
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1297 Session of
2008

INTRODUCED BY BROWNE, WOZNIAK, RAFFERTY, M. WHITE, FONTANA,
WAUGH, TOMLINSON, C. WILLIAMS, FUMO, EARLL, BAKER,
WONDERLING, MUSTO, COSTA, PIPPY, RHOADES, ARMSTRONG AND
WASHINGTON, FEBRUARY 26, 2008

SENATE AMENDMENTS TO HOUSE AMENDMENTS, JULY 3, 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; providing for~~

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1 ~~investment policy, for annual investment report, for~~
2 ~~segregation of duties, for limitations on investment~~
3 ~~relationships and campaign contributions and for audit of~~
4 ~~securities deposited with State Treasurer; in disposition of~~
5 ~~abandoned and unclaimed property, further providing for~~
6 ~~judicial action upon determination; and making a related~~
7 ~~repeal.~~ FURTHER PROVIDING FOR STATE TREASURY INVESTMENTS; ←
8 PROVIDING FOR AUDIT OF DEPOSITED SECURITIES; FURTHER
9 PROVIDING, IN UNCLAIMED PROPERTY, FOR JUDICIAL ACTION;
10 FURTHER PROVIDING FOR FUNDING OF SPECIAL FUNDS; ESTABLISHING
11 THE HAZARDOUS SITES CLEANUP FUND; FURTHER PROVIDING FOR
12 GENERAL BUDGET IMPLEMENTATION; PROVIDING FOR 2008-2009 BUDGET
13 IMPLEMENTATION AND FOR 2008-2009 RESTRICTIONS ON
14 APPROPRIATIONS FOR FUNDS AND ACCOUNTS; AND MAKING A RELATED
15 REPEAL.

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

18 ~~Section 1. Section 301.1(i) of the act of April 9, 1929~~ ←
19 ~~(P.L.343, No.176), known as The Fiscal Code, amended November 9,~~
20 ~~2006 (P.L.1335, No.138), is amended to read:~~

21 ~~Section 301.1. Investment of Moneys. * * *~~

22 ~~(i) (1) Notwithstanding subsections (a) through (h), the~~
23 ~~Treasury Department shall have the exclusive management and full~~
24 ~~power to invest and reinvest the moneys of any fund as shall be~~
25 ~~accumulated beyond the ordinary needs of the various funds and~~
26 ~~which are not authorized by law to be invested by any board,~~
27 ~~commission or State officer, subject, however, to the [exercise~~
28 ~~of that degree of judgment and care under the circumstances then~~
29 ~~prevailing which persons of prudence, discretion and~~
30 ~~intelligence who are familiar with such matters exercise in the~~
31 ~~management of their own affairs not in regard to speculation but~~
32 ~~in regard to the permanent disposition of the funds, considering~~
33 ~~the probable income to be derived therefrom as well as the~~
34 ~~probable safety of their capital. The Treasury Department shall~~
35 ~~have the power to hold, purchase, sell, assign, transfer and~~
36 ~~dispose of any securities, including equity securities and~~
37 ~~mutual funds consisting in whole or in part of equity~~

1 securities, and investments in any such fund as well as the
2 proceeds of such investments and of the money belonging to any
3 such fund. The Treasury Department shall, through the Governor,
4 submit to the General Assembly annually, at the same time the
5 Treasury Department submits its budget covering administrative
6 expenses, a report identifying the nature and amount of all
7 existing investments made pursuant to this section.] prudent
8 investor standard.

9 ~~(1.1) When investing, reinvesting, purchasing, acquiring,~~
10 ~~exchanging, selling or managing public funds, the Treasury~~
11 ~~Department shall act as a fiduciary with care, skill, prudence~~
12 ~~and diligence under the circumstances then prevailing,~~
13 ~~specifically including, but not limited to, the general economic~~
14 ~~conditions and the anticipated needs of the funds, that a~~
15 ~~prudent person acting in a like capacity and with familiarity~~
16 ~~with those matters would use in the conduct of funds of a like~~
17 ~~character and with like objectives. The following shall apply:~~

18 ~~(i) The primary objective of the Treasury Department shall~~
19 ~~be to safeguard the principal of the funds. The secondary~~
20 ~~objective shall be to meet the liquidity needs of the funds. The~~
21 ~~third objective shall be to achieve a return on the funds.~~

22 ~~(ii) The prudent investor standard embraces the duty of~~
23 ~~loyalty whereby actions must be in accordance with the sole~~
24 ~~purpose doctrine to accomplish the prudent investor objectives~~
25 ~~and not in pursuit of other objectives except as otherwise~~
26 ~~provided by statute.~~

27 ~~(iii) The prudent investor standard embraces the duty to~~
28 ~~monitor the ongoing circumstances of investments for ongoing~~
29 ~~appropriateness of investments to meet the prudent investor~~
30 ~~objectives.~~

1 ~~(iv) The Treasury Department shall have the power and~~
2 ~~authority to invest in securities subject to the then prevailing~~
3 ~~standards that institutional investors employ in the context of~~
4 ~~investment decisions made with consideration of fiduciary~~
5 ~~standards.~~

6 ~~(v) The Treasury Department shall maintain and publish a~~
7 ~~list of prohibited investments within its investment policy.~~

8 ~~(2) The authority to invest or reinvest the moneys of any~~
9 ~~fund pursuant to this subsection shall expire [December 31,~~
10 ~~2008] December 31, 2010. The Treasury Department may maintain~~
11 ~~investments pursuant to this subsection which are in existence~~
12 ~~on the expiration date in this paragraph for not more than two~~
13 ~~years following such expiration date.~~

14 ~~Section 2. The act is amended by adding sections to read:~~

15 ~~Section 301.2. Investment Policy. The State Treasurer shall~~
16 ~~maintain an investment policy. The investment policy shall~~
17 ~~include provisions on general investment principles including~~
18 ~~asset allocation, liquidity and operational cash management~~
19 ~~requirements, prohibited investment activity, investment~~
20 ~~performance review and any other item that the State Treasurer~~
21 ~~may include. The State Treasurer shall review and if necessary~~
22 ~~update the investment policy at least annually. The Treasury~~
23 ~~Department shall post, maintain and update the investment policy~~
24 ~~as necessary on its publicly accessible Internet website.~~

25 ~~Section 301.3. Annual Investment Report. By November 30,~~
26 ~~2008, and annually thereafter, the State Treasurer shall submit~~
27 ~~a report to the Governor and to the chair and minority chair of~~
28 ~~the Appropriations Committee of the Senate, the chair and~~
29 ~~minority chair of the Finance Committee of the Senate, the chair~~
30 ~~and minority chair of the Appropriations Committee of the House~~

~~1 of Representatives and the chair and minority chair of the House
2 of Representatives. The report shall cover the period consisting
3 of the most recently ended fiscal year. The report shall provide
4 for the following:~~

~~5 (1) An analysis of the status and performance of the current
6 investments and transactions made over the last fiscal year.~~

~~7 (2) Targeted asset allocation and actual asset allocation on
8 September 30, December 31, March 31 and June 30 of the previous
9 fiscal year.~~

~~10 (3) The standards and measures of investment performance,
11 including benchmarks for each asset class.~~

~~12 (4) Return for each asset class including a breakdown of the
13 return versus the targeted benchmark calculated net of fees.~~

~~14 (5) A list of external managers including whether the
15 manager was selected through competitive bid or as a sole source
16 selection, the principals and key staff of the manager, the date
17 of the manager's hire, the amount of fees received by the
18 manager in the previous fiscal year and the return on the
19 manager's portfolio as compared to their targeted benchmark.~~

~~20 (6) Brokerage fees.~~

~~21 (7) Securities lending information.~~

~~22 (8) Proxy voting information.~~

~~23 (9) Information on securities litigation.~~

~~24 Section 301.4. Segregation of Duties. (a) A person who
25 provides financial services to the Treasury Department shall not
26 benefit directly or indirectly from the investment actions of
27 the Treasury Department except as provided in the contract for
28 the provision of those services. No person providing financial
29 services shall knowingly do indirectly that which is directly
30 prohibited by this section.~~

1 ~~(b) A violation of this section constitutes a misdemeanor of~~
2 ~~the third degree.~~

3 ~~(c) For the purposes of this section, "financial services"~~
4 ~~shall include, but not be limited to, the providing of~~
5 ~~investment advice and management of investments.~~

6 ~~Section 311. Limitations on Investment Relationships and~~
7 ~~Campaign Contributions. (a) (1) The Treasury Department shall~~
8 ~~not enter into an investment relationship with a person who has~~
9 ~~solicited any contribution on behalf of or made any contribution~~
10 ~~to a candidate committee or election fund of the State Treasurer~~
11 ~~or any candidate for State Treasurer. This prohibition shall~~
12 ~~apply to solicitations and contributions made by the person, by~~
13 ~~an individual representing the person or by a political action~~
14 ~~committee controlled by the person.~~

15 ~~(2) No person who has agreed to or entered into an~~
16 ~~investment relationship with the Treasury Department shall~~
17 ~~knowingly solicit or make any contribution to a candidate~~
18 ~~committee or election fund of the State Treasurer or any~~
19 ~~candidate for State Treasurer. This prohibition shall apply to~~
20 ~~solicitations and contributions made by the person, by an~~
21 ~~individual representing the person or by a political action~~
22 ~~committee controlled by the person.~~

23 ~~(b) Subsection (a) shall apply to the time period which~~
24 ~~begins two years prior to the following dates and ends upon the~~
25 ~~termination of the investment relationship:~~

26 ~~(1) the date upon which the Treasury Department first~~
27 ~~announces a procurement or search process that could lead to an~~
28 ~~investment relationship which can reasonably be expected to~~
29 ~~generate at least \$25,000 annually in income, fees or other~~
30 ~~revenue to the person; or~~

1 ~~(2) the date upon which a person approaches the Treasury~~
2 ~~Department with a proposal to enter into an investment~~
3 ~~relationship with the Treasury Department by discussing the~~
4 ~~specific facts and financial terms of a particular investment~~
5 ~~transaction or strategy.~~

6 ~~(c) The State Ethics Commission shall cause an independent~~
7 ~~investigation to be performed for any reported violation of this~~
8 ~~section and report any documented violation to the State~~
9 ~~Treasurer for action within ten business days of the conclusion~~
10 ~~of the independent investigation. Copies of this report shall~~
11 ~~also be submitted to the chairman of the Appropriations~~
12 ~~Committee of the Senate and the chairman of the Appropriations~~
13 ~~Committee of the House of Representatives within ten business~~
14 ~~days of the conclusion of the independent investigation. The~~
15 ~~State Ethics Commission shall submit the report to the~~
16 ~~Legislative Reference Bureau for publication in the next~~
17 ~~succeeding publication of the Pennsylvania Bulletin.~~

18 ~~(d) If a person seeking an investment relationship with the~~
19 ~~Treasury Department is found to be in violation of this section,~~
20 ~~the person shall be prohibited from engaging in an investment~~
21 ~~relationship with the Treasury Department for a period of two~~
22 ~~years. A person who has an existing investment relationship with~~
23 ~~the Treasury Department and who is found to be in violation of~~
24 ~~the provisions of this section shall be prohibited from~~
25 ~~providing any additional investment services for the Treasury~~
26 ~~Department for a period of two years.~~

27 ~~(e) If a person voluntarily reports a violation of this~~
28 ~~section to the State Ethics Commission within 90 days of the~~
29 ~~contribution's being made, and it is established pursuant to an~~
30 ~~independent investigation that the violation was inadvertently,~~

1 ~~unintentionally or unknowingly made and the contribution was~~
2 ~~returned, the provisions of subsection (d) shall not apply.~~

3 ~~(f) As used in this section, the following words and phrases~~
4 ~~shall have the meaning given to them in this subsection:~~

5 ~~"Contribution." A contribution reportably by the recipient~~
6 ~~under Article XVI of the act of June 3, 1937 (P.L.1333, No.320),~~
7 ~~known as the "Pennsylvania Election Code."~~

8 ~~"Investment relationship." A relationship between a person~~
9 ~~and the Treasury Department for the purpose of providing~~
10 ~~investment services such as legal services, investment banking~~
11 ~~services, investment advisory services, underwriting services,~~
12 ~~financial advisory services or brokerage firm services for~~
13 ~~brokerage, underwriting and financial advisory activities.~~

14 ~~"Person." An individual, organization or partnership~~
15 ~~currently engaged in or seeking to engage in an investment~~
16 ~~relationship with the Treasury Department where the relationship~~
17 ~~can reasonably be expected to generate at least \$25,000 annually~~
18 ~~in income, fees or other revenue to the individual, organization~~
19 ~~or partnership and shall specifically include:~~

20 ~~(1) Authorized or key personnel as defined or identified by~~
21 ~~a contracting party by being attached to the contract.~~

