

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 907 Session of  
2011

INTRODUCED BY BROWNE, MARCH 30, 2011

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, JUNE 28, 2011

## 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," ~~in special funds,~~ PROVIDING FOR TIME FOR  
31 FILING RETURNS FOR CERTAIN SALES AND USE TAXPAYERS; ←  
32 ESTABLISHING A RESTRICTED ACCOUNT WITHIN THE AGRICULTURAL  
33 COLLEGE LAND SCRIP FUND; IN BORROWING FOR CAPITAL FACILITIES,

1 FURTHER PROVIDING FOR DEFINITIONS, FOR NEIGHBORHOOD  
2 IMPROVEMENT ZONE FUND, FOR KEYSTONE OPPORTUNITY ZONE AND FOR  
3 DURATION AND PROVIDING FOR COMMONWEALTH PLEDGES AND FOR  
4 CONFIDENTIALITY, PROVIDING FOR FINANCIALLY DISTRESSED  
5 MUNICIPALITIES AND FOR KEYSTONE SPECIAL DEVELOPMENT ZONES; IN  
6 EDUCATION TAX CREDITS, MAKING AN EDITORIAL CHANGE AND  
7 PROVIDING FOR DEPARTMENT OF REVENUE AND FOR DEPARTMENT OF  
8 COMMUNITY AND ECONOMIC DEVELOPMENT; IN SPECIAL FUNDS, FURTHER  
9 PROVIDING FOR FUNDING AND reviving and further providing for  
10 investments; PROVIDING FOR 2011-2012 BUDGET IMPLEMENTATION  
11 AND RESTRICTIONS; IN GENERAL BUDGET IMPLEMENTATION, FURTHER  
12 PROVIDING FOR EXECUTIVE OFFICES AND FOR THE AUDITOR GENERAL,  
13 PROVIDING FOR PENNSYLVANIA INFRASTRUCTURE INVESTMENT  
14 AUTHORITY ACCOUNTS, FURTHER PROVIDING FOR THE PENNSYLVANIA  
15 HIGHER EDUCATION ASSISTANCE AGENCY, REPEALING PROVISIONS  
16 RELATED TO THE LEGISLATIVE DEPARTMENT, PROVIDING FOR THE  
17 CATASTROPHIC LOSS BENEFITS CONTINUATION FUND AND FURTHER  
18 PROVIDING FOR THE STATE GAMING FUND; IN 2010-2011 BUDGET  
19 IMPLEMENTATION, FURTHER PROVIDING FOR THE DEPARTMENT OF  
20 EDUCATION; PROVIDING FOR AUDITS; AND MAKING RELATED REPEALS.

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

23 ~~Section 1. The heading of Subarticle D of Article XVII A of~~  
24 ~~the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal~~  
25 ~~Code, added July 7, 2005 (P.L.174, No.41), is reenacted to read:~~

26 SECTION 1. THE ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN  
27 AS THE FISCAL CODE, IS AMENDED BY ADDING SECTIONS TO READ:

28 SECTION 202.2. TIME FOR FILING RETURNS FOR CERTAIN SALES AND  
29 USE TAXPAYERS.-- (A) NOTWITHSTANDING SECTION 217 OF THE ACT OF  
30 MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE "TAX REFORM CODE OF  
31 1971," AFTER MAY 31, 2011, FOR EVERY SALES AND USE TAX LICENSEE  
32 WHOSE TOTAL SALES AND USE TAX REPORTED OR REQUIRED TO BE  
33 REPORTED FOR THE THIRD CALENDAR QUARTER OF THE PRECEDING YEAR  
34 EQUALS OR EXCEEDS TWENTY-FIVE THOUSAND DOLLARS (\$25,000), THE  
35 LICENSEE SHALL, ON OR BEFORE THE TWENTIETH DAY OF EACH MONTH,  
36 FILE A SINGLE SALES AND USE TAX RETURN CONSISTING OF ALL OF THE  
37 FOLLOWING:

38 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2), AN AMOUNT EQUAL TO  
39 FIFTY PER CENTUM OF THE LICENSEE'S TOTAL SALES AND USE TAX  
40 LIABILITY REPORTED OR REQUIRED TO BE REPORTED FOR THE SAME MONTH

1 IN THE PRECEDING CALENDAR YEAR IF THE LICENSEE WAS A MONTHLY  
2 SALES AND USE TAX FILER. IF THE LICENSEE WAS A QUARTERLY OR  
3 SEMI-ANNUAL SALES AND USE TAX FILER, AN AMOUNT EQUAL TO FIFTY  
4 PER CENTUM OF THE LICENSEE'S AVERAGE TOTAL SALES AND USE TAX  
5 LIABILITY REPORTED OR REQUIRED TO BE REPORTED FOR THAT TAX  
6 PERIOD IN THE PRECEDING CALENDAR YEAR. THE AVERAGE TOTAL SALES  
7 AND USE TAX LIABILITY SHALL BE THE TOTAL SALES AND USE TAX  
8 LIABILITY REPORTED OR REQUIRED TO BE REPORTED FOR THE TAX PERIOD  
9 DIVIDED BY THE NUMBER OF MONTHS IN THAT TAX PERIOD. FOR  
10 LICENSEES THAT WERE NOT IN BUSINESS DURING THE SAME MONTH IN THE  
11 PRECEDING CALENDAR YEAR OR WERE IN BUSINESS FOR ONLY A PORTION  
12 OF THAT MONTH, AN AMOUNT EQUAL TO FIFTY PER CENTUM OF THE  
13 AVERAGE TOTAL SALES AND USE TAX LIABILITY REPORTED OR REQUIRED  
14 TO BE REPORTED FOR EACH TAX PERIOD THE LICENSEE HAS BEEN IN  
15 BUSINESS. IF THE LICENSEE IS FILING A SALES AND USE TAX  
16 LIABILITY FOR THE FIRST TIME WITH NO PRECEDING TAX PERIODS, THE  
17 AMOUNT SHALL BE ZERO.

18 (2) FOR A RETURN DUE JUNE 20, 2011, THE PERCENTAGE USED IN  
19 THE CALCULATION UNDER PARAGRAPH (1) SHALL BE FIFTY-FIVE PER  
20 CENTUM.

21 (3) AN AMOUNT EQUAL TO THE SALES AND USE TAXES DUE FOR THE  
22 PRECEDING MONTH, LESS ANY AMOUNTS PAID IN THE PRECEDING MONTH AS  
23 REQUIRED BY PARAGRAPH (1).

