseling which is inconsistent with the appropriation referred to in this subparagraph and shall be physically and financially separate from any component of any legal entity engaging in such activities.

(ii) Federal funds appropriated for TANF BG Alternatives to Abortion shall be utilized solely for services to women whose gross family income is below 185% of the Federal poverty guidelines.

(5) The provisions of 8 U.S.C. §§ 1611 (relating to aliens who are not qualified aliens ineligible for Federal public benefits), 1612 (relating to limited eligibility of qualified aliens for certain Federal programs) and 1642 (relating to verification of eligibility for Federal public benefits) shall apply to payments and providers.

(6) From funds appropriated for autism intervention and services, \$450,000 shall be distributed to a behavioral health facility located in a fifth class county with a population between 130,000 and 135,000 under the 2010 Federal decennial census that operates a center for autism and developmental disabilities, \$240,000 shall be distributed to an institution of higher education which provides autism education and diagnostic curriculum located in a city of the first class that operates a center for autism in a county of the second class A, \$240,000 shall be distributed to an institution of higher education which provides autism education and diagnostic curriculum and is located in a county of the second class, and \$200,000 shall be allocated to programs to promote the health and fitness of persons with developmental disabilities located in a city of the first class.

(6.1) Community-based family centers. Funds appropriated for community-based family centers may not be considered as part of the base for calculation of the county child welfare needs-based budget for a fiscal year.

(7) Child welfare services. For fiscal year 2014-2015, a provider of 24-hour, out-of-home, community-based or institutional care and supervision of a child, with the care and supervision being paid for or provided by a county using Federal or State funds disbursed under Article VII of the Public Welfare Code, shall submit documentation to the department of its costs of providing out-of-home placement services. The department shall use such documentation, to the extent necessary, to support the department's claim for Federal funding and for State reimbursement for allowable direct and indirect costs incurred in the provision of out-of-home placement services.

(8) From funds appropriated for mental health services or from Federal funds, at least \$310,000 shall be used for the continued operation and maintenance of the existing network of web portals that provides comprehensive referral services, support and information for early intervention, prevention and support for those with mental illness or substance abuse, their families, county mental health offices, providers and others involved in mental health treatment.

(9) A hospital in a county of the fourth class with a population between 168,000 and 170,500 under the 2010 Federal decennial census shall, for purposes of Medicare reimbursement, be designated by the Commonwealth as a rural hospital under section 1886(d)(8)(E)(ii)(II) of the Social Security Act (42 U.S.C. § 1395 ww(d)(8)(E)(ii)(II)).

(10) To supplement the funds appropriated to the department for medical assistance for workers with disabilities, in addition to the monthly premium established under section 1503(b)(1) of the act of June 26, 2001 (P.L.755, No.77), known as the Tobacco Settlement Act, the department may adjust the percentage of the premium upon approval of the Centers for Medicaid Services as authorized under federal requirements. Failure to make payments in accordance with this paragraph or section 1503(b)(1) of the Tobacco Settlement Act shall result in the termination of medical assistance coverage.

Section 1730-J. Department of Revenue.

The following shall apply to appropriations for the Department of Revenue in the General Appropriation Act:

(1) The Enhanced Revenue Collection Account created under section 1730-L for fiscal years 2010-2011 and 2011-2012 shall continue through fiscal year 2019-2020. Revenues collected and the amount of refunds avoided as a result of expanded tax return reviews and tax collection activities shall be deposited into the account. The following shall apply:

(i) Of the funds in the account, for each of the fiscal years 2014-2015 through 2019-2020, up to \$25,000,000 is appropriated to the department to fund the costs associated with increased tax collection enforcement and reduction in tax refund errors. The balance of the funds in the account on June 15, 2014, and each June 15 thereafter, shall be transferred to the General Fund or another authorized fund.

(ii) The department shall issue a report to the Governor, the chairman and the minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives by June 1, 2015, and by each June 1 thereafter, with the following information:

(A) A detailed breakdown of the department's administrative costs in implementing the activities described under this section.

(B) The amount of revenue collected and the amount of refunds avoided as a result of the activities described under this paragraph, including details of the type of tax generating the revenue and avoided refunds.