22 ~~(2) Persons who expect to or do experience a material~~
23 ~~financial effect on their economic interests, including salary,~~
24 ~~bonuses, options or other financial incentives directly deriving~~
25 ~~from an investment relationship.~~

26 ~~Section 409. Audit of Securities Deposited with State~~
27 ~~Treasurer.—(a) The Auditor General, through such agents as he~~
28 ~~may select, shall perform an annual audit of the bonds, stocks,~~
29 ~~mortgages, or other securities, which are deposited with the~~
30 ~~State Treasurer in whatever capacity, and shall audit the books~~

1 ~~in which a record is kept of such bonds, stocks, mortgages, or~~
2 ~~other securities; and, for this purpose, the Auditor General may~~
3 ~~employ such consultants, experts, accountants, or investigators~~
4 ~~as he may deem advisable. The audit may be conducted~~
5 ~~independently or as part of any other annual audit or audits~~
6 ~~conducted by the Auditor General.~~

7 ~~(b) The State Treasurer shall, whenever demand is made upon~~
8 ~~him by the Auditor General, submit for the audit of the Auditor~~
9 ~~General, or his agents, all records in his possession relating~~
10 ~~to such bonds, stocks, mortgages, or other securities, including~~
11 ~~such records in the possession of any custodian or subcustodian~~
12 ~~engaged by him regarding such securities, and his failure so to~~
13 ~~do shall disqualify him from holding the office of State~~
14 ~~Treasurer.~~

15 ~~Section 3. Section 1301.21 of the act, amended June 29, 2002~~
16 ~~(P.L.614, No.91), is amended to read:~~

17 ~~Section 1301.21. Judicial Action upon Determinations. [Any~~
18 ~~person aggrieved by a decision of the State Treasurer, or as to~~
19 ~~whose claim the State Treasurer has failed to act within ninety~~
20 ~~(90) days after the filing of the claim, may commence an action~~
21 ~~in the Commonwealth Court to establish his claim. The proceeding~~
22 ~~shall be brought within thirty (30) days after the decision of~~
23 ~~the State Treasurer or within one hundred twenty (120) days from~~
24 ~~the filing of the claim if the State Treasurer fails to act. The~~
25 ~~action shall be tried de novo without a jury.] (a) Any person~~
26 ~~aggrieved by a decision of the State Treasurer may appeal to the~~
27 ~~Commonwealth Court. The appeal shall be filed within thirty (30)~~
28 ~~days after the decision of the State Treasurer. The case shall~~
29 ~~be heard in Commonwealth Court's appellate jurisdiction.~~

30 ~~(b) Any person as to whose claim the State Treasurer has~~

1 ~~failed to take action within ninety (90) days after the filing~~
2 ~~of the claim, may commence an action in the Commonwealth Court~~
3 ~~to establish his claim within one hundred twenty (120) days from~~
4 ~~the filing of the claim. The action shall be tried de novo~~
5 ~~without a jury.~~

6 Section 4. ~~Repeals are as follows:~~

7 (1) ~~The General Assembly declares that the repeal under~~
8 ~~paragraph (2) is necessary to effectuate the addition of~~
9 ~~section 409 of the act.~~

10 (2) ~~The act of May 21, 1923 (P.L.288, No.184), entitled~~
11 ~~"An act to better secure all bonds, stocks, mortgages, or~~
12 ~~other securities deposited with the State Treasurer, by~~
13 ~~providing for their inspection, examination, and~~
14 ~~verification, and the verification of the books, containing a~~
15 ~~record of such bonds, stocks, mortgages, or other securities,~~
16 ~~by the Auditor General or his agents," is repealed.~~

17 Section 5. ~~This act shall take effect immediately.~~

18 SECTION 1. SECTION 301.1(I) OF THE ACT OF APRIL 9, 1929 ←
19 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE, AMENDED NOVEMBER 9,
20 2006 (P.L.1335, NO.138), IS AMENDED TO READ:

21 SECTION 301.1. INVESTMENT OF MONEYS.--* * *

22 (I) (1) NOTWITHSTANDING SUBSECTIONS (A) THROUGH (H), THE
23 TREASURY DEPARTMENT SHALL HAVE THE EXCLUSIVE MANAGEMENT AND FULL
24 POWER TO INVEST AND REINVEST THE MONEYS OF ANY FUND AS SHALL BE
25 ACCUMULATED BEYOND THE ORDINARY NEEDS OF THE VARIOUS FUNDS AND
26 WHICH ARE NOT AUTHORIZED BY LAW TO BE INVESTED BY ANY BOARD,
27 COMMISSION OR STATE OFFICER, SUBJECT, HOWEVER, TO THE [EXERCISE
28 OF THAT DEGREE OF JUDGMENT AND CARE UNDER THE CIRCUMSTANCES THEN
29 PREVAILING WHICH PERSONS OF PRUDENCE, DISCRETION AND
30 INTELLIGENCE WHO ARE FAMILIAR WITH SUCH MATTERS EXERCISE IN THE

1 MANAGEMENT OF THEIR OWN AFFAIRS NOT IN REGARD TO SPECULATION BUT
2 IN REGARD TO THE PERMANENT DISPOSITION OF THE FUNDS, CONSIDERING
3 THE PROBABLE INCOME TO BE DERIVED THEREFROM AS WELL AS THE
4 PROBABLE SAFETY OF THEIR CAPITAL. THE TREASURY DEPARTMENT SHALL
5 HAVE THE POWER TO HOLD, PURCHASE, SELL, ASSIGN, TRANSFER AND
6 DISPOSE OF ANY SECURITIES, INCLUDING EQUITY SECURITIES AND
7 MUTUAL FUNDS CONSISTING IN WHOLE OR IN PART OF EQUITY
8 SECURITIES, AND INVESTMENTS IN ANY SUCH FUND AS WELL AS THE
9 PROCEEDS OF SUCH INVESTMENTS AND OF THE MONEY BELONGING TO ANY
10 SUCH FUND. THE TREASURY DEPARTMENT SHALL, THROUGH THE GOVERNOR,
11 SUBMIT TO THE GENERAL ASSEMBLY ANNUALLY, AT THE SAME TIME THE
12 TREASURY DEPARTMENT SUBMITS ITS BUDGET COVERING ADMINISTRATIVE
13 EXPENSES, A REPORT IDENTIFYING THE NATURE AND AMOUNT OF ALL
14 EXISTING INVESTMENTS MADE PURSUANT TO THIS SECTION.] PRUDENT
15 INVESTOR STANDARD.

16 (1.1) WHEN INVESTING, REINVESTING, PURCHASING, ACQUIRING,
17 EXCHANGING, SELLING OR MANAGING PUBLIC FUNDS, THE TREASURY
18 DEPARTMENT SHALL ACT AS A FIDUCIARY WITH CARE, SKILL, PRUDENCE
19 AND DILIGENCE UNDER THE CIRCUMSTANCES THEN PREVAILING,
20 SPECIFICALLY INCLUDING, BUT NOT LIMITED TO, THE GENERAL ECONOMIC
21 CONDITIONS AND THE ANTICIPATED NEEDS OF THE FUNDS, THAT A
22 PRUDENT PERSON ACTING IN A LIKE CAPACITY AND WITH FAMILIARITY
23 WITH THOSE MATTERS WOULD USE IN THE CONDUCT OF FUNDS OF A LIKE
24 CHARACTER AND WITH LIKE OBJECTIVES. THE FOLLOWING SHALL APPLY:

25 (I) THE PRIMARY OBJECTIVE OF THE TREASURY DEPARTMENT SHALL
26 BE TO SAFEGUARD THE PRINCIPAL OF THE FUNDS. THE SECONDARY
27 OBJECTIVE SHALL BE TO MEET THE LIQUIDITY NEEDS OF THE FUNDS. THE
28 THIRD OBJECTIVE SHALL BE TO ACHIEVE A RETURN ON THE FUNDS.

29 (II) THE PRUDENT INVESTOR STANDARD EMBRACES THE DUTY OF
30 LOYALTY WHEREBY ACTIONS MUST BE IN ACCORDANCE WITH THE SOLE

1 PURPOSE DOCTRINE TO ACCOMPLISH THE PRUDENT INVESTOR OBJECTIVES
2 AND NOT IN PURSUIT OF OTHER OBJECTIVES EXCEPT AS OTHERWISE
3 PROVIDED BY STATUTE.

4 (III) THE PRUDENT INVESTOR STANDARD EMBRACES THE DUTY TO
5 MONITOR THE ONGOING CIRCUMSTANCES OF INVESTMENTS FOR ONGOING
6 APPROPRIATENESS OF INVESTMENTS TO MEET THE PRUDENT INVESTOR
7 OBJECTIVES.

8 (IV) THE TREASURY DEPARTMENT SHALL HAVE THE POWER AND
9 AUTHORITY TO INVEST IN SECURITIES SUBJECT TO THE THEN PREVAILING
10 STANDARDS THAT INSTITUTIONAL INVESTORS EMPLOY IN THE CONTEXT OF
11 INVESTMENT DECISIONS MADE WITH CONSIDERATION OF FIDUCIARY
12 STANDARDS.

13 (V) THE TREASURY DEPARTMENT SHALL MAINTAIN AND PUBLISH A
14 LIST OF PROHIBITED INVESTMENTS WITHIN ITS INVESTMENT POLICY.

15 (2) THE AUTHORITY TO INVEST OR REINVEST THE MONEYS OF ANY
16 FUND PURSUANT TO THIS SUBSECTION SHALL EXPIRE [DECEMBER 31,
17 2008] DECEMBER 31, 2010. THE TREASURY DEPARTMENT MAY MAINTAIN
18 INVESTMENTS PURSUANT TO THIS SUBSECTION WHICH ARE IN EXISTENCE
19 ON THE EXPIRATION DATE IN THIS PARAGRAPH FOR NOT MORE THAN TWO
20 YEARS FOLLOWING SUCH EXPIRATION DATE.

21 SECTION 2. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

22 SECTION 301.2. INVESTMENT POLICY.--THE STATE TREASURER SHALL
23 MAINTAIN AN INVESTMENT POLICY. THE INVESTMENT POLICY SHALL
24 INCLUDE PROVISIONS ON GENERAL INVESTMENT PRINCIPLES INCLUDING
25 ASSET ALLOCATION, LIQUIDITY AND OPERATIONAL CASH MANAGEMENT
26 REQUIREMENTS, PROHIBITED INVESTMENT ACTIVITY, INVESTMENT
27 PERFORMANCE REVIEW AND ANY OTHER ITEM THAT THE STATE TREASURER
28 MAY INCLUDE. THE STATE TREASURER SHALL REVIEW AND IF NECESSARY
29 UPDATE THE INVESTMENT POLICY AT LEAST ANNUALLY. THE TREASURY
30 DEPARTMENT SHALL POST, MAINTAIN AND UPDATE THE INVESTMENT POLICY

1 AS NECESSARY ON ITS PUBLICLY ACCESSIBLE INTERNET WEBSITE.

2 SECTION 301.3. ANNUAL INVESTMENT REPORT.--BY NOVEMBER 30,
3 2008, AND ANNUALLY THEREAFTER, THE STATE TREASURER SHALL SUBMIT
4 A REPORT TO THE GOVERNOR AND TO THE CHAIR AND MINORITY CHAIR OF
5 THE APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIR AND
6 MINORITY CHAIR OF THE FINANCE COMMITTEE OF THE SENATE, THE CHAIR
7 AND MINORITY CHAIR OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE
8 OF REPRESENTATIVES AND THE CHAIR AND MINORITY CHAIR OF THE
9 FINANCE COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THE REPORT
10 SHALL COVER THE PERIOD CONSISTING OF THE MOST RECENTLY ENDED
11 FISCAL YEAR. THE REPORT SHALL PROVIDE FOR THE FOLLOWING:

12 (1) AN ANALYSIS OF THE STATUS AND PERFORMANCE OF THE CURRENT
13 INVESTMENTS AND TRANSACTIONS MADE OVER THE LAST FISCAL YEAR.

14 (2) TARGETED ASSET ALLOCATION AND ACTUAL ASSET ALLOCATION ON
15 SEPTEMBER 30, DECEMBER 31, MARCH 31 AND JUNE 30 OF THE PREVIOUS
16 FISCAL YEAR.

17 (3) THE STANDARDS AND MEASURES OF INVESTMENT PERFORMANCE,
18 INCLUDING BENCHMARKS FOR EACH ASSET CLASS.

19 (4) RETURN FOR EACH ASSET CLASS INCLUDING A BREAKDOWN OF THE
20 RETURN VERSUS THE TARGETED BENCHMARK CALCULATED NET OF FEES.

21 (5) A LIST OF EXTERNAL MANAGERS INCLUDING WHETHER THE
22 MANAGER WAS SELECTED THROUGH COMPETITIVE BID OR AS A SOLE SOURCE
23 SELECTION, THE PRINCIPALS AND KEY STAFF OF THE MANAGER, THE DATE
24 OF THE MANAGER'S HIRE, THE AMOUNT OF FEES RECEIVED BY THE
25 MANAGER IN THE PREVIOUS FISCAL YEAR AND THE RETURN ON THE
26 MANAGER'S PORTFOLIO VERSUS HIS TARGETED BENCHMARK.