24 (B) THE SALES AND USE TAX REQUIRED TO BE REPORTED UNDER THIS  
25 SECTION SHALL BE DUE AND PAYABLE BY THE LICENSEE ON THE DAY THE  
26 RETURN IS REQUIRED TO BE FILED AND ALL PAYMENTS MUST ACCOMPANY  
27 THE RETURN.

28 (C) THE DEPARTMENT SHALL DETERMINE WHETHER THE AMOUNTS  
29 REPORTED UNDER THIS SECTION SHALL BE REMITTED AS ONE COMBINED  
30 PAYMENT OR AS TWO SEPARATE PAYMENTS.

1 (D) THE DEPARTMENT MAY REQUIRE THE FILING OF THE RETURNS AND  
2 THE PAYMENTS FOR FILERS UNDER THIS SECTION BY ELECTRONIC MEANS  
3 APPROVED BY THE DEPARTMENT.

4 (E) IF A LICENSEE REQUIRED TO REMIT PAYMENTS UNDER THIS  
5 SECTION FAILS TO MAKE A TIMELY PAYMENT OR MAKES A PAYMENT WHICH  
6 IS LESS THAN THE REQUIRED AMOUNT, THE DEPARTMENT MAY, IN  
7 ADDITION TO ANY APPLICABLE PENALTIES, IMPOSE AN ADDITIONAL  
8 PENALTY EQUAL TO FIVE PER CENTUM OF THE AMOUNT DUE UNDER THIS  
9 SECTION WHICH WAS NOT TIMELY PAID. THE PENALTY UNDER THIS  
10 SUBSECTION SHALL BE DETERMINED WHEN THE TAX RETURN IS FILED FOR  
11 THE TAX PERIOD.

12 (F) A REFERENCE IN STATUTE OR REGULATION TO SECTION 217 OF  
13 THE "TAX REFORM CODE OF 1971" SHALL ALSO BE DEEMED A REFERENCE  
14 TO THIS SECTION.

15 SECTION 507. RESTRICTED ACCOUNT WITHIN AGRICULTURAL COLLEGE  
16 LAND SCRIP FUND.--(A) A RESTRICTED ACCOUNT IS HEREBY  
17 ESTABLISHED WITHIN THE AGRICULTURAL COLLEGE LAND SCRIP FUND FOR  
18 THE PURPOSE OF FUNDING AGRICULTURAL RESEARCH PROGRAMS AND  
19 AGRICULTURAL EXTENSION SERVICES.

20 (B) THE RESTRICTED ACCOUNT ESTABLISHED UNDER THIS SECTION  
21 SHALL CONSIST OF SUCH MONEYS AS ARE APPROPRIATED OR TRANSFERRED  
22 TO THE RESTRICTED ACCOUNT.

23 (C) FOLLOWING AN APPROPRIATION OR TRANSFER, THE STATE  
24 TREASURER SHALL PAY, ON AN EQUAL MONTHLY BASIS DURING THE FISCAL  
25 YEAR, THE MONEY IN THE RESTRICTED ACCOUNT TO THE COMMONWEALTH'S  
26 LAND GRANT UNIVERSITY FOR AGRICULTURAL RESEARCH PROGRAMS AND FOR  
27 AGRICULTURAL EXTENSION SERVICES.

28 (D) MONEY DEPOSITED IN THE AGRICULTURAL COLLEGE LAND SCRIP  
29 FUND PRIOR TO THE EFFECTIVE DATE OF THIS SECTION, AND THE  
30 INTEREST EARNED THEREON, SHALL BE PAID PURSUANT TO THE ACT OF

1 APRIL 1, 1863 (P.L.213, NO.227), ENTITLED "AN ACT TO ACCEPT THE  
2 GRANT OF PUBLIC LANDS, BY THE UNITED STATES, TO THE SEVERAL  
3 STATES, FOR THE ENDOWMENT OF AGRICULTURAL COLLEGES," AND THE ACT  
4 OF MAY 7, 1923 (P.L.145, NO.110), ENTITLED "AN ACT PROVIDING FOR  
5 THE REDEMPTION AND CANCELLATION OF THE BOND ISSUED UNDER THE  
6 ACT, APPROVED APRIL THIRD, ONE THOUSAND EIGHT HUNDRED AND  
7 SEVENTY-TWO (PAMPHLET LAWS, THIRTY-NINE), ENTITLED 'AN ACT  
8 DIRECTING THE SALE OF THE BONDS COMPOSING THE AGRICULTURAL  
9 COLLEGE LAND SCRIPT FUND, AND AUTHORIZING THE ISSUE OF A NEW  
10 BOND IN LIEU THEREOF, AND ABOLISHING THE BOARD COMMISSIONERS  
11 CREATED BY ACT OF APRIL FIRST, ONE THOUSAND EIGHT HUNDRED AND  
12 SIXTY-THREE,' AND FOR THE INVESTMENT OF THE MONEYS IN THE FUND  
13 RESULTING FROM SUCH REDEMPTION, AND THE PAYMENT OF THE INTEREST  
14 THEREFROM BY THE SINKING FUND COMMISSION TO PENNSYLVANIA STATE  
15 COLLEGE."

16 SECTION 1.1. THE DEFINITION OF "CONTRACTING AUTHORITY" IN  
17 SECTION 1602-B OF THE ACT, ADDED OCTOBER 9, 2009 (P.L.537,  
18 NO.50), IS AMENDED AND THE SECTION IS AMENDED BY ADDING  
19 DEFINITIONS TO READ:

20 SECTION 1602-B. DEFINITIONS.

21 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE  
22 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
23 CONTEXT CLEARLY INDICATES OTHERWISE:

24 "BONDS." INCLUDES NOTES, INSTRUMENTS, REFUNDING NOTES AND  
25 BONDS AND OTHER EVIDENCES OF INDEBTEDNESS OR OBLIGATIONS.

26 \* \* \*

27 "CONTRACTING AUTHORITY." AN AUTHORITY CREATED UNDER 53  
28 PA.C.S. CH. 56 (RELATING TO MUNICIPAL AUTHORITIES) FOR THE  
29 PURPOSE OF DESIGNATING A NEIGHBORHOOD IMPROVEMENT ZONE AND  
30 CONSTRUCTING A FACILITY OR OTHER AUTHORITY CREATED UNDER THE

1 LAWS OF THIS COMMONWEALTH WHICH IS ELIGIBLE TO APPLY FOR AND  
2 RECEIVE REDEVELOPMENT ASSISTANCE CAPITAL GRANTS UNDER CHAPTER 3  
3 OF THE ACT OF FEBRUARY 9, 1999 (P.L.1, NO.1), KNOWN AS THE  
4 CAPITAL FACILITIES DEBT ENABLING ACT[, AND WHICH IS UNDER A  
5 CONTRACT WITH THE OFFICE OF THE BUDGET TO RECEIVE THOSE GRANTS].