(2) (Reserved).

Section 1731-J. Department of State (Reserved).

Section 1732-J. Department of Transportation.

The following shall apply to appropriations for the Department of Transportation in the General Appropriation Act:

(1) From funds available to the Department of Transportation under 74 Pa.C.S. § 2104(a)(2) (relating to use of money in fund), the match under 74 Pa.C.S. § 2106 (relating to local match) may be waived by the Secretary of Transportation for good cause shown. This paragraph shall expire in six months.

(2) (Reserved).

Section 1733-J. Pennsylvania State Police.

Payments made to municipalities under 53 Pa.C.S. § 2170 (relating to reimbursement of expenses) shall be limited to money available. If money is not available to make full payments, the Municipal Police Officers' Education and Training Commission shall make payments on a pro rata basis.

Section 1734-J. (Reserved).

Section 1735-J. Pennsylvania Emergency Management Agency.

The following shall apply to appropriations for the Pennsylvania Emergency Management Agency in the General Appropriation Act:

(1) From funds appropriated for general government operations, \$100,000 shall be distributed to a nonprofit entity located in a county of the second class and in a borough with a population based on the most recent Federal decennial census of at least 4,000 but not more than 5,000 that provides emergency disaster services in a multicounty region.

(2) From funds appropriated for local municipal emergency relief, \$1,000,000 shall be appropriated to a multicounty provider of emergency services that serves a

portion of a county of the second class A and a portion of a county of the third class.

(3) From funds appropriated for local municipal emergency relief, \$2,000,000 shall be used to create a State program to provide assistance to individuals and political subdivisions directly affected by natural and man-made disasters. State assistance will be limited to grants for projects that do not qualify for Federal assistance to help repair damages to primary residences, personal property and public facilities. Grants will be made available in a disaster emergency area only when a Presidential disaster declaration is not covering the area.

(4) Funds appropriated for search and rescue programs shall be used to support programs related to training working service dogs focusing on rescue and public safety at a center located in a city of the first class.

Section 1736-J. Pennsylvania Fish and Boat Commission  
(Reserved).

Section 1737-J. State System of Higher Education (Reserved).

Section 1737.1-J. State-related institutions (Reserved).

Section 1738-J. Pennsylvania Higher Education Assistance Agency.

(a) General rule.--The following shall apply to appropriations for the Pennsylvania Higher Education Assistance Agency in the General Appropriations Act:

(1) From funds appropriated for the Ready to Succeed Scholarship Program, the Pennsylvania Higher Education Assistance Agency shall develop a program in consultation with the Department of Education to provide scholarships to eligible resident students to defray the cost of attending a State grant-approved institution of higher education that is domiciled and headquartered with its principal location in this Commonwealth.

(2) The eligibility criteria developed for the receipt of a scholarship under paragraph (1) shall at a minimum require the following:

(i) Total annual household income not to exceed \$110,000.

(ii) At least half-time enrollment in an approved course of study.

(iii) Demonstration of outstanding academic achievement.

(iv) Compliance with all aspects of the State grant program, except financial need.

(3) A student may be eligible to receive a scholarship under paragraph (1) provided the scholarship award in combination with a State grant award for the same academic year does not exceed the annually established maximum amount for the Ready to Succeed Scholarship Program as established by the agency.

(4) The agency shall make all scholarship awards under paragraph (1) in its sole discretion.

(b) Definition.--As used in this section, "State grant" shall mean a grant or scholarship awarded under the act of January 25, 1966 (1965 P.L.1546, No.541), referred to as the Higher Education Scholarship Law.

Section 1739-J. Pennsylvania Historical and Museum Commission.

The Department of Conservation and Natural Resources shall commence its operation of the Washington Crossing Historic Park within 60 days of the effective date of this section. The Pennsylvania Historical and Museum Commission shall continue to operate the visitors center and oversee operations through



December 31, 2014, including conducting the annual Christmas Day Crossing. Nothing in this section shall prohibit the Department of Conservation and Natural Resources from entering into an agreement for the visitors center and adjacent historical buildings with the Pennsylvania Historical and Museum Commission, if deemed approved by the Department of Conservation and Natural Resources, whereby the Pennsylvania Historical and Museum Commission shall interpret the site. Management of the visitors center and adjoining buildings shall be the responsibility of the Department of Conservation and Natural Resources. The Pennsylvania Historical and Museum Commission shall continue to consult with the Department of Conservation and Natural Resources regarding historic interpretation and preservation as mandated by 37 Pa.C.S. (relating to historical and museums).