27 (6) BROKERAGE FEES.

28 (7) SECURITIES LENDING INFORMATION.

29 (8) PROXY VOTING INFORMATION.

30 (9) INFORMATION ON SECURITIES LITIGATION.

1 SECTION 301.4. SEGREGATION OF DUTIES.--(A) A PERSON WHO
2 PROVIDES FINANCIAL SERVICES TO THE TREASURY DEPARTMENT SHALL NOT
3 BENEFIT DIRECTLY OR INDIRECTLY FROM THE INVESTMENT ACTIONS OF
4 THE TREASURY DEPARTMENT EXCEPT AS PROVIDED IN THE CONTRACT FOR
5 THE PROVISION OF THOSE SERVICES. NO PERSON PROVIDING FINANCIAL
6 SERVICES SHALL KNOWINGLY DO INDIRECTLY THAT WHICH IS DIRECTLY
7 PROHIBITED BY THIS SECTION.

8 (B) A VIOLATION OF THIS SECTION CONSTITUTES A MISDEMEANOR OF
9 THE THIRD DEGREE.

10 (C) FOR THE PURPOSES OF THIS SECTION, "FINANCIAL SERVICES"
11 SHALL INCLUDE, BUT NOT BE LIMITED TO, THE PROVIDING OF
12 INVESTMENT ADVICE AND MANAGEMENT OF INVESTMENTS.

13 SECTION 409. AUDIT OF SECURITIES DEPOSITED WITH STATE
14 TREASURER.--(A) THE AUDITOR GENERAL, THROUGH SUCH AGENTS AS HE
15 MAY SELECT, SHALL PERFORM AN ANNUAL AUDIT OF THE BONDS, STOCKS,
16 MORTGAGES, OR OTHER SECURITIES, WHICH ARE DEPOSITED WITH THE
17 STATE TREASURER IN WHATEVER CAPACITY, AND SHALL AUDIT THE BOOKS
18 IN WHICH A RECORD IS KEPT OF SUCH BONDS, STOCKS, MORTGAGES, OR
19 OTHER SECURITIES; AND, FOR THIS PURPOSE, THE AUDITOR GENERAL MAY
20 EMPLOY SUCH CONSULTANTS, EXPERTS, ACCOUNTANTS, OR INVESTIGATORS
21 AS HE MAY DEEM ADVISABLE. THE AUDIT MAY BE CONDUCTED
22 INDEPENDENTLY OR AS PART OF ANY OTHER ANNUAL AUDIT OR AUDITS
23 CONDUCTED BY THE AUDITOR GENERAL.

24 (B) THE STATE TREASURER SHALL, WHENEVER DEMAND IS MADE UPON
25 HIM BY THE AUDITOR GENERAL, SUBMIT FOR THE AUDIT OF THE AUDITOR
26 GENERAL, OR HIS AGENTS, ALL RECORDS IN HIS POSSESSION RELATING
27 TO SUCH BONDS, STOCKS, MORTGAGES, OR OTHER SECURITIES, INCLUDING
28 SUCH RECORDS IN THE POSSESSION OF ANY CUSTODIAN OR SUBCUSTODIAN
29 ENGAGED BY HIM REGARDING SUCH SECURITIES, AND HIS FAILURE SO TO
30 DO SHALL DISQUALIFY HIM FROM HOLDING THE OFFICE OF STATE

1 TREASURER.

2 SECTION 3. SECTION 1301.21 OF THE ACT, AMENDED JUNE 29, 2002
3 (P.L.614, NO.91), IS AMENDED TO READ:

4 SECTION 1301.21. JUDICIAL ACTION UPON DETERMINATIONS.--[ANY
5 PERSON AGGRIEVED BY A DECISION OF THE STATE TREASURER, OR AS TO
6 WHOSE CLAIM THE STATE TREASURER HAS FAILED TO ACT WITHIN NINETY
7 (90) DAYS AFTER THE FILING OF THE CLAIM, MAY COMMENCE AN ACTION
8 IN THE COMMONWEALTH COURT TO ESTABLISH HIS CLAIM. THE PROCEEDING
9 SHALL BE BROUGHT WITHIN THIRTY (30) DAYS AFTER THE DECISION OF
10 THE STATE TREASURER OR WITHIN ONE HUNDRED TWENTY (120) DAYS FROM
11 THE FILING OF THE CLAIM IF THE STATE TREASURER FAILS TO ACT. THE
12 ACTION SHALL BE TRIED DE NOVO WITHOUT A JURY.] (A) ANY PERSON
13 AGGRIEVED BY A DECISION OF THE STATE TREASURER MAY APPEAL TO THE
14 COMMONWEALTH COURT. THE APPEAL SHALL BE FILED WITHIN THIRTY (30)
15 DAYS AFTER THE DECISION OF THE STATE TREASURER. THE CASE SHALL
16 BE HEARD IN COMMONWEALTH COURT'S APPELLATE JURISDICTION.

17 (B) ANY PERSON AS TO WHOSE CLAIM THE STATE TREASURER HAS
18 FAILED TO TAKE ACTION WITHIN NINETY (90) DAYS AFTER THE FILING
19 OF THE CLAIM, MAY COMMENCE AN ACTION IN THE COMMONWEALTH COURT
20 TO ESTABLISH HIS CLAIM WITHIN ONE HUNDRED TWENTY (120) DAYS FROM
21 THE FILING OF THE CLAIM. THE ACTION SHALL BE TRIED DE NOVO
22 WITHOUT A JURY.

23 SECTION 4. SECTION 1702-A OF THE ACT, AMENDED OR ADDED JUNE
24 29, 2002 (P.L.614, NO.91), AND JULY 7, 2005 (P.L.174, NO.41), IS
25 AMENDED TO READ:

26 SECTION 1702-A. FUNDING.

27 (A) INTENT.--IT IS HEREBY DECLARED AS THE INTENT AND GOAL OF
28 THE GENERAL ASSEMBLY TO CREATE A STABILIZATION RESERVE IN AN
29 EVENTUAL AMOUNT OF 6% OF THE REVENUES OF THE GENERAL FUND OF THE
30 COMMONWEALTH.

1 (B) TRANSFER OF PORTION OF SURPLUS.--

2 (1) EXCEPT AS MAY BE PROVIDED IN PARAGRAPH (2), FOR
3 FISCAL YEARS BEGINNING AFTER JUNE 30, 2002, THE FOLLOWING
4 APPLY:

5 (I) EXCEPT AS SET FORTH IN [SUBPARAGRAPH (II)] THIS
6 PARAGRAPH, IF THE SECRETARY OF THE BUDGET CERTIFIES THAT
7 THERE IS A SURPLUS IN THE GENERAL FUND FOR A SPECIFIC
8 FISCAL YEAR, 25% OF THE SURPLUS SHALL BE DEPOSITED BY THE
9 END OF THE NEXT SUCCEEDING QUARTER INTO THE BUDGET
10 STABILIZATION RESERVE FUND.

11 (II) IF THE SECRETARY OF THE BUDGET CERTIFIES, AFTER
12 JUNE 30, 2005, THAT THERE IS A SURPLUS IN THE GENERAL
13 FUND FOR THE FISCAL YEAR 2004-2005, 15% OF THE SURPLUS
14 SHALL BE DEPOSITED BY THE END OF THE NEXT SUCCEEDING
15 QUARTER INTO THE BUDGET STABILIZATION RESERVE FUND.

16 (III) NO AMOUNT OF THE SURPLUS IN THE GENERAL FUND
17 FOR FISCAL YEAR 2007-2008 MAY BE DEPOSITED INTO THE
18 BUDGET STABILIZATION RESERVE FUND.

19 (2) IF, AT THE END OF ANY FISCAL YEAR, THE ENDING
20 BALANCE OF THE BUDGET STABILIZATION RESERVE FUND EQUALS OR
21 EXCEEDS 6% OF THE ACTUAL GENERAL FUND REVENUES RECEIVED FOR
22 THE FISCAL YEAR IN WHICH THE SURPLUS OCCURS, 10% OF THE
23 SURPLUS SHALL BE DEPOSITED BY THE END OF THE NEXT SUCCEEDING
24 QUARTER INTO THE BUDGET RESERVE STABILIZATION FUND.

25 (C) APPROPRIATED FUNDS.--THE GENERAL ASSEMBLY MAY AT ANY
26 TIME PROVIDE ADDITIONAL AMOUNTS FROM ANY FUNDS AVAILABLE TO THIS
27 COMMONWEALTH AS AN APPROPRIATION TO THE BUDGET STABILIZATION
28 RESERVE FUND.

29 SECTION 5. ARTICLE XVII-A OF THE ACT IS AMENDED BY ADDING A
30 SUBARTICLE TO READ:

1 OPERATION OF THE PENNSYLVANIA BOARD OF LAW EXAMINERS. FUNDS
2 PROVIDED TO THE BOARD SHALL BE REPAID IN FULL TO THE OFFICE,
3 WITHOUT INTEREST OR CHARGES, FROM REVENUES OF THE BOARD.

4 (B) COUNTY COURT ADMINISTRATORS.--NO FUNDS FROM ANY
5 APPROPRIATION OTHER THAN THE APPROPRIATION FOR COUNTY COURT
6 ADMINISTRATORS FOR THE UNIFIED JUDICIAL SYSTEM MAY BE USED TO
7 SUPPLEMENT PAYMENTS TO COUNTY COURT ADMINISTRATORS.

8 SECTION 1782-E. SUPERIOR COURT (RESERVED).

9 SECTION 1783-E. COMMONWEALTH COURT (RESERVED).

10 SECTION 1784-E. COURTS OF COMMON PLEAS.

11 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE COURTS OF
12 COMMON PLEAS IN THE GENERAL APPROPRIATION ACT.

13 (1) NO PAYMENT MAY BE MADE FROM THE APPROPRIATION FOR
14 SALARIES AND EXPENSES OF COURTS OF COMMON PLEAS JUDGES FOR
15 PRINTING, POSTAGE, TELEPHONE OR SUPPLIES.

16 (2) NO PAYMENT MAY BE MADE FOR EXPENSES OF ANY KIND
17 RELATING TO EDUCATION.

18 SECTION 1785-E. COMMUNITY COURTS AND MAGISTERIAL DISTRICT
19 JUDGES.

20 ALL OF THE FOLLOWING SHALL APPLY TO THE APPROPRIATION IN EACH
21 GENERAL APPROPRIATION ACT FOR SALARIES AND EXPENSES OF COMMUNITY
22 COURT JUDGES AND MAGISTERIAL DISTRICT JUDGES:

23 (1) EXCEPT FOR PRINTING COSTS UNDER 42 PA.C.S. § 3532
24 (RELATING TO EXPENSES), NO OTHER COSTS FOR PRINTING, POSTAGE,
25 TELEPHONE OR SUPPLIES MAY BE PAID FROM THE APPROPRIATION.

26 (2) NO EXPENSES OF ANY KIND RELATING TO EDUCATION MAY BE
27 PAID FROM THE APPROPRIATION.

28 SECTION 1786-E. PHILADELPHIA TRAFFIC COURT (RESERVED).

29 SECTION 1787-E. PHILADELPHIA MUNICIPAL COURT (RESERVED).

30 SECTION 1788-E. JUDICIAL CONDUCT BOARD (RESERVED).

1 SECTION 1789-E. COURT OF JUDICIAL DISCIPLINE (RESERVED).

2 SECTION 1790-E. JUROR COST REIMBURSEMENT (RESERVED).

3 SECTION 1791-E. COUNTY COURT REIMBURSEMENT.

4 COUNTY COURT REIMBURSEMENTS SHALL BE AS FOLLOWS:

5 (1) REIMBURSEMENT TO COUNTIES FOR COSTS INCURRED IN THE
6 ADMINISTRATION AND OPERATION OF COURTS OF COMMON PLEAS SHALL
7 BE PAID AS FOLLOWS:

8 (I) FOR EACH COMMON PLEAS COURT JUDGE, FILLED OR
9 VACANT, \$70,000 PER AUTHORIZED POSITION.

10 (II) JUDICIAL DISTRICTS COMPRISING MORE THAN ONE
11 COUNTY SHALL RECEIVE \$70,000 PER AUTHORIZED POSITION. THE
12 AMOUNT PAYABLE TO EACH COUNTY SHALL BE DETERMINED BY THE
13 PROPORTION OF THE COUNTY'S POPULATION IN RELATION TO THE
14 POPULATION OF THE ENTIRE JUDICIAL DISTRICT.

15 (III) NO COUNTY SHALL BE REIMBURSED FOR COSTS ABOVE
16 THE ACTUAL DIRECT COSTS, EXCLUDING CAPITAL OUTLAYS,
17 INCURRED TO OPERATE THE COURTS OF COMMON PLEAS.