6 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

7 \* \* \*

8 SECTION 1.2. SECTION 1604-B(B) INTRODUCTORY PARAGRAPH AND  
9 (9), (C) INTRODUCTORY PARAGRAPH, (D) AND (E) OF THE ACT, ADDED  
10 OCTOBER 9, 2009 (P.L.537, NO.50), ARE AMENDED AND THE SECTION IS  
11 AMENDED BY ADDING SUBSECTIONS TO READ:

12 SECTION 1604-B. NEIGHBORHOOD IMPROVEMENT ZONE FUND.

13 \* \* \*

14 (A.1) CERTIFICATION.--

15 (1) WITHIN 30 DAYS OF THE END OF EACH CALENDAR YEAR,  
16 EACH QUALIFIED BUSINESS SHALL FILE A REPORT WITH THE  
17 DEPARTMENT WHICH COMPLIES WITH ALL OF THE FOLLOWING:

18 (I) STATES EACH STATE TAX, CALCULATED IN ACCORDANCE  
19 WITH SUBSECTION (B), WHICH WAS PAID BY THE QUALIFIED  
20 BUSINESS IN THE PRIOR CALENDAR YEAR.

21 (II) LISTS EACH STATE TAX REFUND WHICH COMPLIES WITH  
22 ALL OF THE FOLLOWING:

23 (A) THE REFUND IS FOR A TAX:

24 (I) SET FORTH IN SUBSECTION (B); AND

25 (II) CERTIFIED AS PAID UNDER SUBSECTION (B).

26 (B) THE REFUND WAS RECEIVED IN THE PRIOR  
27 CALENDAR YEAR BY THE QUALIFIED BUSINESS.

28 (III) IS IN A FORM AND MANNER REQUIRED BY THE  
29 DEPARTMENT.

30 (2) IN ADDITION TO ANY PENALTIES IMPOSED UNDER THE ACT

1 OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE  
2 OF 1971, FOR FAILURE TO TIMELY PAY STATE TAXES, FAILURE TO  
3 FILE A TIMELY AND COMPLETE REPORT UNDER PARAGRAPH (1) SHALL  
4 RESULT IN THE IMPOSITION OF A PENALTY OF 10% OF ALL STATE  
5 TAXES, CALCULATED IN ACCORDANCE WITH SUBSECTION (B), WHICH  
6 WERE PAYABLE BY THE QUALIFIED BUSINESS IN THE PRIOR CALENDAR  
7 YEAR.

8 (3) ANY PENALTY IMPOSED UNDER THIS SUBSECTION SHALL BE  
9 IMPOSED, ASSESSED AND COLLECTED BY THE DEPARTMENT UNDER THE  
10 PROVISIONS FOR IMPOSING, ASSESSING AND COLLECTING PENALTIES  
11 UNDER ARTICLE II OF THE TAX REFORM CODE OF 1971. WHEN THE  
12 PENALTY IS RECEIVED, THE MONEY SHALL BE TRANSFERRED FROM THE  
13 GENERAL FUND TO THE FUND.

14 (4) WITHIN 30 DAYS OF THE END OF EACH CALENDAR YEAR,  
15 EACH QUALIFIED BUSINESS SHALL FILE A REPORT WITH THE LOCAL  
16 TAXING AUTHORITY REPORTING ALL LOCAL TAXES, CALCULATED IN  
17 ACCORDANCE WITH SUBSECTION (B), WHICH WERE PAID BY THE  
18 QUALIFIED BUSINESS IN THE PRIOR CALENDAR YEAR. THE REPORT  
19 FROM EACH QUALIFIED BUSINESS SHALL ALSO LIST ANY LOCAL TAX  
20 REFUNDS OF TAXES SET FORTH IN SUBSECTION (B) RECEIVED IN THE  
21 PRIOR CALENDAR YEAR BY THE QUALIFIED BUSINESS AND ANY REFUNDS  
22 RELATED TO THE LOCAL TAXES AS CALCULATED IN ACCORDANCE WITH  
23 SUBSECTION (B). THE REPORT SHALL BE IN A FORM AND MANNER  
24 REQUIRED BY THE DEPARTMENT.

25 (B) CALCULATION.--WITHIN 60 DAYS OF THE END OF EACH  
26 [QUARTER] CALENDAR YEAR, THE [DEPARTMENT OF REVENUE SHALL  
27 CALCULATE THE AMOUNTS UNDER THIS SUBSECTION FOR IMPROVEMENT AND  
28 DEVELOPMENT IN THE NEIGHBORHOOD IMPROVEMENT ZONE, THE FACILITY  
29 COMPLEX AND THE FACILITY. THE CONTRACTING AUTHORITY SHALL  
30 PROVIDE GOOD FAITH ESTIMATES OF QUARTERLY AMOUNTS TO BE

1 CALCULATED IN A FORM AND MANNER REQUIRED BY THE DEPARTMENT OF  
2 REVENUE. THE DEPARTMENT OF REVENUE] DEPARTMENT SHALL [ESTIMATE  
3 THE QUARTERLY AMOUNTS, SUBJECT TO AN ANNUAL RECONCILIATION, AND  
4 SHALL] CERTIFY THE AMOUNTS OF STATE TAXES PAID, LESS ANY STATE  
5 TAX REFUNDS RECEIVED, BY THE QUALIFIED BUSINESSES FILING REPORTS  
6 UNDER SUBSECTION (A.1)(1) TO THE OFFICE OF THE BUDGET [WITHIN 90  
7 DAYS OF THE END OF A FISCAL QUARTER]. BEGINNING IN 2012 AND IN  
8 EACH CALENDAR YEAR THEREAFTER, BY NOVEMBER 1, THE DEPARTMENT  
9 SHALL CALCULATE, IN ACCORDANCE WITH THIS SUBSECTION, AMOUNTS OF  
10 STATE TAXES ACTUALLY RECEIVED BY THE COMMONWEALTH FROM EACH  
11 QUALIFIED BUSINESS THAT FILED A REPORT UNDER SUBSECTION (A.1)(1)  
12 IN THE PRIOR CALENDAR YEAR; AND THE DEPARTMENT SHALL CERTIFY THE  
13 AMOUNTS RECEIVED TO THE OFFICE. AN ENTITY COLLECTING A LOCAL TAX  
14 WITHIN THE NEIGHBORHOOD IMPROVEMENT ZONE SHALL, WITHIN 30 DAYS  
15 OF THE END OF [A FISCAL QUARTER] EACH CALENDAR YEAR, SUBMIT ALL  
16 OF THE LOCAL TAXES [COLLECTED THAT ARE TO BE CALCULATED UNDER  
17 THIS SUBSECTION] THAT ARE TO BE CALCULATED UNDER THIS SUBSECTION  
18 AND WHICH WERE PAID IN THE PRIOR CALENDAR YEAR, LESS ANY  
19 CERTIFIED LOCAL TAX REFUNDS RECEIVED BY A QUALIFIED BUSINESS IN  
20 THE PRIOR CALENDAR YEAR, TO THE STATE TREASURER [FOR TRANSFER]  
21 TO BE DEPOSITED IN THE FUND UNDER SUBSECTION (D). THIS  
22 SUBSECTION SHALL NOT APPLY TO ANY TAXES SUBJECT TO A VALID  
23 PLEDGE OR SECURITY INTEREST ENTERED INTO IN ORDER TO SECURE DEBT  
24 SERVICE ON BONDS IF THE PLEDGE OR SECURITY INTEREST WAS ENTERED  
25 INTO PRIOR TO MAY 1, 2011, AND IS STILL IN EFFECT. THE FOLLOWING  
26 SHALL BE THE AMOUNTS CALCULATED AND CERTIFIED:

