THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 916

Session of 1983

INTRODUCED BY RICHARDSON, KUKOVICH, WIGGINS, FATTAH, DeWEESE, DEAL, EVANS, TRUMAN, WILLIAMS AND CARN, MAY 3, 1983

REFERRED TO COMMITTEE ON HEALTH AND WELFARE, MAY 3, 1983

AN ACT

Authorizing the Department of Public Welfare to administer a clothing stamp program; providing for the issuance and use of clothing coupons; providing for participating retail and wholesale clothing concerns, for the redemption of coupons and for administrative and judicial review; providing penalties; and making an appropriation.

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- 8 The General Assembly of the Commonwealth of Pennsylvania
- 9 hereby enacts as follows:
- 10 Section 1. Short title.
- 11 This act shall be known and may be cited as the Clothing
- 12 Stamp Act.
- 13 Section 2. Declaration of policy.
- 14 It is hereby declared to be the policy of the General
- 15 Assembly, in order to promote the general welfare, that the
- 16 State's abundance of clothing should be utilized cooperatively
- 17 by the State and local governmental units and other agencies to
- 18 safeguard the health and well-being of the Commonwealth's
- 19 population and to raise the level of clothing purchasing power
- 20 among low-income households. The General Assembly hereby finds
- 21 that the limited clothing purchasing power of low-income
- 22 households contributes to low self-esteem which has been
- 23 directly correlated with the level of performance in school,
- 24 occupational and related activities of the low-income
- 25 individual. The General Assembly further finds that increased
- 26 utilization of clothing will promote the distribution in a
- 27 beneficial manner of our clothing abundances and will strengthen
- 28 the sagging apparel and textile industries. In order to promote
- 29 adequate distribution of the basic essentials necessary to the
- 30 well-being of citizens of this Commonwealth, a Clothing Stamp

- 1 Program is herein authorized which will permit low-income
- 2 households to purchase a respectable and balanced wardrobe
- 3 through normal channels of trade.
- 4 Section 3. Definitions.
- 5 The following words and phrases when used in this act shall
- 6 have the meanings given to them in this section unless the
- 7 context clearly indicates otherwise:
- 8 "Authorization to purchase card." Any document issued by the
- 9 department to an eligible household which shows the face value
- 10 of the coupon allotment that the household is entitled to be
- 11 issued to on presentment of the document and the amount to be
- 12 paid by the household for the allotment.
- 13 "Bank." Any member or nonmember bank of the Federal Reserve
- 14 System.
- 15 "Clothing." Any apparel or footwear which is produced by any
- 16 person who is a citizen of the United States or is an alien
- 17 lawfully admitted for permanent residence or otherwise
- 18 permanently residing in the United States under color of law or
- 19 is organized under the laws of the United States or any state.
- 20 The term shall include any tool, fabric, machine or equipment
- 21 used to make apparel or footwear for the personal use of the
- 22 eligible household. The term shall not include cosmetics,
- 23 jewelry or timepieces.
- 24 "Clothing Stamp Program." The program promulgated pursuant
- 25 to this act.
- 26 "Coupon." Any coupon, stamp or type of certificate issued
- 27 pursuant to this act.
- 28 "Coupon allotment." The total value of coupons to be issued
- 29 to a household during each month or other time period.
- 30 "Coupon vendor." Any person, partnership, corporation,

- 1 organization, political subdivision or other entity with which a
- 2 State agency has contracted for, or to which it has delegated
- 3 administrative responsibility in connection with, the issuance
- 4 of coupons to households.
- 5 "Department." The Department of Public Welfare.
- 6 "Elderly person." A person 60 years of age or over.
- 7 "Household." A single individual who is living alone and who
- 8 is above the age of 18, or a group of individuals (including
- 9 legally adopted children and legally assigned foster children)
- 10 who are living as one economic unit, for whom clothing is
- 11 purchased for personal use.
- 12 "Retail clothing store." An establishment, including a
- 13 recognized department thereof or a house-to-house trade route
- 14 which sells clothing to households.
- "Secretary." The Secretary of Public Welfare.
- 16 "Wholesale clothing concern." An establishment which sells
- 17 clothing to retail clothing stores for resale to households.
- 18 Section 4. Establishment of Clothing Stamp Program.
- 19 (a) Authority.--The department is authorized to formulate
- 20 and administer a Clothing Stamp Program under which eligible
- 21 households within the Commonwealth shall be provided with an
- 22 opportunity to obtain an adequate supply of clothing through the
- 23 issuance to households of a coupon allotment or flat grant which
- 24 shall have a greater monetary value than the charge to be paid
- 25 for the allotment by households. The coupons so received by such
- 26 households shall be used only to purchase clothing from retail
- 27 clothing stores which have been approved for participation in
- 28 the Clothing Stamp Program. Coupons issued and used as provided
- 29 in this act shall be redeemable at face value by the department
- 30 through the facilities of the Treasury Department.