18 (IV) NO COUNTY SHALL RECEIVE LESS THAN 77.5% OF THE
19 ACTUAL REIMBURSEMENT FOR COURT COSTS APPROPRIATED IN
20 FISCAL YEAR 1980-1981.

21 (V) REIMBURSEMENT SHALL BE MADE TO THE COUNTY
22 TREASURER AND, IN CITIES OF THE FIRST CLASS COTERMINOUS
23 WITH COUNTIES OF THE FIRST CLASS, TO THE CITY TREASURER.

24 (2) (RESERVED).

25 SECTION 1792-E. SENIOR JUDGES.

26 SENIOR JUDGES OF THE COURTS OF COMMON PLEAS SHALL NOT BE
27 ASSIGNED UNLESS ADEQUATE FUNDS ARE APPROPRIATED TO PROVIDE
28 COMPENSATION. A SENIOR JUDGE ASSIGNED IN EXCESS OF EXISTING
29 APPROPRIATIONS SHALL BE COMPENSATED FROM THE APPROPRIATION FOR
30 THE SUPREME COURT.

1 SECTION 1793-E. TRANSFER OF FUNDS BY SUPREME COURT.

2 THE SUPREME COURT MAY TRANSFER TO THE JUDICIAL DEPARTMENT
3 DURING THE FISCAL YEAR FUNDS APPROPRIATED IN ARTICLE II OF EACH
4 GENERAL APPROPRIATION ACT RELATING TO THE JUDICIAL DEPARTMENT
5 AMONG ANY OF THE LINE ITEMS CONTAINED WITHIN THOSE SECTIONS
6 EXCEPT FOR LINE ITEMS FOR THE JUDICIAL CONDUCT BOARD AND THE
7 COURT OF JUDICIAL DISCIPLINE. IN ORDER TO AVOID A DEFICIT IN ANY
8 LINE ITEMS IN THOSE SECTIONS, THE SUPREME COURT MAY ALSO
9 TRANSFER FUNDS DEPOSITED INTO THE JUDICIAL COMPUTER SYSTEM
10 AUGMENTATION ACCOUNT TO ANY LINE ITEMS IN THOSE SECTIONS. THE
11 SUPREME COURT MAY ALSO TRANSFER EXCESS FUNDS APPROPRIATED IN
12 THOSE SECTIONS TO THE JUDICIAL COMPUTER SYSTEM AUGMENTATION
13 ACCOUNT DURING THE LAST MONTH OF EACH FISCAL YEAR. IF THE
14 SUPREME COURT MAKES A TRANSFER UNDER THIS SECTION, THE SUPREME
15 COURT SHALL GIVE WRITTEN NOTIFICATION TO THE SECRETARY OF THE
16 BUDGET AND CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS
17 COMMITTEE OF THE SENATE AND THE CHAIRMAN AND MINORITY CHAIRMAN
18 OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES
19 TEN DAYS PRIOR TO ANY TRANSFER. THIS SECTION SHALL NOT APPLY TO
20 THE APPROPRIATION RELATING TO COUNTY COURT REIMBURSEMENT OF EACH
21 GENERAL APPROPRIATION ACT FOR GUN COURTS.

22 SECTION 8. THE ACT IS AMENDED BY ADDING ARTICLES TO READ:

23 ARTICLE XVII-H
24 2008-2009 BUDGET IMPLEMENTATION
25 SUBARTICLE A
26 PRELIMINARY PROVISIONS

27 SECTION 1701-H. APPLICABILITY.

28 EXCEPT AS SPECIFICALLY PROVIDED IN THIS ARTICLE, THIS ARTICLE
29 APPLIES TO THE GENERAL APPROPRIATION ACT OF 2008 AND, AS
30 APPROPRIATE, ALL OTHER APPROPRIATION ACTS OF 2008.

1 SECTION 1702-H. DEFINITIONS AND ABBREVIATIONS.

2 (A) DEFINITIONS.--THE FOLLOWING WORDS AND PHRASES WHEN USED
3 IN THIS ARTICLE SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
4 SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

5 "GENERAL APPROPRIATION ACT." THE ACT OF _____, 2008 (P.L.
6 _____, NO. _____), KNOWN AS THE GENERAL APPROPRIATION ACT OF 2008.

7 "SECRETARY." THE SECRETARY OF THE BUDGET OF THE
8 COMMONWEALTH.

9 (B) ABBREVIATIONS.--THE FOLLOWING ABBREVIATIONS WHEN USED IN
10 THIS ARTICLE SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
11 SECTION:

12 "AIDS." ACQUIRED IMMUNE DEFICIENCY SYNDROME.

13 "ARC." APPALACHIAN REGIONAL COMMISSION.

14 "BG." BLOCK GRANT.

15 "CCDFBG." CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT.

16 "CSBG." COMMUNITY SERVICES BLOCK GRANT.

17 "DCSI." DRUG CONTROL AND SYSTEMS IMPROVEMENT FORMULA GRANT
18 PROGRAM.

19 "DFSC." DRUG FREE SCHOOLS AND COMMUNITIES ACT.

20 "DOE." DEPARTMENT OF ENERGY.

21 "EEOC." EQUAL EMPLOYMENT OPPORTUNITY COMMISSION.

22 "EPA." ENVIRONMENTAL PROTECTION AGENCY.

23 "ESEA." ELEMENTARY AND SECONDARY EDUCATION ACT.

24 "FEMA." FEDERAL EMERGENCY MANAGEMENT AGENCY.

25 "FTA." FEDERAL TRANSIT ADMINISTRATION.

26 "HUD." DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

27 "LIHEABG." LOW-INCOME HOME ENERGY ASSISTANCE BLOCK GRANT.

28 "LSTA." LIBRARY SERVICES AND TECHNOLOGY ACT.

29 "MCHSBG." MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT.

30 "MHSBG." MENTAL HEALTH SERVICES BLOCK GRANT.

1 (A) APPROPRIATIONS.--THE FOLLOWING SHALL APPLY TO
2 APPROPRIATIONS FOR THE DEPARTMENT OF COMMUNITY AND ECONOMIC
3 DEVELOPMENT IN THE GENERAL APPROPRIATION ACT:

4 (1) GRANTS FROM FUNDS APPROPRIATED FOR COMMUNITY
5 REVITALIZATION AND ASSISTANCE SHALL BE AWARDED ONLY AFTER
6 PROGRAM GUIDELINES, SCHEDULES AND APPLICATION PROCEDURES ARE
7 ESTABLISHED BY THE DEPARTMENT AND PUBLISHED IN THE
8 PENNSYLVANIA BULLETIN.

9 (2) FUNDS APPROPRIATED FOR SMALL BUSINESS DEVELOPMENT
10 CENTERS SHALL BE ALLOCATED TO THE SMALL BUSINESS DEVELOPMENT
11 CENTERS AND THE STATE DIRECTOR'S OFFICE IN THE SAME
12 PROPORTION AS ALLOCATED FOR FISCAL YEAR 2007-2008.

13 (B) BIOTECHNOLOGY COMMERCIALIZATION.--

14 (1) THERE IS ESTABLISHED WITHIN THE TOBACCO SETTLEMENT
15 FUND THE BIOTECHNOLOGY COMMERCIALIZATION ACCOUNT.

16 (2) MONEY IN THE ACCOUNT SHALL BE DISTRIBUTED TO CENTERS
17 IN EQUAL AMOUNTS. THE DEPARTMENT MAY APPROVE APPLICATIONS TO
18 AWARD MONEY IN THE ACCOUNT FOR INVESTMENTS IN OR GRANTS TO
19 CENTERS TO SUPPORT THEIR COMMERCIALIZATION ACTIVITIES IN
20 ACCORDANCE WITH STANDARDS FOR INVESTMENT SET FORTH IN SECTION
21 305 OF THE ACT OF JUNE 26, 2001 (P.L.755, NO.77), KNOWN AS
22 THE TOBACCO SETTLEMENT ACT. IF A CENTER RECEIVES AN
23 INVESTMENT OR GRANT UNDER THIS PARAGRAPH, THE ANNUAL REPORT
24 SUBMITTED UNDER SECTION 1703(J)(2) OF THE TOBACCO SETTLEMENT
25 ACT BY THE CENTER SHALL INCLUDE THE FOLLOWING:

26 (I) A LIST OF ACTIVITIES UNDERTAKEN BY THE CENTER IN
27 THE PRIOR YEAR TO ENTER OR DEVELOP MARKETS FOR
28 INVENTIONS, PATENTS, PRODUCTS OR OTHER INTELLECTUAL
29 PROPERTY.

30 (II) THE AMOUNT OF MONEY EXPENDED BY EACH FOR-PROFIT

1 OR NONPROFIT ORGANIZATION IN THE PRECEDING YEAR ON
2 COMMERCIALIZATION SUPPORTED BY THE CENTER AND THE AMOUNT
3 OF ANY RETURN OF INVESTMENT RECEIVED BY THE CENTER FROM
4 THE EXPENDITURES.

5 (III) THE AMOUNT OF MONEY EACH FOR-PROFIT OR
6 NONPROFIT ORGANIZATION ANTICIPATES SPENDING ON A
7 COMMERCIALIZATION ACTIVITY SUPPORTED BY THE CENTER IN THE
8 CURRENT YEAR AND THE ANTICIPATED RETURN ON INVESTMENT TO
9 THE CENTER FROM THE MONEY SPENT.

10 (IV) THE NAME OF ANY OTHER ORGANIZATION THAT HAS
11 COMMITTED FUNDING TO COMMERCIALIZATION PROJECTS OF THE
12 CENTER AND TYPE AND AMOUNT OF THE FUNDING.

13 (V) A LIST OF POTENTIAL MARKETS FOR EACH BIOSCIENCE
14 PRODUCT SUPPORTED BY THE CENTER AND ALL TARGET
15 POPULATIONS THAT MAY BENEFIT FROM COMMERCIALIZATION OF
16 THE PRODUCT.

17 (VI) OTHER INFORMATION DEEMED APPROPRIATE BY THE
18 DEPARTMENT.

19 (3) EARNINGS OF CENTERS IN EXCESS OF \$100,000,000 SHALL
20 BE REALLOCATED TO THE ACCOUNT FOR USE IN SUCCEEDING YEARS.

21 (4) THE FOLLOWING APPLY TO THE TOBACCO SETTLEMENT
22 INVESTMENT BOARD:

23 (I) THE BOARD SHALL ESTABLISH REASONABLE
24 REQUIREMENTS FOR THE PRUDENT INVESTMENT OF THE FUNDS IN
25 THE ACCOUNT AND IN THE HEALTH ENDOWMENT ACCOUNT FOR LONG-
26 TERM HOPE.

27 (II) FUNDS RECEIVED FROM HEALTH VENTURE INVESTMENT
28 FROM THE HEALTH VENTURE INVESTMENT ACCOUNT SHALL BE
29 ALLOCATED TO THE HEALTH ENDOWMENT ACCOUNT FOR LONG-TERM
30 HOPE FOR ALTERNATIVE INVESTMENTS IN SUCCEEDING YEARS BY

1 THE BOARD.

2 (5) THE SUM OF \$6,000,000 FROM THE MACHINERY AND
3 EQUIPMENT LOAN FUND IS TRANSFERRED TO THE ACCOUNT AND IS
4 APPROPRIATED TO THE DEPARTMENT FOR THE PURPOSES SET FORTH IN
5 PARAGRAPH (2). THE SUM OF \$6,000,000 IS TRANSFERRED FROM THE
6 FUND TO THE HEALTH VENTURE INVESTMENT ACCOUNT AND IS
7 APPROPRIATED FOR THE PURPOSES SET FORTH UNDER PARAGRAPH
8 (4)(II).

9 (6) DEFINITIONS.--AS USED IN THIS SUBSECTION, THE
10 FOLLOWING WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO
11 THEM IN THIS PARAGRAPH:

12 "ACCOUNT." THE BIOTECHNOLOGY COMMERCIALIZATION ACCOUNT
13 ESTABLISHED IN PARAGRAPH (1).

14 "CENTER." A REGIONAL BIOTECHNOLOGY RESEARCH CENTER
15 ESTABLISHED UNDER CHAPTER 17 OF THE ACT OF JUNE 26, 2001
16 (P.L.755, NO.77), KNOWN AS THE TOBACCO SETTLEMENT ACT.