27 \* \* \*

28 (9) EXCEPT FOR A TAX LEVIED AGAINST REAL PROPERTY AND  
29 NOTWITHSTANDING ANY OTHER LAW, AN AMOUNT EQUAL TO ANY TAX  
30 IMPOSED BY THE COMMONWEALTH OR ANY OF ITS POLITICAL



1 SUBDIVISIONS ON A QUALIFIED BUSINESS ENGAGED IN AN ACTIVITY  
2 WITHIN THE NEIGHBORHOOD IMPROVEMENT ZONE OR DIRECTLY OR  
3 INDIRECTLY ON ANY SALE OR PURCHASE OF GOODS OR SERVICES,  
4 WHERE THE POINT OF SALE OR PURCHASE IS WITHIN THE  
5 NEIGHBORHOOD IMPROVEMENT ZONE.

6 (C) [INCOME] STATE TAX LIABILITY APPORTIONMENT.--FOR THE  
7 PURPOSE OF MAKING THE CALCULATIONS UNDER SUBSECTION (B), THE  
8 [TAXABLE INCOME OF A CORPORATION THAT IS] STATE TAX LIABILITY OF  
9 A QUALIFIED BUSINESS SHALL BE APPORTIONED TO THE NEIGHBORHOOD  
10 IMPROVEMENT ZONE BY MULTIPLYING THE PENNSYLVANIA [TAXABLE  
11 INCOME] STATE TAX LIABILITY BY A FRACTION, THE NUMERATOR OF  
12 WHICH IS THE PROPERTY FACTOR PLUS THE PAYROLL FACTOR PLUS THE  
13 SALES FACTOR AND THE DENOMINATOR OF WHICH IS THREE, IN  
14 ACCORDANCE WITH THE FOLLOWING:

15 (D) TRANSFERS.--

16 (1) WITHIN TEN DAYS OF RECEIVING [NOTIFICATION]  
17 CERTIFICATION UNDER SUBSECTION (B), THE SECRETARY OF THE  
18 BUDGET SHALL DIRECT THE STATE TREASURER TO, NOTWITHSTANDING  
19 ANY OTHER LAW, TRANSFER THE AMOUNTS [CALCULATED] CERTIFIED  
20 UNDER SUBSECTION (B) FROM THE GENERAL FUND TO THE FUND.  
21 BEGINNING IN 2013 AND IN EACH YEAR THEREAFTER, THE AMOUNTS  
22 CERTIFIED BY THE SECRETARY TO THE STATE TREASURER AND THE  
23 AMOUNTS TRANSFERRED BY THE STATE TREASURER TO THE FUND SHALL  
24 BE DETERMINED AS FOLLOWS:

25 (I) ADD AMOUNTS CERTIFIED BY THE DEPARTMENT UNDER  
26 SUBSECTION (B) FOR THE PRIOR CALENDAR YEAR.

27 (II) SUBTRACT FROM THE SUM UNDER SUBPARAGRAPH (I)  
28 ANY STATE TAX REFUNDS PAID AS CERTIFIED BY THE DEPARTMENT  
29 UNDER SUBSECTION (B).

30 (III) ADD TO THE DIFFERENCE UNDER SUBPARAGRAPH (II)

1 ANY AMOUNTS CERTIFIED UNDER SUBSECTION (B) WITH RESPECT  
2 TO THE SECOND PRIOR CALENDAR YEAR.

3 (IV) SUBTRACT FROM THE SUM UNDER SUBPARAGRAPH (III)  
4 ANY AMOUNTS CERTIFIED UNDER SUBSECTION (B) WHICH ARE LESS  
5 THAN THE AMOUNTS PREVIOUSLY CERTIFIED UNDER SUBSECTION  
6 (B) WITH RESPECT TO THE SECOND PRIOR CALENDAR YEAR.

7 (2) THE STATE TREASURER SHALL PROVIDE [QUARTERLY  
8 PAYMENTS] AN ANNUAL TRANSFER TO THE CONTRACTING AUTHORITY  
9 UNTIL THE BONDS ISSUED TO FINANCE AND REFINANCE THE  
10 IMPROVEMENT AND DEVELOPMENT OF THE NEIGHBORHOOD IMPROVEMENT  
11 ZONE AND THE CONSTRUCTION OF THE [CONTRACTED] FACILITY OR  
12 FACILITY COMPLEX ARE RETIRED. [THE PAYMENT IN EACH QUARTER]  
13 EACH ANNUAL TRANSFER TO THE CONTRACTING AUTHORITY SHALL BE  
14 EQUAL TO THE BALANCE OF THE FUND ON THE [LAST DAY OF THE  
15 PRIOR CALENDAR QUARTER] DATE OF THE TRANSFER UNDER PARAGRAPH  
16 (1).

17 (E) RESTRICTION ON USE OF FUNDS.--FUNDS TRANSFERRED UNDER  
18 SUBSECTION (D) :

19 (1) MAY ONLY BE UTILIZED FOR PAYMENT OF DEBT SERVICE ON  
20 BONDS ISSUED FOR THE IMPROVEMENT AND DEVELOPMENT OF ALL OR  
21 ANY PART OF THE NEIGHBORHOOD IMPROVEMENT ZONE AND THE PURPOSE  
22 OF CONSTRUCTING A FACILITY OR FACILITY COMPLEX, FOR PAYMENT  
23 OF DEBT SERVICE ON BONDS ISSUED TO REFUND THOSE BONDS AND TO  
24 REPLENISH AMOUNTS REQUIRED IN ANY DEBT SERVICE RESERVE FUNDS  
25 ESTABLISHED TO PAY DEBT SERVICE ON BONDS. THE TERM OF A BOND  
26 TO BE REFUNDED SHALL NOT EXCEED THE MAXIMUM TERM PERMITTED  
27 FOR THE ORIGINAL BOND ISSUED FOR THE IMPROVEMENT OR  
28 DEVELOPMENT OF THE NEIGHBORHOOD IMPROVEMENT ZONE AND THE  
29 CONSTRUCTION OF A FACILITY OR FACILITY COMPLEX.

