

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2259 Session of
2008

INTRODUCED BY LEVDANSKY, READSHAW, FRANKEL, SANTONI, YOUNGBLOOD,
CAPPELLI, COHEN, BRENNAN, BUXTON, CLYMER, DeLUCA, FREEMAN,
GEIST, GEORGE, GRELL, HALUSKA, HARHAI, HENNESSEY, HERSHEY,
JOSEPHS, KULA, McILVAINE SMITH, MILNE, SAYLOR, SIPTROTH AND
J. WHITE, FEBRUARY 26, 2008

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 26, 2008

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,
2 as amended, "An act relating to the finances of the State
3 government; providing for the settlement, assessment,
4 collection, and lien of taxes, bonus, and all other accounts
5 due the Commonwealth, the collection and recovery of fees and
6 other money or property due or belonging to the Commonwealth,
7 or any agency thereof, including escheated property and the
8 proceeds of its sale, the custody and disbursement or other
9 disposition of funds and securities belonging to or in the
10 possession of the Commonwealth, and the settlement of claims
11 against the Commonwealth, the resettlement of accounts and
12 appeals to the courts, refunds of moneys erroneously paid to
13 the Commonwealth, auditing the accounts of the Commonwealth
14 and all agencies thereof, of all public officers collecting
15 moneys payable to the Commonwealth, or any agency thereof,
16 and all receipts of appropriations from the Commonwealth,
17 authorizing the Commonwealth to issue tax anticipation notes
18 to defray current expenses, implementing the provisions of
19 section 7(a) of Article VIII of the Constitution of
20 Pennsylvania authorizing and restricting the incurring of
21 certain debt and imposing penalties; affecting every
22 department, board, commission, and officer of the State
23 government, every political subdivision of the State, and
24 certain officers of such subdivisions, every person,
25 association, and corporation required to pay, assess, or
26 collect taxes, or to make returns or reports under the laws
27 imposing taxes for State purposes, or to pay license fees or
28 other moneys to the Commonwealth, or any agency thereof,
29 every State depository and every debtor or creditor of the
30 Commonwealth," further providing for the expiration of
31 provisions relating to prudent investments.

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

3 Section 1. Section 301.1(i) of the act of April 9, 1929
4 (P.L.343, No.176), known as The Fiscal Code, amended November 9,
5 2006 (P.L.1335, No.138), is amended to read:

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

7 (i) (1) Notwithstanding subsections (a) through (h), the
8 Treasury Department shall have the exclusive management and full
9 power to invest and reinvest the moneys of any fund as shall be
10 accumulated beyond the ordinary needs of the various funds and
11 which are not authorized by law to be invested by any board,
12 commission or State officer, subject, however, to the exercise
13 of that degree of judgment and care under the circumstances then
14 prevailing which persons of prudence, discretion and
15 intelligence who are familiar with such matters exercise in the
16 management of their own affairs not in regard to speculation but
17 in regard to the permanent disposition of the funds, considering
18 the probable income to be derived therefrom as well as the
19 probable safety of their capital. The Treasury Department shall
20 have the power to hold, purchase, sell, assign, transfer and
21 dispose of any securities, including equity securities and
22 mutual funds consisting in whole or in part of equity
23 securities, and investments in any such fund as well as the
24 proceeds of such investments and of the money belonging to any
25 such fund. The Treasury Department shall, through the Governor,
26 submit to the General Assembly annually, at the same time the
27 Treasury Department submits its budget covering administrative
28 expenses, a report identifying the nature and amount of all
29 existing investments made pursuant to this section.

30 (2) The authority to invest or reinvest the moneys of any

1 fund pursuant to this subsection shall expire [December 31,
2 2008] December 31, 2010. The Treasury Department may maintain
3 investments pursuant to this subsection which are in existence
4 on the expiration date in this paragraph for not more than two
5 years following such expiration date.

6 Section 2. This act shall take effect immediately.