17 "COMMERCIALIZATION." AN ACTIVITY WHICH ASSISTS A FOR-
18 PROFIT OR NOT-FOR-PROFIT BIOSCIENCE ORGANIZATION IN THE
19 JURISDICTION OF A CENTER IN THE TESTING, PRODUCTION,
20 MARKETING, LICENSING OR SALE OF A BIOSCIENCE PRODUCT OR WHICH
21 LEADS TO TESTING, ENHANCES ACCESS TO OR CREATES MARKETS FOR
22 PRODUCTION, LICENSING OR SALE OF A BIOSCIENCE PRODUCT. THE
23 TERM INCLUDES LEGAL AND BUSINESS CONSULTING SERVICES AND
24 EXPENSES, ASSESSMENT OF THE PATENTABILITY OF BIOSCIENCE
25 PRODUCTS, OBTAINING PATENT PROTECTION IN THE UNITED STATES
26 AND INTERNATIONALLY AND NEGOTIATING LICENSING OR
27 COMMERCIALIZATION AGREEMENTS WITH LICENSEES AND DEVELOPMENT
28 OF NEW TECHNOLOGY TRANSFER PROGRAMS.

29 SECTION 1720-H. DEPARTMENT OF CONSERVATION AND NATURAL
30 RESOURCES (RESERVED).

1 SECTION 1721-H. DEPARTMENT OF CORRECTIONS.

2 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE
3 DEPARTMENT OF CORRECTIONS IN THE GENERAL APPROPRIATION ACT:

4 (1) WHEN MAKING EXPENDITURES FROM APPROPRIATIONS FOR THE
5 OPERATION OF STATE CORRECTIONAL INSTITUTIONS, THE DEPARTMENT
6 SHALL GIVE CONSIDERATION TO MINIMUM RELIEF FACTOR VALUES
7 CALCULATED WHEN DETERMINING STAFFING LEVELS FOR CORRECTIONS
8 OFFICERS AND FOOD SERVICE INSTRUCTORS AT EACH STATE
9 CORRECTIONAL INSTITUTION.

10 (2) (RESERVED).

11 SECTION 1722-H. DEPARTMENT OF EDUCATION.

12 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE
13 DEPARTMENT OF EDUCATION IN THE GENERAL APPROPRIATION ACT:

14 (1) ANNUAL PAYMENTS FROM INSTITUTIONS OF HIGHER LEARNING
15 FOR DEFRAYING THE EXPENSES OF DEAF OR BLIND STUDENTS SHALL
16 NOT EXCEED \$500 PER STUDENT.

17 (2) (RESERVED).

18 SECTION 1723-H. DEPARTMENT OF ENVIRONMENTAL PROTECTION.

19 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE
20 DEPARTMENT OF ENVIRONMENTAL PROTECTION IN THE GENERAL
21 APPROPRIATION ACT:

22 (1) APPROPRIATIONS INCLUDE FUNDS FOR THE WATER RESOURCES
23 TECHNICAL ASSISTANCE CENTER IN AN AMOUNT TO BE DETERMINED BY
24 THE DEPARTMENT IN COOPERATION WITH THE WATER CONSERVATION
25 SUBCOMMITTEE OF THE STATEWIDE WATER RESOURCES COMMITTEE.

26 (2) (RESERVED).

27 SECTION 1724-H. DEPARTMENT OF GENERAL SERVICES (RESERVED).

28 SECTION 1725-H. DEPARTMENT OF HEALTH.

29 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE
30 DEPARTMENT OF HEALTH IN THE GENERAL APPROPRIATION ACT:

1 DEPARTMENT OF PUBLIC WELFARE FROM THE GENERAL APPROPRIATION ACT:

2 (1) AUTHORIZED TRANSFERS FOR CHILD-CARE SERVICES. THE
3 FOLLOWING SHALL APPLY:

4 (I) THE DEPARTMENT, UPON APPROVAL OF THE SECRETARY,
5 MAY TRANSFER FEDERAL FUNDS APPROPRIATED FOR TANFBG CHILD
6 CARE ASSISTANCE TO THE CCDFBG CHILD CARE SERVICES
7 APPROPRIATION TO PROVIDE CHILD-CARE SERVICES TO
8 ADDITIONAL LOW-INCOME FAMILIES IF THE TRANSFER OF FUNDS
9 WILL NOT RESULT IN A DEFICIT IN THE APPROPRIATION. THE
10 SECRETARY SHALL PROVIDE NOTICE TEN DAYS PRIOR TO A
11 TRANSFER UNDER THIS SUBPARAGRAPH TO THE CHAIRMAN AND
12 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE
13 SENATE AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
14 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

15 (II) THE DEPARTMENT, UPON APPROVAL OF THE SECRETARY,
16 MAY TRANSFER FEDERAL FUNDS APPROPRIATED FOR CCDFBG CHILD
17 CARE ASSISTANCE TO THE CCDFBG CHILD CARE SERVICES
18 APPROPRIATION TO PROVIDE CHILD-CARE SERVICES TO
19 ADDITIONAL LOW INCOME FAMILIES PROVIDED THAT THE TRANSFER
20 OF FUNDS WILL NOT RESULT IN A DEFICIT IN THE
21 APPROPRIATION. THE SECRETARY SHALL PROVIDE NOTICE TEN
22 DAYS PRIOR TO A TRANSFER UNDER THIS SUBPARAGRAPH TO THE
23 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS
24 COMMITTEE OF THE SENATE AND THE CHAIRMAN AND THE MINORITY
25 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
26 REPRESENTATIVES.

27 (2) FEDERAL AND STATE MEDICAL ASSISTANCE PAYMENTS. THE
28 FOLLOWING SHALL APPLY:

29 (I) WHEN MAKING PAYMENTS FOR MEDICAL ASSISTANCE
30 OUTPATIENT OR CAPITATION SERVICES, THE DEPARTMENT SHALL

1 NOT REQUIRE A RECIPIENT TO OBTAIN A PHYSICIAN REFERRAL IN
2 ORDER TO RECEIVE CHIROPRACTIC SERVICES.

3 (II) NO FUNDS APPROPRIATED FOR APPROVED CAPITATION
4 PLANS SHALL BE USED TO PAY A PROVIDER WHO FAILS TO SUPPLY
5 INFORMATION IN A FORM REQUIRED BY THE DEPARTMENT IN ORDER
6 TO FACILITATE CLAIMS FOR FEDERAL FINANCIAL PARTICIPATION
7 FOR SERVICES RENDERED TO GENERAL ASSISTANCE CLIENTS.

8 (III) FOR FISCAL YEAR 2008-2009, ADDITIONAL FEDERAL
9 AND STATE INPATIENT FUNDING IS INCLUDED TO PROVIDE FOR
10 COMMUNITY ACCESS FUND PAYMENTS. PAYMENTS TO HOSPITALS FOR
11 COMMUNITY ACCESS FUND GRANTS SHALL BE DISTRIBUTED UNDER
12 THE FORMULAS UTILIZED FOR THESE GRANTS IN FISCAL YEAR
13 2007-2008.

14 (IV) QUALIFYING STATE-RELATED ACADEMIC MEDICAL
15 CENTERS SHALL NOT RECEIVE ANY LESS FUNDING THAN RECEIVED
16 FOR THE FISCAL YEAR 2004-2005 STATE APPROPRIATION LEVEL
17 IF FEDERAL FUNDING FOR ACADEMIC MEDICAL CENTERS IS NOT
18 MADE AVAILABLE TO THOSE ACADEMIC MEDICAL CENTERS DURING
19 FISCAL YEAR 2008-2009.

20 (V) IF SUPPLEMENTAL FEDERAL FUNDING FOR PHYSICIAN
21 PRACTICE PLANS IS NOT MADE AVAILABLE DURING FISCAL YEAR
22 2008-2009, QUALIFYING UNIVERSITIES AND AFFILIATED
23 PHYSICIAN PRACTICE PLANS SHALL NOT RECEIVE ANY LESS
24 FUNDING THAN THE AMOUNT RECEIVED FOR THE FISCAL YEAR
25 2007-2008 STATE APPROPRIATION LEVEL.

26 (VI) FUNDS APPROPRIATED FOR MEDICAL ASSISTANCE
27 TRANSPORTATION SHALL ONLY BE UTILIZED AS A PAYMENT OF
28 LAST RESORT FOR TRANSPORTATION FOR ELIGIBLE MEDICAL
29 ASSISTANCE RECIPIENTS.

30 (VII) THE DEPARTMENT SHALL CONSIDER PHARMACEUTICAL

1 SERVICES A COVERED BENEFIT FOR RECIPIENTS WHO ARE
2 ELIGIBLE FOR SUCH SERVICES AND WHOSE CARE IS MANAGED
3 THROUGH CONTRACTS BETWEEN THE DEPARTMENT AND MANAGED CARE
4 CONTRACTORS. PHARMACEUTICAL BENEFITS SHALL REMAIN A
5 COVERED BENEFIT IN THE CONTRACTS BETWEEN THE DEPARTMENT
6 AND MANAGED CARE CONTRACTORS FOR FISCAL YEARS 2007-2008
7 AND 2008-2009. IF THE DEPARTMENT ELECTS TO BID A CONTRACT
8 FOR FISCAL YEAR 2009-2010 THAT DOES NOT INCLUDE
9 PHARMACEUTICAL SERVICES AS A COVERED BENEFIT FOR
10 RECIPIENTS WHOSE CARE IS MANAGED THROUGH CONTRACTS
11 BETWEEN THE DEPARTMENT AND MANAGED CARE CONTRACTORS, THE
12 SECRETARY OF PUBLIC WELFARE SHALL DO ALL OF THE
13 FOLLOWING:

14 (A) BY MARCH 30, NOTIFY IN WRITING THE CHAIR AND
15 MINORITY CHAIR OF THE APPROPRIATIONS COMMITTEE OF THE
16 SENATE, THE CHAIR AND MINORITY CHAIR OF THE
17 APPROPRIATIONS COMMITTEE OF THE HOUSE OF
18 REPRESENTATIVES, THE CHAIR AND MINORITY CHAIR OF THE
19 PUBLIC HEALTH AND WELFARE COMMITTEE OF THE SENATE AND
20 THE CHAIR AND MINORITY CHAIR OF THE HEALTH AND HUMAN
21 SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

22 (B) ADDITIONALLY BID A CONTRACT FOR FISCAL YEAR
23 2009-2010 THAT DOES INCLUDE PHARMACEUTICAL SERVICES
24 AS A COVERED BENEFIT FOR RECIPIENTS WHO ARE ELIGIBLE
25 FOR SUCH SERVICES AND WHOSE CARE IS MANAGED THROUGH
26 CONTRACTS BETWEEN THE DEPARTMENT AND MANAGED CARE
27 CONTRACTORS.

28 (C) CONDUCT ANY PROCUREMENT FOR EXISTING OR NEW
29 ZONES IN A PUBLIC MANNER, INCLUDING PUBLICATION OF
30 ANY REQUEST FOR PROPOSAL ON THE DEPARTMENT OF PUBLIC

1 WELFARE'S PUBLICLY ACCESSIBLE INTERNET WEBSITE.

2 (VIII) AMOUNTS ALLOCATED FROM FUNDS APPROPRIATED FOR
3 MEDICAL ASSISTANCE OUTPATIENT SERVICES FOR THE SELECT
4 PLAN FOR WOMEN PREVENTATIVE HEALTH SERVICES SHALL BE USED
5 FOR WOMEN'S MEDICAL SERVICES, INCLUDING NONINVASIVE
6 CONTRACEPTION SUPPLIES.

7 (IX) FEDERAL OR STATE FUNDS APPROPRIATED UNDER THE
8 ACT OF MARCH 24, 2004 (P.L.148, NO.15), KNOWN AS THE
9 PENNSYLVANIA TRAUMA SYSTEMS STABILIZATION ACT, NOT USED
10 TO MAKE PAYMENTS TO HOSPITALS QUALIFYING AS LEVEL III
11 TRAUMA CENTERS SHALL BE USED TO MAKE PAYMENTS TO
12 HOSPITALS QUALIFYING AS LEVEL I AND II TRAUMA CENTERS.

13 (3) BREAST CANCER SCREENING. THE FOLLOWING SHALL APPLY:

14 (I) FUNDS APPROPRIATED FOR BREAST CANCER SCREENING
15 MAY BE USED FOR WOMEN'S MEDICAL SERVICES, INCLUDING
16 NONINVASIVE CONTRACEPTION SUPPLIES.

17 (II) (RESERVED).