30 (2) MAY NOT BE UTILIZED FOR PURPOSES OF RENOVATING OR

1 REPAIRING A FACILITY OR FACILITY COMPLEX, EXCEPT FOR CAPITAL  
2 MAINTENANCE AND IMPROVEMENT PROJECTS.

3 \* \* \*

4 (G) EXCESS MONEY.--WITHIN 30 DAYS OF THE END OF EACH  
5 CALENDAR YEAR, ANY MONEY REMAINING IN THE FUND AT THE END OF THE  
6 PRIOR CALENDAR YEAR AFTER THE REQUIRED PAYMENTS UNDER SUBSECTION  
7 (D) (2) WERE MADE IN THE PRIOR CALENDAR YEAR SHALL BE REFUNDED IN  
8 THE FOLLOWING MANNER:

9 (1) MONEY SHALL FIRST BE RETURNED TO THE GENERAL FUND TO  
10 THE EXTENT THAT THE EXCESS MONEY IS PART OF THE TRANSFER  
11 UNDER SUBSECTION (D) (1).

12 (2) MONEY SHALL NEXT BE PAID TO THE CONTRACTING  
13 AUTHORITY TO THE EXTENT THAT THE AMOUNTS PAID UNDER  
14 SUBSECTION (D) (2) CONSISTED OF LOCAL TAXES. THE CONTRACTING  
15 AUTHORITY SHALL RETURN THE MONEY TO THE APPROPRIATE ENTITIES  
16 COLLECTING LOCAL TAX WHO SUBMITTED THE LOCAL TAXES TO THE  
17 STATE TREASURER UNDER SUBSECTION (B).

18 SECTION 1.3. SECTIONS 1605-B AND 1606-B OF THE ACT, ADDED  
19 OCTOBER 9, 2009 (P.L.537, NO.50), ARE AMENDED TO READ:

20 SECTION 1605-B. KEYSTONE OPPORTUNITY ZONE.

21 [WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS SECTION] BEFORE  
22 SEPTEMBER 1, 2011, THE CITY SHALL APPLY TO THE [DEPARTMENT]  
23 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO DECERTIFY  
24 AND REMOVE THE DESIGNATION OF ALL OR PART OF THE KEYSTONE  
25 OPPORTUNITY ZONE [IN ACCORDANCE WITH] ON BEHALF OF ALL POLITICAL  
26 SUBDIVISIONS. THE PROVISIONS OF SECTION 309 OF THE ACT OF  
27 OCTOBER 6, 1998 (P.L.705, NO.92), KNOWN AS THE KEYSTONE  
28 OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION ZONE AND  
29 KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT SHALL BE DEEMED  
30 SATISFIED AS TO ALL POLITICAL SUBDIVISIONS. THE [DEPARTMENT]

1 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT SHALL ACT ON  
2 THE APPLICATION WITHIN 30 DAYS.

3 SECTION 1606-B. DURATION.

4 THE NEIGHBORHOOD IMPROVEMENT ZONE SHALL BE IN EFFECT FOR A  
5 PERIOD EQUAL TO [THE LENGTH OF TIME OF THE BONDS THAT ARE  
6 INITIALLY ISSUED.] ONE YEAR FOLLOWING RETIREMENT OF ALL BONDS  
7 ISSUED TO FINANCE OR REFINANCE THE IMPROVEMENT AND DEVELOPMENT  
8 OF THE NEIGHBORHOOD IMPROVEMENT ZONE OR THE CONSTRUCTION OF THE  
9 FACILITY OR THE FACILITY COMPLEX. THE MAXIMUM TERM OF THE BOND,  
10 INCLUDING THE REFUNDING OF THE BOND, SHALL NOT EXCEED 30 YEARS.

11 SECTION 1.4. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:  
12 SECTION 1607-B. COMMONWEALTH PLEDGES.

13 IF AND TO THE EXTENT THAT THE CONTRACTING AUTHORITY PLEDGES  
14 AMOUNTS REQUIRED TO BE TRANSFERRED TO THE FUND UNDER SECTION  
15 1604-B FOR THE PAYMENT OF BONDS ISSUED BY THE CONTRACTING  
16 AUTHORITY, UNTIL ALL BONDS SECURED BY THE PLEDGE OF THE  
17 CONTRACTING AUTHORITY, TOGETHER WITH THE INTEREST ON THE BONDS,  
18 ARE FULLY PAID OR PROVIDED FOR, THE COMMONWEALTH PLEDGES TO AND  
19 AGREES WITH ANY PERSON, FIRM, CORPORATION OR GOVERNMENT AGENCY,  
20 WHETHER IN THIS COMMONWEALTH OR ELSEWHERE, AND TO AND WITH ANY  
21 FEDERAL AGENCY SUBSCRIBING TO OR ACQUIRING THE BONDS ISSUED BY  
22 THE CONTRACTING AUTHORITY THAT THE COMMONWEALTH ITSELF WILL NOT,  
23 NOR WILL IT AUTHORIZE ANY GOVERNMENT ENTITY TO, ABOLISH OR  
24 REDUCE THE SIZE OF THE NEIGHBORHOOD IMPROVEMENT ZONE; TO AMEND  
25 OR REPEAL SECTION 1604-B(A.1), (B) OR (D); TO LIMIT OR ALTER THE  
26 RIGHTS VESTED IN THE CONTRACTING AUTHORITY IN A MANNER  
27 INCONSISTENT WITH THE OBLIGATIONS OF THE CONTRACTING AUTHORITY  
28 WITH RESPECT TO THE BONDS ISSUED BY THE CONTRACTING AUTHORITY;  
29 OR TO OTHERWISE IMPAIR REVENUES TO BE PAID UNDER THIS ARTICLE TO  
30 THE CONTRACTING AUTHORITY NECESSARY TO PAY DEBT SERVICE ON

1 BONDS. NOTHING IN THIS SECTION SHALL LIMIT THE AUTHORITY OF THE  
2 COMMONWEALTH OR ANY GOVERNMENT ENTITY TO CHANGE THE RATE, TAX  
3 BASES OR ANY SUBJECT OF ANY SPECIFIC TAX OR REPEALING OR  
4 ENACTING ANY TAX.