- 1 (b) Rules and regulations. -- The department shall, in the
- 2 manner provided by law, promulgate the necessary rules and
- 3 regulations for the effective and efficient administration of
- 4 the Clothing Stamp Program. References to this act contained
- 5 herein shall be construed to include the rules and regulations
- 6 promulgated hereunder.
- 7 Section 5. Eligible households.
- 8 (a) Financial resources. -- Participation in the Clothing
- 9 Stamp Program shall be limited to those households whose income
- 10 and other financial resources are determined to be substantial
- 11 limiting factors in permitting them to purchase an adequate
- 12 supply of clothing.
- 13 (b) Eligibility standards.--The department shall establish
- 14 uniform standards of eligibility for participation by households
- 15 in the Clothing Stamp Program. These standards shall, at a
- 16 minimum, prescribe the amounts of household income and other
- 17 financial resources, including both liquid and nonliquid assets,
- 18 to be used as criteria of eligibility. The standards shall take
- 19 into account payments in kind received from an employer by
- 20 members of a household, if these payments are in lieu of or
- 21 supplemental to household income. Payments in kind shall be
- 22 limited only to housing provided by an employer to an employee
- 23 and shall be the actual value of that housing, but in no event
- 24 shall the value be considered to be in excess of the sum of \$25
- 25 per month.
- 26 (c) Effect of failure to register for or to accept
- 27 employment. -- Notwithstanding any other provision of law, the
- 28 department shall include in the uniform standards of eligibility
- 29 to be prescribed under subsection (b) a provision that a
- 30 household shall not be eligible for assistance under this act if

- 1 it includes an able-bodied adult between the ages of 18 and 65
- 2 (except mothers or other members of the household who have the
- 3 responsibility of care of dependent children or of incapacitated
- 4 adults, bona fide students in any accredited school or training
- 5 program, or persons employed and working at least 30 hours per
- 6 week) who either:
- 7 (1) fails to register for employment at a State
- 8 employment office or at such other appropriate State or
- 9 Federal office designated by the department; or
- 10 (2) has refused to accept employment or public work at
- 11 not less than:
- 12 (i) the applicable State minimum wage;
- 13 (ii) the applicable Federal minimum wage;
- 14 (iii) the applicable wage established by a State or
- 15 Federal law or regulation; or
- 16 (iv) one dollar thirty cents per hour if there is no
- applicable wage as described in subparagraph (i), (ii) or
- 18 (iii). Refusal to work at a plant or site subject to a
- 19 strike or a lockout for the duration of the strike or
- 20 lockout shall not be deemed to be a refusal to accept
- employment.
- 22 Section 6. Issuance and use of coupons.
- 23 (a) Denomination and issuance. -- Coupons shall be printed in
- 24 those denominations as may be determined to be necessary and
- 25 shall be issued only to households which have been duly
- 26 certified as eligible to participate in the Clothing Stamp
- 27 Program.
- 28 (b) Coupon inventories.--
- 29 (1) The department shall by regulation develop an
- 30 appropriate procedure for determining and monitoring the

- level of coupon inventories in the hands of coupon vendors
- 2 for the purpose of insuring that inventories are at proper
- 3 levels (taking into consideration the historical and
- 4 projected volume of coupon distribution by vendors). These
- 5 regulations shall contain procedures to insure that coupon
- 6 inventories in the hands of coupon vendors are not in excess
- of the reasonable needs of vendors taking into consideration
- 8 the ease and feasibility of resupplying coupon inventories.
- 9 The department may require periodic reports from coupon
- vendors respecting the level of inventories.
- 11 (2) Any coupon vendor, or any officer, employee or agent
- 12 thereof, convicted of failing to provide a report required
- under paragraph (1) shall be fined not more than \$3,000, or
- imprisoned not more than one year, or both.
- 15 (3) Any coupon vendor, or any officer, employee or agent
- thereof, who knowingly provides false information in any
- 17 report required under paragraph (1) shall be fined not more
- than \$10,000, or imprisoned not more than ten years, or both.
- 19 (c) Delivery and protection of coupons.--
- 20 (1) The department shall by regulation prescribe
- 21 appropriate procedures for the delivery of coupons to coupon
- vendors and for the custody, care, control and storage of
- 23 coupons in the hands of coupon vendors in order to secure
- coupons against theft, embezzlement, misuse, loss or
- 25 destruction.
- 26 (2) Any coupon vendor, or any officer, employee or agent
- thereof, convicted of violating any regulation issued under
- paragraph (1) shall be fined not more than \$3,000, or
- imprisoned not more than one year, or both.
- 30 (d) Use.--Coupons issued to eligible households shall be