18 (4) WOMEN'S SERVICE PROGRAMS. THE FOLLOWING SHALL APPLY:

19 (I) FUNDS APPROPRIATED FOR WOMEN'S SERVICE PROGRAMS
20 GRANTS TO NONPROFIT AGENCIES WHOSE PRIMARY FUNCTION IS TO
21 PROVIDE ALTERNATIVES TO ABORTION SHALL BE EXPENDED TO
22 PROVIDE SERVICES TO WOMEN UNTIL CHILDBIRTH AND FOR UP TO
23 12 MONTHS THEREAFTER, INCLUDING FOOD, SHELTER, CLOTHING,
24 HEALTH CARE, COUNSELING, ADOPTION SERVICES, PARENTING
25 CLASSES, ASSISTANCE FOR POSTDELIVERY STRESS AND OTHER
26 SUPPORTIVE PROGRAMS AND SERVICES AND FOR RELATED OUTREACH
27 PROGRAMS. AGENCIES MAY SUBCONTRACT WITH OTHER NONPROFIT
28 ENTITIES WHICH OPERATE PROJECTS DESIGNED SPECIFICALLY TO
29 PROVIDE ALL OR A PORTION OF THESE SERVICES. PROJECTS
30 RECEIVING FUNDS REFERRED TO IN THIS SUBPARAGRAPH SHALL

1 NOT PROMOTE, REFER FOR OR PERFORM ABORTIONS OR ENGAGE IN
2 ANY COUNSELING WHICH IS INCONSISTENT WITH THE
3 APPROPRIATION REFERRED TO IN THIS SUBPARAGRAPH AND SHALL
4 BE PHYSICALLY AND FINANCIALLY SEPARATE FROM ANY COMPONENT
5 OF ANY LEGAL ENTITY ENGAGING IN SUCH ACTIVITIES.

6 (II) FUNDS APPROPRIATED FOR WOMEN'S SERVICE PROGRAMS
7 SHALL BE USED FOR WOMEN'S MEDICAL SERVICES, INCLUDING
8 NONINVASIVE CONTRACEPTION SUPPLIES.

9 (III) FEDERAL FUNDS APPROPRIATED FOR TANFBG
10 ALTERNATIVES TO ABORTION SHALL BE UTILIZED SOLELY FOR
11 SERVICES TO WOMEN WHOSE GROSS FAMILY INCOME IS BELOW 185%
12 OF THE FEDERAL POVERTY GUIDELINES.

13 (5) BEHAVIORAL HEALTH SERVICES. ALL AVAILABLE
14 INTERGOVERNMENTAL TRANSFER FUNDS APPROPRIATED TO AUGMENT
15 APPROPRIATIONS, INCLUDING PRIOR YEAR CARRYOVER FUNDS, SHALL
16 BE SPENT PRIOR TO COMMONWEALTH FUNDS.

17 (6) COUNTY CHILDREN AND YOUTH PROGRAMS. THE FOLLOWING
18 SHALL APPLY:

19 (I) NO MORE THAN 50% OF FUNDS ALLOCATED FROM THE
20 STATE APPROPRIATION FOR COUNTY CHILDREN AND YOUTH
21 PROGRAMS TO EACH COUNTY SHALL BE EXPENDED UNTIL EACH
22 COUNTY SUBMITS TO THE DEPARTMENT DATA FOR THE PRIOR STATE
23 FISCAL YEAR, AND UPDATED QUARTERLY, ON THE UNDUPLICATED
24 CASELOADS, UNDUPLICATED SERVICES AND NUMBER OF
25 CASEWORKERS BY COUNTY PROGRAM. DATA SHALL BE SUBMITTED IN
26 A FORM ACCEPTABLE TO THE DEPARTMENT. A COPY OF THE DATA
27 SHALL BE SENT TO THE CHAIRMAN AND MINORITY CHAIRMAN OF
28 THE APPROPRIATIONS COMMITTEE OF THE SENATE AND TO THE
29 CHAIRMAN AND THE MINORITY CHAIRMAN OF THE APPROPRIATIONS
30 COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

1 (II) REIMBURSEMENT FOR CHILDREN AND YOUTH SERVICES
2 MADE PURSUANT TO SECTION 704.1 OF THE ACT OF JUNE 13,
3 1967 (P.L.31, NO.21), KNOWN AS THE PUBLIC WELFARE CODE,
4 SHALL NOT EXCEED THE AMOUNT OF STATE FUNDS APPROPRIATED.
5 IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT COUNTIES DO
6 NOT EXPERIENCE ANY ADVERSE FISCAL IMPACT DUE TO THE
7 DEPARTMENT'S MAXIMIZATION EFFORTS.

8 (7) COMMUNITY-BASED FAMILY CENTERS. NO FUNDS
9 APPROPRIATED FOR COMMUNITY-BASED FAMILY CENTERS MAY BE
10 CONSIDERED AS PART OF THE BASE FOR CALCULATION OF THE COUNTY
11 CHILD WELFARE NEEDS-BASED BUDGET FOR A FISCAL YEAR.

12 SECTION 1730-H. DEPARTMENT OF REVENUE.

13 (A) STATE LOTTERY.--NOTWITHSTANDING THE PROVISIONS OF
14 SECTION 303(A)(11)(IV) OF THE ACT OF AUGUST 26, 1971 (P.L.351,
15 NO.91), KNOWN AS THE STATE LOTTERY LAW, THE DEPARTMENT OF
16 REVENUE MAY DETERMINE AND IMPLEMENT A MIX OF ON-LINE AND INSTANT
17 GAMES TO MAXIMIZE THE TOTAL DOLLAR AMOUNT OF NET LOTTERY
18 PROCEEDS FOR THE PURPOSE OF PROVIDING GRANTS OR SERVICES TO
19 ELIGIBLE PERSONS PURSUANT TO LOTTERY-FUNDED PROGRAMS IN AMOUNTS
20 NO LESS THAN THE AMOUNTS AUTHORIZED BY THE GOVERNOR FOR THE
21 FISCAL YEAR OR AS APPROPRIATED IN THE GENERAL APPROPRIATION ACT
22 FOR THAT FISCAL YEAR IF ALL OF THE FOLLOWING ARE MET:

23 (1) THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GOVERNOR
24 AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS
25 COMMITTEE OF THE SENATE AND THE CHAIRMAN AND MINORITY
26 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
27 REPRESENTATIVES AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
28 AGING AND YOUTH COMMITTEE OF THE SENATE AND THE CHAIRMAN AND
29 MINORITY CHAIRMAN OF THE AGING AND OLDER ADULT SERVICES
30 COMMITTEE OF THE HOUSE OF REPRESENTATIVES BY JUNE 1 OF EACH

1 YEAR. THE REPORT SHALL SET FORTH CURRENT LOTTERY PROFITS AND
2 THE STATE LOTTERY'S PLAN FOR INCREASING FUTURE PROFITS. THIS
3 REPORT SHALL BE POSTED ON THE DEPARTMENT'S PUBLICLY
4 ACCESSIBLE INTERNET WEBSITE.

5 (2) THE DEPARTMENT SHALL ENSURE THAT NO LESS THAN 27% OF
6 TOTAL REVENUE ACCRUING FROM THE SALE OF LOTTERY TICKETS OR
7 SHARES IS AVAILABLE FOR PROGRAM EXPENDITURES.

8 (3) MONTHLY AND ANNUAL FINANCIAL STATEMENTS SHALL BE
9 HANDLED AS FOLLOWS:

10 (I) THE OFFICE OF THE BUDGET, WORKING JOINTLY WITH
11 THE DEPARTMENT, SHALL MAKE AVAILABLE TO THE GENERAL
12 ASSEMBLY FINANCIAL STATEMENTS AS OF THE LAST DAY OF EACH
13 MONTH FOR THE STATE LOTTERY FUND. THE FINANCIAL
14 STATEMENTS SHALL INCLUDE THE FOLLOWING:

15 (A) A BALANCE SHEET PREPARED USING THE SAME
16 METHOD OF ACCOUNTING USED TO PRESENT THE FUND IN THE
17 GOVERNOR'S EXECUTIVE BUDGET.

18 (B) COMPARATIVE MONTHLY BALANCE SHEETS LISTING
19 THE AMOUNTS FOR THE CURRENT FISCAL YEAR AND THE
20 AMOUNTS FOR THE SAME MONTH OF THE PRIOR FISCAL YEAR.

21 (C) A MONTHLY STATEMENT OF REVENUES,
22 EXPENDITURES AND CHANGES IN FUND BALANCE.

23 (D) COMPARATIVE STATEMENTS OF REVENUES,
24 EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE
25 FISCAL YEAR-TO-DATE AND PRIOR FISCAL YEAR-TO-DATE.

26 (E) STATEMENTS OF FUNDS AVAILABLE FOR THE MONTH
27 ENDED AND FOR THE FISCAL YEAR-TO-DATE.

28 (F) A MODIFIED CASH INCOME STATEMENT.

29 (II) ANNUAL FINANCIAL STATEMENTS PREPARED IN
30 ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

1 (III) THE MONTHLY AND ANNUAL FINANCIAL STATEMENTS
2 SHALL BE MADE AVAILABLE ELECTRONICALLY BY THE OFFICE OF
3 THE BUDGET WITHIN 20 DAYS AFTER THE IMMEDIATELY PRECEDING
4 MONTH OR WITHIN 90 DAYS OF THE CLOSE OF THE FISCAL YEAR,
5 AS APPLICABLE.

6 (B) EXPIRATION.--EXCEPT FOR SUBSECTION (A)(3), THIS SECTION
7 SHALL EXPIRE JUNE 30, 2011.

8 SECTION 1731-H. DEPARTMENT OF STATE (RESERVED).

9 SECTION 1732-H. DEPARTMENT OF TRANSPORTATION (RESERVED).

10 SECTION 1733-H. PENNSYLVANIA STATE POLICE.

11 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE
12 PENNSYLVANIA STATE POLICE FROM THE GENERAL APPROPRIATION ACT:

13 (1) DURING FISCAL YEAR 2008-2009, THE PENNSYLVANIA STATE
14 POLICE MAY NOT CLOSE A BARRACKS UNTIL THE PENNSYLVANIA STATE
15 POLICE CONDUCT A PUBLIC HEARING AND PROVIDE 30 DAYS' NOTICE,
16 WHICH SHALL BE PUBLISHED IN THE PENNSYLVANIA BULLETIN AND IN
17 AT LEAST TWO LOCAL NEWSPAPERS.

18 (2) (RESERVED).

19 SECTION 1734-H. STATE CIVIL SERVICE COMMISSION (RESERVED).

20 SECTION 1735-H. PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY.

21 THE PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY SHALL PROVIDE
22 SEMIANNUAL REPORTS OF ALL GRANTS AWARDED BY THE PENNSYLVANIA
23 EMERGENCY MANAGEMENT AGENCY FROM FEDERAL DISASTER ASSISTANCE OR
24 RELIEF FUNDS, HOMELAND SECURITY AND DEFENSE FUNDS, AVIAN
25 FLU/PANDEMIC PREPAREDNESS OR OTHER PUBLIC HEALTH EMERGENCY FUNDS
26 TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS
27 COMMITTEE OF THE SENATE AND THE CHAIRMAN AND MINORITY CHAIRMAN
28 OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.
29 THE REPORTS SHALL INCLUDE INFORMATION RELATING TO THE ENTITY
30 RECEIVING GRANT MONEY FROM THE PENNSYLVANIA EMERGENCY MANAGEMENT

1 AGENCY, INCLUDING THE NAME AND ADDRESS OF THE ENTITY, THE AMOUNT
2 OF THE GRANT, THE DATE OF ISSUANCE AND THE PURPOSE OF THE GRANT.
3 REPORTS SHALL BE SUBMITTED ON OR BEFORE AUGUST 15 OF EACH YEAR
4 FOR GRANTS AWARDED DURING THE PERIOD FROM JANUARY 1 THROUGH JUNE
5 30 AND ON OR BEFORE FEBRUARY 15 OF EACH YEAR FOR GRANTS AWARDED
6 DURING THE PERIOD FROM JULY 1 THROUGH DECEMBER 31.

7 SECTION 1736-H. PENNSYLVANIA FISH AND BOAT COMMISSION
8 (RESERVED).

9 SECTION 1737-H. STATE SYSTEM OF HIGHER EDUCATION (RESERVED).

10 SECTION 1738-H. PENNSYLVANIA HIGHER EDUCATION ASSISTANCE
11 AGENCY.

12 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE
13 PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY FROM THE GENERAL
14 APPROPRIATION ACT:

15 (1) MAXIMIZATION OF FUNDS. THE AGENCY SHALL USE FUNDS
16 APPROPRIATED FOR MATCHING PAYMENTS FOR STUDENT AID FUNDS TO
17 MAXIMIZE THE RECEIPT OF FEDERAL FUNDS TO THE FULLEST EXTENT
18 POSSIBLE.

19 (2) LIMITATION. NO COLLEGE, UNIVERSITY OR INSTITUTION
20 RECEIVING A DIRECT APPROPRIATION FROM THE COMMONWEALTH SHALL
21 BE ELIGIBLE TO PARTICIPATE IN THE INSTITUTIONAL ASSISTANCE
22 GRANTS PROGRAM.

23 (3) AGRICULTURAL LOAN FORGIVENESS. IN DISTRIBUTING FUNDS
24 APPROPRIATED FOR AGRICULTURAL LOAN FORGIVENESS, THE AGENCY
25 SHALL GIVE PREFERENCE TO RENEWAL APPLICANTS.