Section 1740-J. Pennsylvania Infrastructure Investment Authority (Reserved).

Section 1741-J. Environmental Hearing Board (Reserved).

Section 1742-J. Pennsylvania Board of Probation and Parole (Reserved).

Section 1743-J. Pennsylvania Gaming Control Board.

(1) Notwithstanding 4 Pa.C.S. Pt. II (relating to gaming) or any other provision of law to the contrary, any payment of a slot machine license fee under 4 Pa.C.S. § 1209 (relating to slot machine license fee) received by the Pennsylvania Gaming Control Board after June 30, 2014, shall be deposited in and credited to the General Fund.

(2) (Reserved).

Section 1744-J. (Reserved).

Section 1745-J. (Reserved).

Section 1746-J. (Reserved).

Section 1747-J. (Reserved).

Section 1748-J. Commonwealth Financing Authority (Reserved).

Section 1749-J. Thaddeus Stevens College of Technology (Reserved).

Section 1750-J. Pennsylvania Housing Finance Agency (Reserved).

Section 1751-J. LIHEABG (Reserved).

#### SUBARTICLE C

##### STATE GOVERNMENT SUPPORT AGENCIES

Section 1761-J. Health Care Cost Containment Council (Reserved).

Section 1762-J. State Ethics Commission (Reserved).

Section 1763-J. Legislative Reference Bureau (Reserved).

Section 1764-J. Legislative Budget and Finance Committee (Reserved).

Section 1765-J. Legislative Data Processing Committee (Reserved).

Section 1766-J. Joint State Government Commission (Reserved).

Section 1767-J. Joint Legislative Air and Water Pollution Control and Conservation Committee (Reserved).

Section 1768-J. Legislative Audit Advisory Commission (Reserved).

Section 1769-J. Independent Regulatory Review Commission (Reserved).

Section 1770-J. Capitol Preservation Committee (Reserved).

Section 1771-J. Pennsylvania Commission on Sentencing (Reserved).

Section 1772-J. Center for Rural Pennsylvania (Reserved).

Section 1773-J. Commonwealth Mail Processing Center (Reserved).

Section 1774-J. Transfers (Reserved).

#### SUBARTICLE D

##### JUDICIAL DEPARTMENT

Section 1781-J. Supreme Court (Reserved).  
Section 1782-J. Superior Court (Reserved).  
Section 1783-J. Commonwealth Court (Reserved).  
Section 1784-J. Courts of common pleas (Reserved).  
Section 1785-J. Community courts; magisterial district judges  
(Reserved).  
Section 1786-J. Philadelphia Traffic Court (Reserved).  
Section 1787-J. Philadelphia Municipal Court (Reserved).  
Section 1788-J. Judicial Conduct Board (Reserved).  
Section 1789-J. Court of Judicial Discipline (Reserved).  
Section 1790-J. Juror cost reimbursement (Reserved).  
Section 1791-J. County court reimbursement (Reserved).  
Section 1792-J. Senior judges (Reserved).  
Section 1793-J. Transfer of funds by Supreme Court (Reserved).

#### SUBARTICLE E

#### GENERAL ASSEMBLY

(Reserved)

#### ARTICLE XVII-K

#### 2014-2015 RESTRICTIONS ON APPROPRIATIONS FOR FUNDS AND ACCOUNTS

Section 1701-K. Applicability.

Except as specifically provided in this article, this article applies to the act of July 10, 2014 (P.L.3052, No.1A), known as the General Appropriation Act of 2014, and all other appropriation acts of 2014.

Section 1702-K. State Lottery Fund.

(1) Funds appropriated for PENNCARE shall not be utilized for administrative costs by the Department of Aging.

(2) (Reserved).