- 1 used by them only to purchase clothing in retail clothing stores
- 2 which have been approved for participation in the Clothing Stamp
- 3 Program at prices prevailing in these stores. Nothing in this
- 4 act shall be construed as authorizing the department to specify
- 5 the prices at which clothing may be sold by wholesale clothing
- 6 concerns or retail clothing stores.
- 7 (e) Content of coupons.--Coupons shall be simple in design
- 8 and shall include only those words or illustrations which are
- 9 required to explain their purpose and define their denomination.
- 10 The name of any public official shall not appear on coupons.
- 11 Section 7. Value of the coupon allotment and charges to be
- 12 made.
- 13 (a) Face value. -- The face value of the coupon allotment
- 14 shall be in that amount as the department determines to be the
- 15 cost of an adequate supply of clothing, adjusted semiannually by
- 16 the nearest dollar increment that is a multiple of two to
- 17 reflect changes in the prices of clothing published by the
- 18 Bureau of Labor Statistics in the United States Department of
- 19 Labor to be implemented commencing with the allotments of July
- 20 1, 1984, incorporating the changes in the prices of clothing
- 21 through August 31, 1983, but in no event shall these adjustments
- 22 be made for households of a given size unless the increase in
- 23 the face value of the coupon allotment for such households, as
- 24 calculated above, is a minimum of \$2.
- 25 (b) Charges. -- Notwithstanding any other provision of law,
- 26 households shall be charged for the coupon allotment issued to
- 27 them, and the amount of this charge shall be reasonable, but in
- 28 no event more than 30% of the household's income. Coupon
- 29 allotments may be issued without charge to households with
- 30 income of less than \$30 per month for a family of four under

- 1 standards of eligibility prescribed by the department. The
- 2 department shall provide a reasonable opportunity for any
- 3 eligible household to elect to be issued a coupon allotment
- 4 having a face value which is less than the face value of the
- 5 coupon allotment authorized to be issued to them under
- 6 subsection (a). The charge to be paid by eligible households
- 7 electing to exercise the option set forth in this subsection
- 8 shall be an amount which bears the same ratio to the amount
- 9 which would have been charged under this subsection as the face
- 10 value of the coupon allotment actually issued to them bears to
- 11 the face value of the coupon allotment that would have been
- 12 issued to them under subsection (a).
- 13 (c) Coupon value not income. -- The value of the coupon
- 14 allotment provided to any eligible household which is in excess
- 15 of the amount charged that household for an allotment shall not
- 16 be considered to be income or resources for any purpose under
- 17 any Federal or State laws, including laws relating to taxation,
- 18 welfare and public assistance programs.
- 19 (d) Disposition of funds.--
- 20 (1) Funds derived from the charges made for the coupon
- allotment shall be promptly deposited in a manner
- 22 prescribed in the regulations issued pursuant to this
- act, in a separate account maintained in the Treasury
- Department for that purpose. Deposits shall be available,
- without limitation to fiscal years, for the redemption of
- coupons.
- 27 (2) (i) The department shall by regulation prescribe
- the manner in which funds derived from the distribution
- of coupons shall be deposited by coupon vendors. The
- regulations shall require coupon vendors to promptly

deposit these funds in the manner prescribed by the department. The regulations shall also require that these deposits be made weekly and that upon the accumulation of a balance on hand of \$1,000 or more, the deposits be made within two banking days following the accumulation of that amount.