26 SECTION 1739-H. PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION
27 (RESERVED).

28 SECTION 1740-H. PENNSYLVANIA INFRASTRUCTURE INVESTMENT
29 AUTHORITY (RESERVED).

30 SECTION 1741-H. ENVIRONMENTAL HEARING BOARD (RESERVED).

1 SECTION 1742-H. PENNSYLVANIA BOARD OF PROBATION AND PAROLE.

2 THE FOLLOWING SHALL APPLY TO THE APPROPRIATION FOR THE
3 PENNSYLVANIA BOARD OF PROBATION AND PAROLE FROM THE GENERAL
4 APPROPRIATION ACT:

5 (1) (RESERVED).

6 (2) (RESERVED).

7 SECTION 1743-H. PENNSYLVANIA PUBLIC TELEVISION NETWORK
8 COMMISSION (RESERVED).

9 SECTION 1744-H. PENNSYLVANIA SECURITIES COMMISSION (RESERVED).

10 SECTION 1745-H. STATE TAX EQUALIZATION BOARD (RESERVED).

11 SECTION 1746-H. HEALTH CARE COST CONTAINMENT COUNCIL.

12 THE HEALTH CARE COST CONTAINMENT COUNCIL SHALL SUBMIT A
13 REPORT TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
14 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRMAN AND
15 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE
16 OF REPRESENTATIVES SPECIFYING THE AMOUNT AND SOURCE OF PROCEEDS
17 RECEIVED FROM THE SALE OF DATA BY THE COUNCIL. PROCEEDS RECEIVED
18 FROM THE SALE SHALL BE DEPOSITED IN THE GENERAL FUND AND SHALL
19 NOT BE EXPENDED UNLESS APPROPRIATED BY THE GENERAL ASSEMBLY. THE
20 REPORT SHALL SUPPLEMENT THE ANNUAL REPORT OF FINANCIAL
21 EXPENDITURES REQUIRED UNDER SECTION 17.1 OF THE ACT OF JULY 8,
22 1986 (P.L.408, NO.89), KNOWN AS THE HEALTH CARE COST CONTAINMENT
23 ACT.

24 SECTION 1747-H. STATE ETHICS COMMISSION (RESERVED).

25 SECTION 1748-H. STATE EMPLOYEES' RETIREMENT SYSTEM (RESERVED).

26 SECTION 1749-H. THADDEUS STEVENS COLLEGE OF TECHNOLOGY
27 (RESERVED).

28 SECTION 1750-H. PENNSYLVANIA HOUSING FINANCE AGENCY (RESERVED).

29 SECTION 1751-H. LIHEABG (RESERVED).

30 SECTION 1752-H. BUDGET STABILIZATION RESERVE FUND (RESERVED).

1 SUBARTICLE C

2 LEGISLATIVE DEPARTMENT

3 (RESERVED)

4 SUBARTICLE D

5 JUDICIAL DEPARTMENT

6 (RESERVED)

7 ARTICLE XVII-I

8 2008-2009 RESTRICTIONS ON APPROPRIATIONS

9 FOR FUNDS AND ACCOUNTS

10 SECTION 1701-I. APPLICABILITY.

11 EXCEPT AS SPECIFICALLY PROVIDED IN THIS ARTICLE, THIS ARTICLE
12 APPLIES TO THE GENERAL APPROPRIATION ACT OF 2008 AND, AS
13 APPROPRIATE, TO ALL OTHER APPROPRIATION ACTS OF 2008.

14 SECTION 1702-I. STATE LOTTERY FUND.

15 (1) FUNDS APPROPRIATED FOR PENNCARE SHALL NOT BE
16 UTILIZED FOR ADMINISTRATIVE COSTS BY THE DEPARTMENT OF AGING.

17 (2) (RESERVED).

18 SECTION 1703-I. ENERGY CONSERVATION AND ASSISTANCE FUND.

19 NO LESS THAN 75% OF THE APPROPRIATION FOR ENERGY CONSERVATION
20 PROGRAMS UNDER THE ACT OF JULY 10, 1986 (P.L.1398, NO.122),
21 KNOWN AS THE ENERGY CONSERVATION AND ASSISTANCE ACT, SHALL BE
22 USED FOR PROGRAMS LISTED AS PRIORITIES IN SECTION 7(B) OF THE
23 ENERGY CONSERVATION AND ASSISTANCE ACT.

24 SECTION 1704-I. JUDICIAL COMPUTER SYSTEM AUGMENTATION ACCOUNT.

25 THE SUPREME COURT AND THE COURT ADMINISTRATOR OF PENNSYLVANIA
26 ARE PROHIBITED FROM AUGMENTING THE AMOUNT APPROPRIATED TO THE
27 JUDICIAL COMPUTER SYSTEM AUGMENTATION ACCOUNT BY BILLINGS TO
28 OTHER APPROPRIATIONS TO THE JUDICIAL BRANCH FOR THE STATEWIDE
29 JUDICIAL COMPUTER SYSTEM OR FOR ANY OTHER PURPOSE.

30 SECTION 1705-I. EMERGENCY MEDICAL SERVICES OPERATING FUND

1 (RESERVED).
2 SECTION 1706-I. STATE STORES FUND (RESERVED).
3 SECTION 1707-I. MOTOR LICENSE FUND (RESERVED).
4 SECTION 1708-I. HAZARDOUS MATERIAL RESPONSE FUND (RESERVED).
5 SECTION 1709-I. MILK MARKETING FUND (RESERVED).
6 SECTION 1710-I. HOME INVESTMENT TRUST FUND (RESERVED).
7 SECTION 1711-I. TUITION PAYMENT FUND (RESERVED).
8 SECTION 1712-I. BANKING DEPARTMENT FUND (RESERVED).
9 SECTION 1713-I. FIREARM RECORDS CHECK FUND (RESERVED).
10 SECTION 1714-I. BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY
11 FUND.

12 FUNDS ALLOCATED FROM THE APPROPRIATION FOR THE BEN FRANKLIN
13 CENTERS FOR FISCAL YEAR 2008-2009 SHALL NOT BE LESS THAN THE
14 ALLOCATION FOR FISCAL YEAR 2007-2008.

15 SECTION 1715-I. TOBACCO SETTLEMENT FUND.

16 (A) DEPOSITS.--

17 (1) NOTWITHSTANDING SECTIONS 303(B)(3) AND (4) AND 306
18 OF THE ACT OF JUNE 26, 2001 (P.L.755, NO.77), KNOWN AS THE
19 TOBACCO SETTLEMENT ACT, THE FOLLOWING SHALL APPLY:

20 (I) FOR FISCAL YEAR 2008-2009, \$15,000,000 OF THE
21 FUNDS DERIVED UNDER SECTION 303(B)(3) OF THE TOBACCO
22 SETTLEMENT ACT SHALL BE DEPOSITED INTO THE TOBACCO
23 SETTLEMENT FUND.

24 (II) FOR FISCAL YEAR 2008-2009, \$50,000,000 OF THE
25 FUNDS DERIVED UNDER SECTION 303(B)(4) OF THE TOBACCO
26 SETTLEMENT ACT SHALL BE DEPOSITED INTO THE FUND.

27 (III) FOR FISCAL YEAR 2008-2009, ONE-FOURTH OF THE
28 MONEY APPROPRIATED UNDER SECTION 306(B)(1)(III) OF THE
29 TOBACCO SETTLEMENT ACT MAY NOT BE EXPENDED, TRANSFERRED
30 OR LAPSED BUT SHALL REMAIN IN THE FUND.

1 (IV) FOR FISCAL YEAR 2008-2009, ONE-THIRD OF THE
2 MONEY APPROPRIATED UNDER SECTION 306(B)(1)(VI) OF THE
3 TOBACCO SETTLEMENT ACT MAY NOT BE EXPENDED, TRANSFERRED
4 OR LAPSED BUT SHALL REMAIN IN THE FUND.

5 (2) MONEY DEPOSITED INTO THE FUND UNDER PARAGRAPH (1)
6 SHALL BE APPROPRIATED FOR HEALTH-RELATED PURPOSES. IF
7 APPLICABLE, THE AMOUNT APPROPRIATED UNDER THIS PARAGRAPH
8 SHALL BE MATCHED BY APPROPRIATED FEDERAL AUGMENTING FUNDS.

9 (B) ALLOCATION.--FUNDING FOR LOCAL PROGRAMS UNDER SECTION
10 708(B) OF THE TOBACCO SETTLEMENT ACT SHALL BE ALLOCATED AS
11 FOLLOWS:

12 (1) THIRTY PERCENT OF GRANT FUNDING TO PRIMARY
13 CONTRACTORS FOR LOCAL PROGRAMS SHALL BE ALLOCATED EQUALLY
14 AMONG EACH OF THE 67 COUNTIES.

15 (2) THE REMAINING 70% OF GRANT FUNDING TO PRIMARY
16 CONTRACTORS FOR LOCAL PROGRAMS SHALL BE ALLOCATED ON A PER
17 CAPITA BASIS OF EACH COUNTY WITH A POPULATION GREATER THAN
18 60,000. THE PER CAPITA FORMULA SHALL BE APPLIED ONLY TO THAT
19 PORTION OF THE POPULATION THAT IS GREATER THAN 60,000 FOR
20 EACH COUNTY.

21 (3) BUDGETS SHALL BE DEVELOPED BY EACH PRIMARY
22 CONTRACTOR TO REFLECT SERVICE PLANNING AND EXPENDITURES IN
23 EACH COUNTY. EACH PRIMARY CONTRACTOR WILL ENSURE THAT
24 SERVICES ARE AVAILABLE TO RESIDENTS OF EACH COUNTY AND MUST
25 EXPEND THE ALLOCATED FUNDS ON A PER-COUNTY BASIS PURSUANT TO
26 PARAGRAPHS (1) AND (2).

27 (4) THE DEPARTMENT OF HEALTH SHALL COMPILE A DETAILED
28 ANNUAL REPORT OF EXPENDITURES PER COUNTY AND THE SPECIFIC
29 PROGRAMS OFFERED IN EACH REGION. THIS REPORT SHALL BE MADE
30 AVAILABLE ON THE DEPARTMENT'S PUBLICLY AVAILABLE INTERNET

1 WEBSITE 60 DAYS FOLLOWING THE CLOSE OF EACH FISCAL YEAR.

2 (5) DURING THE THIRD QUARTER OF THE FISCAL YEAR, FUNDS
3 WHICH HAVE NOT BEEN SPENT WITHIN A SERVICE AREA MAY BE
4 REALLOCATED TO SUPPORT PROGRAMMING IN THE SAME REGION.

5 (C) TOBACCO SETTLEMENT FUND.--NOTWITHSTANDING SECTION 303(B)
6 OF THE ACT OF JUNE 26, 2001 (P.L.755, NO.77), KNOWN AS THE
7 TOBACCO SETTLEMENT ACT, STRATEGIC CONTRIBUTION PAYMENTS RECEIVED
8 PURSUANT TO THE TOBACCO MASTER SETTLEMENT AGREEMENT SHALL BE
9 DEPOSITED IN THE FUND AND SHALL BE APPROPRIATED FOR HEALTH-
10 RELATED PURPOSES. A STRATEGIC CONTRIBUTION PAYMENT RECEIVED IN
11 FISCAL YEAR 2007-2008 SHALL BE TRANSFERRED FROM THE ENDOWMENT
12 ACCOUNT FOR LONG-TERM HOPE TO THE FUND AND SHALL BE APPROPRIATED
13 FOR HEALTH-RELATED PURPOSES. IF APPLICABLE, THE AMOUNT
14 APPROPRIATED UNDER THIS SUBSECTION SHALL BE MATCHED BY
15 APPROPRIATED FEDERAL AUGMENTING FUNDS.

16 (D) USE OF MONEY FOR LOBBYING PROHIBITED.--NO MONEY DERIVED
17 FROM AN APPROPRIATION BY THE GENERAL ASSEMBLY FROM THE TOBACCO
18 SETTLEMENT FUND MAY BE USED FOR THE LOBBYING OF ANY STATE PUBLIC
19 OFFICIAL.

20 SECTION 1716-I. COMMUNITY HEALTH REINVESTMENT RESTRICTED
21 ACCOUNT.

22 (A) ESTABLISHMENT.--THERE IS ESTABLISHED IN THE STATE
23 TREASURY A RESTRICTED RECEIPTS ACCOUNT IN THE TOBACCO SETTLEMENT
24 FUND TO BE KNOWN AS THE COMMUNITY HEALTH REINVESTMENT RESTRICTED
25 ACCOUNT. INTEREST EARNED ON MONEY IN THE ACCOUNT SHALL REMAIN IN
26 THE ACCOUNT.