Section 1703-K. Energy Conservation and Assistance Fund  
(Reserved).

Section 1704-K. Judicial Computer System Augmentation Account  
(Reserved).

Section 1704.1-K. Access to Justice Account (Reserved).

Section 1705-K. Emergency Medical Services Operating Fund  
(Reserved).

Section 1706-K. The State Stores Fund (Reserved).

Section 1707-K. Motor License Fund (Reserved).

Section 1708-K. Hazardous Material Response Fund (Reserved).

Section 1709-K. Milk Marketing Fund (Reserved).

Section 1710-K. HOME Investment Trust Fund (Reserved).

Section 1711-K. Tuition Payment Fund (Reserved).

Section 1712-K. Banking Fund (Reserved).

Section 1713-K. Firearm Records Check Fund (Reserved).

Section 1714-K. Ben Franklin Technology Development Authority  
Fund (Reserved).

Section 1715-K. Tobacco Settlement Fund (Reserved).

Section 1716-K. (Reserved).

Section 1717-K. Restricted receipt accounts.

(a) General provisions.--The secretary may create restricted receipt accounts for the purpose of administering Federal grants only for the purposes designated in this section.

(b) Department of Community and Economic Development.--The following restricted receipt accounts may be established for the Department of Community and Economic Development:

(1) ARC Housing Revolving Loan Program.

(2) (Reserved).

(c) Department of Conservation and Natural Resources.--The following restricted receipt accounts may be established for the Department of Conservation and Natural Resources:

(1) Federal Aid to Volunteer Fire Companies.

(2) Federal Land and Water Conservation Fund Act.

(3) National Forest Reserve Allotment.

(4) Federal Land and Water Conservation Fund Act - Conservation and Natural Resources.

(d) Department of Education.--The following restricted receipt accounts may be established for the Department of Education:

(1) Education of the Disabled - Part C.

(2) LSTA - Library Grants.

(3) The Pennsylvania State University Federal Aid.

(4) Emergency Immigration Education Assistance.

(5) Education of the Disabled - Part D.

(6) Homeless Adult Assistance Program.

(7) Severely Handicapped.

(8) Medical Assistance Reimbursements to Local Education Agencies.

(e) Department of Environmental Protection.--The following restricted receipt accounts may be established for the Department of Environmental Protection:

(1) Federal Water Resources Planning Act.

(2) Flood Control Payments.

(3) Soil and Water Conservation Act - Inventory of Programs.

(f) Department of Drug and Alcohol Programs.--The following restricted receipt accounts may be established for the Department of Drug and Alcohol Programs:

(1) Share Loan Program.

(2) (Reserved).

(g) Department of Transportation.--The following restricted receipt accounts may be established for the Department of Transportation:

(1) Capital Assistance Elderly and Handicapped Programs.

(2) Railroad Rehabilitation and Improvement Assistance.

(3) Ridesharing/Van Pool Program - Acquisition.

(h) Pennsylvania Emergency Management Agency.--The following restricted receipt accounts may be established for the Pennsylvania Emergency Management Agency:

(1) Receipts from Federal Government - Disaster Relief - Disaster Relief Assistance to State and Political Subdivisions.

(2) (Reserved).

(i) Pennsylvania Historical and Museum Commission.--The following restricted receipt accounts may be established for the Pennsylvania Historical and Museum Commission:

(1) Federal Grant - National Historic Preservation Act.

(2) (Reserved).

(j) Executive Offices.--The following restricted receipt accounts may be established for the Executive Offices:

(1) Retired Employees Medicare Part D.

(2) Justice Assistance.

(3) Juvenile Accountability Incentive.

(4) Early Retiree Reinsurance Program.

Section 1718.1-K. Gaming Economic Development and Tourism Fund.

Notwithstanding the provisions of 4 Pa.C.S. Pt. II (relating to gaming) and the act of July 9, 2008 (P.L.908, No.63), known as the H2O PA Act, \$5,676,000 is hereby appropriated from the Pennsylvania Gaming Economic Development and Tourism Fund to the Department of General Services to meet additional payment obligations for the project itemized in section 3(2)(i)(D) of the act of July 25, 2007 (P.L.342, No.53), known as the Pennsylvania Gaming Economic Development and Tourism Fund Capital Budget Itemization Act of 2007.