- (ii) Any coupon vendor, or any officer, employee or agent thereof, convicted of violating the regulations issued under subparagraph (i) shall be fined not more than \$3,000, or imprisoned not more than one year, or both.
- (3) (i) Coupon vendors receiving funds derived from the distribution of coupons shall be deemed to be receiving these funds as fiduciaries of the Commonwealth and coupon vendors shall immediately set aside all of these funds as funds of the Commonwealth. Funds derived from the distribution of coupons shall not be used, prior to their deposit, for the benefit of any person, partnership, corporation, association, organization or entity other than the Commonwealth.
- (ii) Any coupon vendor, or any officer, employee or agent thereof, convicted of violating subparagraph (i) shall be fined not more than \$10,000, or a sum equal to the amount of funds involved in the violation, whichever is the greater, or imprisoned not more than ten years, or both; except that if the amount of these funds are less than \$1,000, the vendor shall be fined not more than \$3,000, or imprisoned not more than one year, or both.
- (4) (i) Upon the deposit of funds derived from the distribution of coupons, coupon vendors shall immediately

send a written notice to the department, accompanied by an appropriate voucher, confirming the deposit. In addition to such other information deemed by the department to be appropriate, the regulations shall require that the notice contain: the name and address of the coupon vendor; (A) the total receipts of the coupon vendor derived from the distribution of coupons during the deposit period; (C) the amount of the deposit; (D) the name and address of the depository; and

- (E) an oath or affirmation signed by the coupon vendor, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon vendor, certifying that the information contained in the notice is true and correct.
- (ii) Any coupon vendor, or any officer, employee or agent thereof, convicted of failing to provide the notice required under subparagraph (i) shall be fined not more than \$3,000, or imprisoned not more than one year, or both.
- (iii) Any coupon vendor, or any officer, employee or agent thereof, who knowingly provides false information in any notice required under subparagraph (i) shall be fined not more than \$10,000, or imprisoned not more than ten years, or both.
- (5) (i) Each coupon vendor shall at intervals prescribed by the department, but not less often than monthly, provide the department with a written report of

1 the vendor's operations during that period. In addition to such other information deemed by the department to be 2 3 appropriate, the report shall contain: 4 (A) the name and address of the coupon vendor; 5 the total receipts of the coupon vendor derived from the distribution of coupon during the 6 7 report period; 8 (C) the total amount of deposits made by the vendor of funds derived from the distribution of 9 10 coupons during the period; 11 (D) the name and address of each depository 12 receiving funds from the vendor; and 13 (E) an oath or affirmation signed by the coupon 14 vendor, or in the case of a corporation or other 15 entity not a natural person, by an appropriate 16 official of the coupon vendor, certifying that the 17 information contained in the report is true and 18 correct. (ii) Any coupon vendor, or any officer, employee or 19 20 agent thereof, convicted of failing to provide any notice 21 required under subparagraph (i) shall be fined not more 22 than \$3,000, or imprisoned not more than one year, or 23 both. (iii) Any coupon vendor, or any officer, employee or 24 25 agent thereof, who knowingly provides false information 26 in any notice required under subparagraph (i) shall be 27 fined not more than \$10,000, or imprisoned not more than 28 ten years, or both. The department shall make periodic reports 29 30 containing a consolidation of the respective coupon

- 1 vendor's notices at such intervals as the department in
- 2 its discretion deems appropriate.
- 3 Section 8. Approval of retail clothing stores and wholesale
- 4 clothing concerns.
- 5 (a) Qualifications of applicants. -- Regulations issued
- 6 pursuant to this act shall provide for the submission of
- 7 applications for approval by retail clothing stores and
- 8 wholesale clothing concerns which desire to be authorized to
- 9 accept and redeem coupons under the Clothing Stamp Program and
- 10 for the approval of those applicants whose participation will
- 11 effectuate the purposes of the Clothing Stamp Program. In
- 12 determining the qualifications of applicants there shall be
- 13 considered, among other factors as may be appropriate, the
- 14 following:
- 15 (1) The nature and extent of the retail or wholesale
- 16 clothing business conducted by the applicant.
- 17 (2) The volume of coupon business which may reasonably
- 18 be expected to be conducted by the applicant retail clothing
- 19 store or wholesale clothing concern.
- 20 (3) The business integrity and reputation of the
- 21 applicant.
- 22 (4) Such other information as will permit a
- 23 determination to be made as to whether the applicant
- 24 qualifies for approval under this act.
- 25 (b) Certificate. -- Approved applicants shall be issued a
- 26 nontransferable certificate of approval.
- 27 (c) Use of information. -- The use or disclosure of
- 28 information obtained under this section shall be limited to
- 29 purposes directly connected with administration and enforcement
- 30 of this act.