5 SECTION 1608-B. CONFIDENTIALITY.

6 NOTWITHSTANDING ANY LAW PROVIDING FOR THE CONFIDENTIALITY OF  
7 TAX RECORDS, THE CONTRACTING AUTHORITY AND THE LOCAL TAXING  
8 AUTHORITIES SHALL HAVE ACCESS TO ANY REPORTS AND CERTIFICATIONS  
9 FILED UNDER THIS ARTICLE, AND THE CONTRACTING AUTHORITY SHALL  
10 HAVE ACCESS TO ANY STATE OR LOCAL TAX INFORMATION FILED BY A  
11 QUALIFIED BUSINESS IN THE NEIGHBORHOOD IMPROVEMENT ZONE SOLELY  
12 FOR THE PURPOSE OF DOCUMENTING THE CERTIFICATIONS REQUIRED BY  
13 THIS ARTICLE. ANY OTHER USE OF THE TAX INFORMATION SHALL BE  
14 PROHIBITED AS PROVIDED UNDER LAW.

15 SECTION 1.5. THE ACT IS AMENDED BY ADDING AN ARTICLE TO  
16 READ:

17 ARTICLE XVI-D.1

18 FINANCIALLY DISTRESSED MUNICIPALITIES

19 SECTION 1601-D.1. ADMINISTRATIVE OVERSIGHT.

20 (A) SCOPE.--THIS SECTION APPLIES TO A CITY OF THE THIRD  
21 CLASS WHICH IS DETERMINED TO BE FINANCIALLY DISTRESSED UNDER  
22 SECTION 203 OF THE ACT OF JULY 10, 1987 (P.L.246, NO.47), KNOWN  
23 AS THE MUNICIPALITIES FINANCIAL RECOVERY ACT.

24 (B) LIMITATION ON BANKRUPTCY.--NOTWITHSTANDING ANY OTHER  
25 PROVISION OF LAW, INCLUDING SECTION 261 OF THE MUNICIPALITIES  
26 FINANCIAL RECOVERY ACT, NO DISTRESSED CITY MAY FILE A PETITION  
27 FOR RELIEF UNDER 11 U.S.C. CH. 9 (RELATING TO ADJUSTMENT OF  
28 DEBTS OF A MUNICIPALITY) OR ANY OTHER FEDERAL BANKRUPTCY LAW,  
29 AND NO GOVERNMENT AGENCY MAY AUTHORIZE THE DISTRESSED CITY TO  
30 BECOME A DEBTOR UNDER 11 U.S.C. CH. 9 OR ANY OTHER FEDERAL

1 BANKRUPTCY LAW.

2 (C) PENALTY.--IF A CITY SUBJECT TO THIS SECTION FAILS TO  
3 COMPLY WITH SUBSECTION (B), ALL COMMONWEALTH FUNDING TO THE CITY  
4 SHALL BE SUSPENDED.

5 (D) EXPIRATION.--THIS SECTION SHALL EXPIRE JULY 1, 2012.

6 SECTION 1.6. ARTICLE XVI-F HEADING OF THE ACT, ADDED JULY 6,  
7 2010 (P.L.279, NO.46), IS AMENDED TO READ:

8 ARTICLE XVI-F

9 [(RESERVED)]

10 KEYSTONE SPECIAL DEVELOPMENT ZONE

11 SECTION 1.7. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

12 SECTION 1601-F. SCOPE OF ARTICLE.

13 THIS ARTICLE RELATES TO THE KEYSTONE SPECIAL DEVELOPMENT ZONE  
14 PROGRAM.

15 SECTION 1602-F. DEFINITIONS.

16 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE  
17 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
18 CONTEXT CLEARLY INDICATES OTHERWISE:

19 "AFFILIATE." AS FOLLOWS:

20 (1) AN ENTITY WHICH IS PART OF THE SAME "AFFILIATED  
21 GROUP," AS DEFINED IN SECTION 1504(A) OF THE INTERNAL REVENUE  
22 CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 1504(A)), AS A  
23 KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER; OR

24 (2) AN ENTITY THAT WOULD BE PART OF THE SAME "AFFILIATED  
25 GROUP" EXCEPT THAT THE ENTITY OR THE KEYSTONE SPECIAL  
26 DEVELOPMENT EMPLOYER IS NOT A CORPORATION.

27 "DEPARTMENT." THE DEPARTMENT OF COMMUNITY AND ECONOMIC  
28 DEVELOPMENT OF THE COMMONWEALTH.

29 "EMPLOYEE." AN INDIVIDUAL WHO:

30 (1) IS EMPLOYED IN THIS COMMONWEALTH BY A KEYSTONE

1 SPECIAL DEVELOPMENT ZONE EMPLOYER, OR ITS PREDECESSOR, AFTER  
2 THE EFFECTIVE DATE OF THIS ARTICLE;

3 (2) IS EMPLOYED FOR AT LEAST 35 HOURS PER WEEK BY A  
4 KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER; AND

5 (3) SPENDS AT LEAST 90% OF HIS OR HER WORKING TIME FOR  
6 THE KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER AT THE  
7 KEYSTONE SPECIAL DEVELOPMENT ZONE LOCATION.

8 "FULL-TIME EQUIVALENT EMPLOYEE." THE WHOLE NUMBER OF  
9 EMPLOYEES, ROUNDED DOWN, THAT EQUALS THE SUM OF:

10 (1) THE TOTAL PAID HOURS, INCLUDING PAID TIME OFF AND  
11 FAMILY LEAVE UNDER THE FAMILY AND MEDICAL LEAVE ACT OF 1993  
12 (PUBLIC LAW 103-3, 29 U.S.C. § 2601 ET SEQ.), OF ALL OF A  
13 KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER'S EMPLOYEES  
14 CLASSIFIED AS NONEXEMPT DURING THE KEYSTONE SPECIAL  
15 DEVELOPMENT ZONE EMPLOYER'S TAX YEAR DIVIDED BY 2000; AND

16 (2) A TOTAL NUMBER ARRIVED AT BY ADDING, FOR EACH  
17 KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER'S EMPLOYEE  
18 CLASSIFIED AS EXEMPT SCHEDULED TO WORK AT LEAST 35 HOURS PER  
19 WEEK, THE FRACTION EQUAL TO THE PORTION OF THE YEAR THE  
20 EXEMPT EMPLOYEE WAS PAID BY THE KEYSTONE SPECIAL DEVELOPMENT  
21 ZONE EMPLOYER. WHETHER AN EMPLOYEE SHALL BE CLASSIFIED AS  
22 EXEMPT OR NONEXEMPT SHALL BE DETERMINED UNDER THE FAIR LABOR  
23 STANDARDS ACT OF 1938 (52 STAT. 1060, 29 U.S.C. § 201 ET  
24 SEQ.).