27 (B) AGREEMENT ON COMMUNITY HEALTH REINVESTMENT.--EACH
28 CALENDAR YEAR, A CORPORATION UNDER 40 PA.C.S. CH. 61 (RELATING
29 TO HOSPITAL PLAN CORPORATIONS) OR 63 (RELATING TO PROFESSIONAL
30 HEALTH SERVICES PLAN CORPORATIONS) THAT IS A PARTY TO THE

1 AGREEMENT ON COMMUNITY HEALTH REINVESTMENT ENTERED INTO FEBRUARY
2 2, 2005, BY THE INSURANCE DEPARTMENT AND THE CAPITAL BLUE CROSS,
3 HIGHMARK, INC., HOSPITAL SERVICE ASSOCIATION OF NORTHEASTERN
4 PENNSYLVANIA AND INDEPENDENCE BLUE CROSS, AND PUBLISHED IN THE
5 PENNSYLVANIA BULLETIN AT 35 PA.B. 4155 (JULY 23, 2005), SHALL
6 PAY TO THE ACCOUNT THE AMOUNT CALCULATED FOR SUCH CALENDAR YEAR
7 IN SECTION 4 OF THE AGREEMENT, PUBLISHED AT 35 PA.B. 4156.

8 (C) APPROPRIATION.--THE MONEY IN THE ACCOUNT, INCLUDING ALL
9 INTEREST EARNED, IS APPROPRIATED TO THE INSURANCE DEPARTMENT TO
10 BE USED IN ACCORDANCE WITH THE AGREEMENT ON COMMUNITY HEALTH
11 REINVESTMENT DESCRIBED IN SUBSECTION (B).

12 SECTION 1717-I. HEALTH CARE PROVIDER RETENTION ACCOUNT
13 (RESERVED).

14 SECTION 1718-I. (RESERVED).

15 SECTION 1719-I. RESTRICTED RECEIPT ACCOUNTS.

16 (A) GENERAL PROVISIONS.--THE SECRETARY MAY CREATE RESTRICTED
17 RECEIPT ACCOUNTS FOR THE PURPOSE OF ADMINISTERING FEDERAL GRANTS
18 ONLY FOR THE PURPOSES DESIGNATED IN THIS SECTION.

19 (B) DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.--THE
20 FOLLOWING RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE
21 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT:

22 (1) ARC HOUSING REVOLVING LOAN PROGRAM.

23 (2) (RESERVED).

24 (C) DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES.--THE
25 FOLLOWING RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE
26 DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES:

27 (1) FEDERAL AID TO VOLUNTEER FIRE COMPANIES.

28 (2) FEDERAL LAND AND WATER CONSERVATION FUND ACT.

29 (3) NATIONAL FOREST RESERVE ALLOTMENT.

30 (4) FEDERAL LAND AND WATER CONSERVATION FUND ACT -

1 CONSERVATION AND NATURAL RESOURCES.

2 (D) DEPARTMENT OF EDUCATION.--THE FOLLOWING RESTRICTED
3 RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE DEPARTMENT OF
4 EDUCATION:

5 (1) EDUCATION OF THE DISABLED - PART C.

6 (2) LSTA - LIBRARY GRANTS.

7 (3) THE PENNSYLVANIA STATE UNIVERSITY FEDERAL AID.

8 (4) EMERGENCY IMMIGRATION EDUCATION ASSISTANCE.

9 (5) EDUCATION OF THE DISABLED - PART D.

10 (6) HOMELESS ADULT ASSISTANCE PROGRAM.

11 (7) SEVERELY HANDICAPPED.

12 (8) MEDICAL ASSISTANCE REIMBURSEMENTS TO LOCAL EDUCATION
13 AGENCIES.

14 (E) DEPARTMENT OF ENVIRONMENTAL PROTECTION.--THE FOLLOWING
15 RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE
16 DEPARTMENT OF ENVIRONMENTAL PROTECTION:

17 (1) FEDERAL WATER RESOURCES PLANNING ACT.

18 (2) FLOOD CONTROL PAYMENTS.

19 (3) SOIL AND WATER CONSERVATION ACT - INVENTORY OF
20 PROGRAMS.

21 (F) DEPARTMENT OF HEALTH.--THE FOLLOWING RESTRICTED RECEIPT
22 ACCOUNTS MAY BE ESTABLISHED FOR THE DEPARTMENT OF HEALTH:

23 (1) SHARE LOAN PROGRAM.

24 (2) (RESERVED).

25 (G) DEPARTMENT OF TRANSPORTATION.--THE FOLLOWING RESTRICTED
26 RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE DEPARTMENT OF
27 TRANSPORTATION:

28 (1) CAPITAL ASSISTANCE ELDERLY AND HANDICAPPED PROGRAMS.

29 (2) RAILROAD REHABILITATION AND IMPROVEMENT ASSISTANCE.

30 (3) RIDESHARING/VAN POOL PROGRAM - ACQUISITION.

1 (H) PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY.--THE FOLLOWING
2 RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE
3 PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY:

4 (1) RECEIPTS FROM FEDERAL GOVERNMENT - DISASTER RELIEF -
5 DISASTER RELIEF ASSISTANCE TO STATE AND POLITICAL
6 SUBDIVISIONS.

7 (2) (RESERVED).

8 (I) PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION.--THE
9 FOLLOWING RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE
10 PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION:

11 (1) FEDERAL GRANT - NATIONAL HISTORIC PRESERVATION ACT
12 (PUBLIC LAW 89-665, 80 STAT. 915).

13 (2) (RESERVED).

14 (J) EXECUTIVE OFFICES.--THE FOLLOWING RESTRICTED RECEIPT
15 ACCOUNTS MAY BE ESTABLISHED FOR THE EXECUTIVE OFFICES:

16 (1) RETIRED EMPLOYEES MEDICARE PART D.

17 (2) JUSTICE ASSISTANCE.

18 (3) JUVENILE ACCOUNTABILITY INCENTIVE.

19 SECTION 1720-I. STATE GAMING FUND.

20 (A) DEDUCTION OF CERTAIN APPROPRIATIONS.--NOTWITHSTANDING
21 THE PROVISIONS OF SECTION 504(C)(1) OF THE ACT OF JUNE 27, 2006
22 (1ST SP.SESS., P.L.1873, NO.1), KNOWN AS THE TAXPAYER RELIEF
23 ACT, UNRESTRICTED FUNDS APPROPRIATED TO THE PENNSYLVANIA GAMING
24 CONTROL BOARD FROM THE STATE GAMING FUND SHALL BE DEDUCTED FROM
25 THE AMOUNT TRANSFERRED TO THE PROPERTY TAX RELIEF RESERVE FUND
26 UNDER SECTION 504(B) OF THE TAXPAYER RELIEF ACT AND LOANED TO
27 THE PENNSYLVANIA GAMING CONTROL BOARD FOR PAYMENT OF THE BOARD'S
28 ADMINISTRATIVE AND OPERATING EXPENSES FOR THE FISCAL YEAR
29 COMMENCING JULY 1, 2008. FUNDS LOANED TO THE BOARD UNDER THIS
30 SECTION AND SECTION 1720-G SHALL BE REPAYED FROM THE ACCOUNTS

1 ESTABLISHED UNDER 4 PA.C.S. § 1401 (RELATING TO SLOT MACHINE
2 LICENSEE DEPOSITS) IN ACCORDANCE WITH SUBSECTION (B).

3 (B) ASSESSMENT FOR REPAYMENT.--NOTWITHSTANDING THE
4 PROVISIONS OF 4 PA.C.S. § 1901.1 (RELATING TO REPAYMENTS TO
5 STATE GAMING FUND), THE PENNSYLVANIA GAMING CONTROL BOARD SHALL
6 ASSESS SLOT MACHINE LICENSEES FOR REPAYMENT OF FUNDS TRANSFERRED
7 AND LOANED TO THE BOARD UNDER SUBSECTION (A) AND SECTION 1720-G
8 FROM THE STATE GAMING FUND IN ACCORDANCE WITH 4 PA.C.S. § 1402
9 (RELATING TO GROSS TERMINAL REVENUE DEDUCTIONS) FOR REPAYMENT TO
10 THE PROPERTY TAX RELIEF RESERVE FUND AT SUCH TIME AS AT LEAST 11
11 SLOT MACHINE LICENSES HAVE BEEN ISSUED AND 11 LICENSED GAMING
12 ENTITIES HAVE COMMENCED THE OPERATION OF SLOT MACHINES. THE
13 BOARD SHALL ADOPT A REPAYMENT SCHEDULE THAT ASSESSES TO EACH
14 SLOT MACHINE LICENSEE COSTS FOR THE REPAYMENT OF AMOUNTS
15 APPROPRIATED UNDER THIS SECTION IN AN AMOUNT THAT IS
16 PROPORTIONAL TO EACH SLOT MACHINE LICENSEE'S GROSS TERMINAL
17 REVENUE.

18 (C) PROPERTY TAX RELIEF.--

19 (1) NOTWITHSTANDING THE PROVISIONS OF SECTION 504 OF THE
20 TAXPAYER RELIEF ACT, UNTIL THE LOAN TO THE PENNSYLVANIA
21 GAMING CONTROL BOARD UNDER SUBSECTION (A) AND SECTION 1720-G
22 IS REPAYED, THE SECRETARY OF THE BUDGET IS AUTHORIZED TO
23 PROVIDE FOR PROPERTY TAX RELIEF UNDER SECTION 503(D) OF THE
24 TAXPAYER RELIEF ACT, REGARDLESS OF WHETHER THE AMOUNT
25 DEPOSITED IN THE PROPERTY TAX RELIEF RESERVE FUND IS LESS
26 THAN REQUIRED BY SECTION 504 OF THE TAXPAYER RELIEF ACT.

27 (2) NOTWITHSTANDING THE PROVISIONS OF 4 PA.C.S. §
28 1901.1, BEGINNING JANUARY 1, 2011, IF THE SECRETARY OF THE
29 BUDGET DETERMINES THAT THE MONEYS IN THE PROPERTY TAX RELIEF
30 RESERVE FUND ARE NEEDED FOR PROPERTY TAX RELIEF, THE

1 SECRETARY SHALL NOTIFY THE PENNSYLVANIA GAMING CONTROL BOARD
2 AND UPON NOTIFICATION, THE BOARD SHALL IMMEDIATELY ASSESS
3 EACH SLOT MACHINE LICENSEE FOR THE REPAYMENT OF OUTSTANDING
4 LOANS IN AN AMOUNT THAT IS PROPORTIONAL TO EACH SLOT MACHINE
5 LICENSEE'S GROSS TERMINAL REVENUE.

6 (D) OTHER APPROPRIATIONS SOLELY FROM ASSESSMENT.--

7 (1) ALL FUNDS FOR THE OPERATION OF THE PENNSYLVANIA
8 STATE POLICE, DEPARTMENT OF REVENUE AND ATTORNEY GENERAL ARE
9 APPROPRIATED SOLELY FROM AN ASSESSMENT ON GROSS TERMINAL
10 REVENUE FROM ACCOUNTS UNDER 4 PA.C.S. § 1401 IN AN AMOUNT
11 EQUAL TO THAT APPROPRIATED BY THE GENERAL ASSEMBLY FOR FISCAL
12 YEAR 2008-2009. THE PENNSYLVANIA STATE POLICE, ATTORNEY
13 GENERAL OR DEPARTMENT OF REVENUE SHALL NOT ASSESS ANY CHARGE,
14 FEE, COST OF OPERATIONS OR OTHER PAYMENT FROM A LICENSED
15 GAMING ENTITY IN EXCESS OF AMOUNTS APPROPRIATED FOR FISCAL
16 YEAR 2008-2009, UNLESS SPECIFICALLY AUTHORIZED BY LAW.

17 (2) THIS SUBSECTION SHALL NOT APPLY TO ANY VOLUNTARY
18 PAYMENT MADE BY A NEW SLOT MACHINE LICENSEE IN ACCORDANCE
19 WITH SIMILAR PAYMENTS VOLUNTARILY MADE BY EXISTING LICENSEES.

20 SECTION 9. REPEALS ARE AS FOLLOWS:

21 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
22 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF
23 SECTION 409 OF THE ACT.

24 (2) THE ACT OF MAY 21, 1923 (P.L.288, NO.184), ENTITLED
25 "AN ACT TO BETTER SECURE ALL BONDS, STOCKS, MORTGAGES, OR
26 OTHER SECURITIES DEPOSITED WITH THE STATE TREASURER, BY
27 PROVIDING FOR THEIR INSPECTION, EXAMINATION, AND
28 VERIFICATION, AND THE VERIFICATION OF THE BOOKS, CONTAINING A
29 RECORD OF SUCH BONDS, STOCKS, MORTGAGES, OR OTHER SECURITIES,
30 BY THE AUDITOR GENERAL OR HIS AGENTS," IS REPEALED.

1 SECTION 10. THIS ACT SHALL APPLY AS FOLLOWS:

2 (1) THE AMENDMENT OF SECTION 1702-A OF THE ACT SHALL
3 APPLY RETROACTIVELY TO JUNE 30, 2008.

4 (2) THE ADDITION OF ARTICLE XVII-A, SUBARTICLE G OF THE
5 ACT SHALL APPLY RETROACTIVELY TO DECEMBER 18, 2007.

6 SECTION 11. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.