- 1 (d) Hearing. -- Any retail clothing store or wholesale
- 2 clothing concern which has failed upon application to receive
- 3 approval to participate in the Clothing Stamp Program may obtain
- 4 a hearing as provided in section 13.
- 5 Section 9. Redemption of coupons.
- 6 Regulations issued pursuant to this act shall provide for the
- 7 redemption of coupons accepted by retail clothing stores through
- 8 approved wholesale clothing concerns or through banks with the
- 9 cooperation of the Treasury Department.
- 10 Section 10. Administration.
- 11 (a) Use of clothing. -- All practicable efforts shall be made
- 12 in the administration of the Clothing Stamp Program to assure
- 13 that participants use their increased clothing purchasing power
- 14 to obtain the clothing most necessary for an adequate supply of
- 15 clothing and particularly to encourage the continued use of
- 16 clothing which is in abundant or surplus supply. In addition to
- 17 those steps as may be taken administratively, the voluntary
- 18 cooperation of existing Federal, State and local and private
- 19 agencies which carry out informational and educational programs
- 20 for consumers shall be encouraged.
- 21 (b) Records.--The department shall assume responsibility for
- 22 the certification of applicant households and for the issuance
- 23 of coupons. There shall be kept those records as may be
- 24 necessary to ascertain whether the program is being conducted in
- 25 compliance with this act. These records shall be available for
- 26 inspection and audit at any reasonable time and shall be
- 27 preserved for that period of time, not in excess of three years,
- 28 as may be specified in the regulations.
- 29 (c) Change of household location. -- Certification of a
- 30 household as eligible in any political subdivision shall, in the

- 1 event of removal of the household to another political
- 2 subdivision in which the Clothing Stamp Program is operating,
- 3 remain valid for participation in the Clothing Stamp Program for
- 4 a period of 60 days from the date of such removal. In the
- 5 certification of applicant households for the Clothing Stamp
- 6 Program, there shall be no discrimination against any household
- 7 by reason of race, religious creed, national origin or political
- 8 affiliations.
- 9 (d) Decreasing amount of other aid prohibited.--
- 10 Participating political subdivisions thereof shall not decrease
- 11 welfare grants or other similar aid extended to any person or
- 12 persons as a consequence of participation in benefits made
- 13 available under this act.
- 14 (e) Implementation of plan. -- The plan of operation shall
- 15 include, but not be limited to, the following:
- 16 (1) The specific standards to be used in determining the
- 17 eligibility of applicant households.
- 18 (2) Safequards which restrict the use or disclosure of
- 19 information obtained from applicant households to persons
- 20 directly connected with the administration or enforcement of
- 21 this act.
- 22 (3) The submission of reports and other information as
- from time to time may be required.
- 24 (4) A publicity program, including the use of services
- 25 provided by other Federally funded agencies and
- 26 organizations, to inform low-income households concerning the
- 27 availability and benefits of the Clothing Stamp Program and
- to assure the participation of eligible households;
- 29 (5) The issuance of coupon allotments no less often than
- 30 twice a month.

- 1 (6) The granting of a fair hearing and a prompt
- determination thereafter to any household aggrieved by the
- action of the department under any provision of its plan of
- 4 operation as it effects the participation of that household
- 5 in the Clothing Stamp Program.
- 6 In approving the participation of the political subdivisions
- 7 requested in its plan of operation, the department shall provide
- 8 for an equitable and orderly expansion in accordance with their
- 9 relative need and readiness to meet their requested effective
- 10 dates of participation. The department shall make the State plan
- 11 operable by July 1, 1984.
- 12 Section 11. Disqualification of retail clothing stores and
- 13 wholesale clothing concerns.
- 14 Any approved retail clothing store or wholesale clothing
- 15 concern may be disqualified from further participation in the
- 16 Clothing Stamp Program on a finding, made as specified in the
- 17 regulations, that the store or concern has violated any of the
- 18 provisions of this act. This disqualification shall be for the
- 19 period of time as may be determined in accordance with the
- 20 regulations. The action of disqualification shall be subject to
- 21 review as provided in section 13.
- 22 Section 12. Determination and disposition of claims.
- 23 The department shall have the power to determine the amount
- 24 of and settle and adjust any claim and to compromise or deny all
- 25 or part of any claim or claims arising under this act.
- 26 Section 13. Administrative and judicial review.
- 27 Whenever:
- 28 (1) an application of a retail clothing store or
- 29 wholesale clothing concern to participate in the Clothing
- 30 Stamp Program is denied;