25 THE CALCULATION UNDER THIS DEFINITION EXCLUDES EMPLOYEES  
26 PREVIOUSLY EMPLOYED BY AN AFFILIATE AND EMPLOYEES PREVIOUSLY  
27 EMPLOYED BY THE KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER  
28 OUTSIDE OF A KEYSTONE SPECIAL DEVELOPMENT ZONE.

29 "KEYSTONE SPECIAL DEVELOPMENT ZONE." A PARCEL OF REAL  
30 PROPERTY THAT MEETS ALL OF THE FOLLOWING:

1           (1) ON JULY 1, 2011, WAS WITHIN A SPECIAL INDUSTRIAL  
2 AREA, AS DESCRIBED IN SECTION 305(A) OF THE ACT OF MAY 19,  
3 1995 (P.L.4, NO.2), KNOWN AS THE LAND RECYCLING AND  
4 ENVIRONMENTAL REMEDIATION STANDARDS ACT, FOR WHICH THE  
5 DEPARTMENT OF ENVIRONMENTAL PROTECTION HAS EXECUTED A SPECIAL  
6 INDUSTRIAL AREA CONSENT ORDER AND AGREEMENT, AS PROVIDED  
7 UNDER SECTION 502(A) OF THE LAND RECYCLING AND ENVIRONMENTAL  
8 REMEDICATION STANDARDS ACT.

9           (2) ON JULY 1, 2011, HAD NO PERMANENT VERTICAL  
10 STRUCTURES AFFIXED TO IT.

11           (3) IS CERTIFIED BY THE DEPARTMENT OF ENVIRONMENTAL  
12 PROTECTION AS MEETING THE REQUIREMENTS OF PARAGRAPHS (1) AND  
13 (2).

14           "KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER." A PERSON OR  
15 ENTITY SUBJECT TO THE TAXES IMPOSED UNDER ARTICLE III, IV, VI,  
16 VII, VIII OR XV OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2) KNOWN  
17 AS THE TAX REFORM CODE OF 1971, WHO EMPLOYS ONE OR MORE  
18 EMPLOYEES AT A KEYSTONE SPECIAL DEVELOPMENT ZONE. THE TERM SHALL  
19 INCLUDE A PASS-THROUGH ENTITY. THE TERM SHALL NOT INCLUDE ANY OF  
20 THE FOLLOWING:

21           (1) AN EMPLOYER WHO, AFTER JANUARY 1, 1990,  
22 INTENTIONALLY OR NEGLIGENTLY CAUSED OR CONTRIBUTED TO, IN ANY  
23 MATERIAL RESPECT, A LEVEL OF REGULATED SUBSTANCE ABOVE THE  
24 CLEANUP STANDARDS IN THE ACT OF MAY 19, 1995 (P.L.4, NO.2),  
25 KNOWN AS THE LAND RECYCLING AND ENVIRONMENTAL REMEDIATION  
26 STANDARDS ACT, ON, IN OR UNDER THE KEYSTONE SPECIAL  
27 DEVELOPMENT ZONE AT WHICH AN EMPLOYEE IS EMPLOYED.

28           (2) AN EMPLOYER ENGAGED IN CONSTRUCTION IMPROVEMENTS ON  
29 A KEYSTONE SPECIAL DEVELOPMENT ZONE.

30           "PASS-THROUGH ENTITY." A PARTNERSHIP AS DEFINED IN SECTION



1 301(N.0) OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE  
2 TAX REFORM CODE OF 1971, OR A PENNSYLVANIA S CORPORATION AS  
3 DEFINED IN SECTION 301(N.1) OF THE TAX REFORM CODE OF 1971.

4 "QUALIFIED TAX LIABILITY." ANY TAX OWED BY A KEYSTONE  
5 SPECIAL DEVELOPMENT ZONE EMPLOYER ATTRIBUTABLE TO A BUSINESS  
6 ACTIVITY CONDUCTED WITHIN A KEYSTONE SPECIAL DEVELOPMENT ZONE  
7 FOR A TAX YEAR UNDER ARTICLE III, IV, VI, VII, VIII OR XV OF THE  
8 ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE  
9 OF 1971.

10 SECTION 1603-F. KEYSTONE SPECIAL DEVELOPMENT ZONE TAX CREDIT.

11 (A) TAX CREDIT.--A KEYSTONE SPECIAL DEVELOPMENT ZONE  
12 EMPLOYER SHALL BE ENTITLED TO CLAIM A TAX CREDIT AGAINST ITS  
13 QUALIFIED TAX LIABILITY AS PROVIDED IN THIS ARTICLE.

14 (B) PROCESS.--

15 (1) A KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER SHALL  
16 NOTIFY THE DEPARTMENT OF ITS QUALIFICATION FOR A TAX CREDIT  
17 UNDER THIS ARTICLE BY FEBRUARY 1 FOR TAX CREDITS EARNED  
18 DURING A TAXABLE YEAR ENDING IN THE PRIOR CALENDAR YEAR.

19 (2) THE NOTIFICATION SHALL CONTAIN THE FOLLOWING:

20 (I) THE NAME, ADDRESS AND TAXPAYER IDENTIFICATION  
21 NUMBER OF THE KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER.

22 (II) VERIFICATION THAT IT IS A KEYSTONE SPECIAL  
23 DEVELOPMENT ZONE EMPLOYER LOCATED IN A KEYSTONE SPECIAL  
24 DEVELOPMENT ZONE.

25 (III) THE NAMES, ADDRESSES AND SOCIAL SECURITY  
26 NUMBERS OF ALL EMPLOYEES FOR WHICH THE CREDIT IS CLAIMED.

27 (IV) VERIFICATION THAT EACH EMPLOYEE IDENTIFIED IN  
28 SUBPARAGRAPH (III) SPENT AT LEAST 90% OF THE EMPLOYEE'S  
29 WORKING TIME FOR THE KEYSTONE SPECIAL DEVELOPMENT ZONE  
30 EMPLOYER AT THE EMPLOYER'S KEYSTONE SPECIAL DEVELOPMENT

1           ZONE LOCATION.

2           (V) ANY OTHER INFORMATION REQUIRED BY THE  
3           DEPARTMENT.

4           (3) TO QUALIFY FOR THE CREDIT, THE DEPARTMENT OF REVENUE  
5           MUST CERTIFY THAT THE KEYSTONE SPECIAL DEVELOPMENT ZONE  
6           EMPLOYER IS CURRENT WITH ALL TAX LIABILITIES.