Section 1719-K. Veterans' Trust Fund (Reserved).

**Section 1720-K. State Farm Products Show Fund (Reserved).**  
**Section 1721-K. Pennsylvania Race Horse Development Fund**  
**(Reserved).**

Section 16. Repeals are as follows:

(1) The General Assembly declares that the repeals under paragraph (2) are necessary to effectuate the addition of sections 1714-A.1 and 1715-A.1 of the act.

(2) Sections 304 and 305 of the act of June 26, 2001 (P.L.755, No.77), known as the Tobacco Settlement Act, are repealed.

(3) The General Assembly finds that the repeal under paragraph (4) is necessary to effectuate the addition of section 1722-J(10) of the act.

(4) Section 2509.14 of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, is repealed.

Section 17. This act shall take effect as follows:

(1) The amendment of section 301.1(i)(2) of the act shall take effect in 60 days.

(2) The amendment or addition of sections 1301.11(g), 1301.11a, 1301.11b and 1301.25 of the act shall take effect in 180 days.

(3) Section 16(2) of this act shall take effect January 1, 2015.

(4) The remainder of this act shall take effect immediately.

APPROVED-The 10th day of July, A.D. 2014, except as to the following:

SUBARTICLE B  
EXECUTIVE DEPARTMENTS

Section 1716-J. Treasury Department.

From funds appropriated for intergovernmental organizations, \$45,000 shall be allocated for payment of dues for fiscal years 2013-2014 and 2014-2015 to a commission of the Atlantic coastal states that coordinates the conservation and management of near-shore fish species.

I withhold my approval from this entire item.

Section 1719-J. Department of Community and Economic Development.

The following shall apply to appropriations for the Department of Community and Economic Development:

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(3) From funds appropriated for intergovernmental cooperation authority, \$300,000 to cities of the second class for purposes determined by the board to be necessary to achieve or sustain fiscal recovery.

I withhold my approval from this entire item.

Section 1720-J. Department of Conservation and Natural Resources.

The following shall apply to appropriations from the Department of Conservation and Natural Resources:

(1) From funds appropriated for Heritage and other parks, \$500,000 shall be used for the operation and maintenance of the Washington Crossing Historical Park.

I withhold my approval from this entire item.

Section 1723-J. Department of Environmental Protection.

The following shall apply to appropriations for the Department of Environmental Protection in the General Appropriation Act:

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(2) From funds appropriated for sewage facilities planning grants, up to \$35,600 shall be distributed for reimbursement of costs incurred by a borough in a county of the third class. Up to \$54,600 shall be distributed for reimbursement of costs incurred by a township of the first class in a county of the second class A. Five hundred thousand dollars shall be distributed for upgrades at an existing wastewater pumping station operated by a joint sewer authority serving a third class city in a county of the fifth class.

I withhold my approval from this entire item.

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(4) From funds appropriated for environmental program management, \$150,000 shall be used for independent research of natural gas drilling.

I withhold my approval from this entire item.

Section 1724-J. Department of General Services.

From funds appropriated for rental, relocation and municipal charges, \$2,500,000 shall be transferred to the Senate for distribution upon approval of the President pro tempore of the Senate and the Majority Leader of the Senate and \$2,500,000 shall be transferred to the House of Representatives for distribution upon approval of the Speaker of the House of Representatives and the Majority Leader of the House of Representatives.

I withhold my approval from this entire item.

Section 1727-J. Department of Labor and Industry.

The following shall apply to appropriations for the Department of Labor and Industry in the General Appropriation Act:

(1) From funds appropriated to the department for general government operations, \$250,000 shall be used for the purchase of transportation assistance for job retention, job training and job search activities for displaced, unemployed and disabled individuals and families in counties of the second class.

I withhold my approval from this entire item.

The item vetoes contained in this message, are consistent with the item vetoes I have made in HB 2328, Printers Number 3895, an Act known as the "General Appropriation Act of 2014."

I have taken these measured steps to ensure that proposed spending is in line with the estimated available revenue.

TOM CORBETT  
Governor