- 1 (2) a retail clothing store or a wholesale clothing
- 2 concern is disqualified under the provisions of section 11;
- 3 or
- 4 (3) all or part of any claim of a retail clothing store
- or wholesale clothing concern is denied under the provisions
- 6 of section 12;
- 7 notice of this administrative action shall be issued to the
- 8 retail clothing store or wholesale clothing concern involved.
- 9 The notice shall be delivered by certified mail or personal
- 10 service. If a store or concern is aggrieved by this action, it
- 11 may, in accordance with Title 2 of the Pennsylvania Consolidated
- 12 Statutes (relating to administrative law and procedure), appeal
- 13 the decision to the department and request a hearing on the
- 14 matter. A formal decision on the matter issued by the department
- 15 may be appealed as provided in Title 2 of the Pennsylvania
- 16 Consolidated Statutes.
- 17 Section 14. Violations and enforcement.
- 18 (a) Enforcement. -- Notwithstanding any other provisions of
- 19 this act, the department may provide for the purchase, issuance
- 20 or presentment for redemption of coupons to any person or
- 21 persons and at the times and in the manner as it deems necessary
- 22 or appropriate to protect the interests of the Commonwealth or
- 23 to insure enforcement of this act and the regulations issued
- 24 pursuant to this act.
- 25 (b) Unlawful use, transfer, etc.--Whoever knowingly uses,
- 26 transfers, acquires, alters or possesses coupons or
- 27 authorization to purchase cards in any manner not authorized by
- 28 this act or the regulations issued hereunder shall, if the
- 29 coupons or authorization to purchase cards are of the value of
- 30 \$100 or more, be guilty of a felony and shall, upon conviction

- 1 thereof, be fined not more than \$10,000 or imprisoned for not
- 2 more than five years, or both, or, if the coupons or
- 3 authorization to purchase cards are of a value of less than
- 4 \$100, shall be guilty of a misdemeanor and shall, upon
- 5 conviction thereof, be fined not more than \$5,000 or imprisoned
- 6 for not more than one year, or both.
- 7 (c) Unlawful redemption, etc.--Whoever presents, or causes
- 8 to be presented, coupons for payment or redemption of the value
- 9 of \$100 or more, knowing the same to have been received,
- 10 transferred or used in any manner in violation of the provisions
- 11 of this act or the regulations issued pursuant to this act shall
- 12 be guilty of a felony and shall, upon conviction thereof, be
- 13 fined not more than \$10,000 or imprisoned for not more than five
- 14 years, or both, or, if the coupons are of a value of less than
- 15 \$100, shall be guilty of a misdemeanor and shall, upon
- 16 conviction thereof, be fined not more than \$5,000 or imprisoned
- 17 for not more than one year, or both.
- 18 (d) Status of coupons. -- Coupons issued pursuant to this act
- 19 shall be deemed to be obligations of the Commonwealth.
- 20 Section 15. Appropriation.
- 21 (a) Amount.--The sum of \$10,000,000 is hereby appropriated
- 22 to carry out the provisions of this act for the fiscal year
- 23 1984-1985.
- 24 (b) Procedure. -- Sums appropriated under this act shall,
- 25 notwithstanding the provisions of any other law, continue to
- 26 remain available until expended. Any portion of any
- 27 appropriation as may be required to pay for the value of the
- 28 coupon allotments issued to an eligible household which is in
- 29 excess of the charges paid by that household for the allotments
- 30 shall be transferred to and made a part of the separate account

- 1 created under section 7(d). This act shall be carried out only
- 2 with funds appropriated from the General Fund of the State
- 3 Treasury for that specific purpose, and in no event shall it be
- 4 carried out with funds derived from permanent appropriations. On
- 5 or before January 20 of each year, the department shall submit
- 6 to the General Assembly a report setting forth operations under
- 7 this act during the preceding calendar year and projecting needs
- 8 for the ensuing calendar year.
- 9 (c) Value limit.--In any fiscal year, the department shall
- 10 limit the value of those coupons issued which is in excess of
- 11 the value of coupons for which households are charged, to an
- 12 amount which is not in excess of the portion of the
- 13 appropriation for such fiscal year which is transferred to the
- 14 separate account under the provisions of subsection (b). If in
- 15 any fiscal year the department finds that the requirements of
- 16 the program will exceed the limitation set forth herein, the
- 17 department shall reduce the amount of such coupons to be issued
- 18 to participating households to the extent necessary to comply
- 19 with the provisions of this subsection.
- 20 (d) Surplus funds. -- If the department determines that any of
- 21 the funds in the separate account created under section 7(d) are
- 22 no longer required to carry out this act, such portion of such
- 23 funds shall be paid into the miscellaneous receipts of the
- 24 Treasury Department.
- 25 Section 16. Effective date.
- 26 This act shall take effect immediately.