7           (4) BY MARCH 1 OF EACH YEAR THE DEPARTMENT SHALL SEND  
8           THE KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER WHO SUBMITTED  
9           THE NOTIFICATION A CERTIFICATE OF ITS QUALIFICATION FOR THE  
10           CREDIT, WHICH CERTIFICATE THE KEYSTONE SPECIAL DEVELOPMENT  
11           ZONE EMPLOYER SHALL PRESENT TO THE DEPARTMENT OF REVENUE WHEN  
12           FILING ITS RETURN CLAIMING THE CREDIT.

13           (C) AMOUNT.--THE AMOUNT OF THE TAX CREDIT A KEYSTONE SPECIAL  
14           DEVELOPMENT ZONE EMPLOYER MAY EARN IN ANY TAX YEAR SHALL BE  
15           EQUAL TO \$2,100 FOR EACH FULL-TIME EQUIVALENT EMPLOYEE IN EXCESS  
16           OF THE NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES EMPLOYED BY THE  
17           KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER PRIOR TO JANUARY 1,  
18           2012.

19           (D) APPLICATION OF TAX CREDITS.--A KEYSTONE SPECIAL  
20           DEVELOPMENT ZONE EMPLOYER MUST FIRST USE ITS KEYSTONE SPECIAL  
21           DEVELOPMENT ZONE TAX CREDIT AGAINST ITS QUALIFIED TAX LIABILITY.

22           (D.1) SALE OR ASSIGNMENT OF TAX CREDIT.--

23           (1) IF THE KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER IS  
24           ENTITLED TO A CREDIT IN ANY YEAR THAT EXCEEDS ITS QUALIFIED  
25           TAX LIABILITY FOR THAT YEAR, UPON APPLICATION TO AND APPROVAL  
26           BY THE DEPARTMENT, A KEYSTONE SPECIAL DEVELOPMENT ZONE  
27           EMPLOYER WHICH HAS BEEN AWARDED A TAX CREDIT MAY SELL OR  
28           ASSIGN, IN WHOLE OR IN PART, THE TAX CREDIT GRANTED TO THE  
29           KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER. THE APPLICATION  
30           MUST BE ON THE FORM REQUIRED BY THE DEPARTMENT AND MUST

1 INCLUDE OR DEMONSTRATE ALL OF THE FOLLOWING:

2 (I) THE APPLICANT'S NAME AND ADDRESS.

3 (II) A COPY OF THE TAX CREDIT CERTIFICATE PREVIOUSLY  
4 ISSUED BY THE DEPARTMENT.

5 (III) A STATEMENT AS TO WHETHER ANY PART OF THE TAX  
6 CREDIT HAS BEEN APPLIED TO TAX LIABILITY OF THE APPLICANT  
7 AND THE AMOUNT SO APPLIED.

8 (IV) ANY OTHER INFORMATION REQUIRED BY THE  
9 DEPARTMENT.

10 (2) THE DEPARTMENT SHALL REVIEW THE APPLICATION AND,  
11 UPON BEING SATISFIED THAT ALL REQUIREMENTS HAVE BEEN MET,  
12 SHALL APPROVE THE APPLICATION AND SHALL NOTIFY THE DEPARTMENT  
13 OF REVENUE.

14 (3) THE PURCHASER OR ASSIGNEE OF ALL OR A PORTION OF A  
15 KEYSTONE SPECIAL DEVELOPMENT ZONE TAX CREDIT UNDER THIS  
16 SECTION SHALL CLAIM THE CREDIT IN THE TAXABLE YEAR IN WHICH  
17 THE PURCHASE OR ASSIGNMENT IS MADE. THE PURCHASER OR ASSIGNEE  
18 OF A TAX CREDIT MAY USE THE TAX CREDIT AGAINST ANY TAX  
19 LIABILITY OF THE PURCHASER OR ASSIGNEE UNDER ARTICLE III, IV,  
20 VI, VII, VIII OR XV OF THE TAX REFORM CODE OF 1971. THE  
21 AMOUNT OF THE TAX CREDIT USED MAY NOT EXCEED 75% OF THE  
22 PURCHASER'S OR ASSIGNEE'S TAX LIABILITY FOR THE TAXABLE YEAR.  
23 THE PURCHASER OR ASSIGNEE MAY NOT CARRY OVER, CARRY BACK,  
24 OBTAIN A REFUND OF OR ASSIGN THE KEYSTONE SPECIAL DEVELOPMENT  
25 ZONE CREDIT. THE PURCHASER OR ASSIGNEE SHALL NOTIFY THE  
26 DEPARTMENT AND THE DEPARTMENT OF REVENUE OF THE SELLER OR  
27 ASSIGNOR OF THE KEYSTONE SPECIAL DEVELOPMENT ZONE TAX CREDIT  
28 IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE DEPARTMENT.

29 (E) USE AND CARRYFORWARD.--

30 (1) A KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER MAY

1 EARN THE TAX CREDIT ALLOWED UNDER THIS ARTICLE BEGINNING IN  
2 ANY TAX YEAR BEGINNING IN 2012 AND FOR A PERIOD OF UP TO TEN  
3 TAX YEARS DURING THE 15-YEAR PERIOD BEGINNING JULY 1, 2012,  
4 AND ENDING JUNE 30, 2026.

5 (2) A KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER MAY  
6 CARRY FORWARD FOR UP TO TEN YEARS A TAX CREDIT EARNED UNDER  
7 THIS ARTICLE:

8 (I) WHICH IT IS UNABLE TO USE; OR

9 (II) WHICH IT DOES NOT SELL OR ASSIGN.

10 (3) TAX CREDITS CARRIED FORWARD UNDER PARAGRAPH (2)  
11 SHALL BE USED ON A FIRST-IN-FIRST-OUT BASIS.

12 (F) DUAL-USE PROHIBITED.--IN A GIVEN YEAR, A KEYSTONE  
13 SPECIAL DEVELOPMENT ZONE EMPLOYER MAY ONLY EARN TAX CREDITS  
14 UNDER SUBSECTION (C) OR (D) OR UNDER THE ACT OF OCTOBER 6, 1998  
15 (P.L.705, NO.92), KNOWN AS THE KEYSTONE OPPORTUNITY ZONE,  
16 KEYSTONE OPPORTUNITY EXPANSION ZONE AND KEYSTONE OPPORTUNITY  
17 IMPROVEMENT ZONE ACT. A KEYSTONE SPECIAL DEVELOPMENT ZONE  
18 EMPLOYER MAY NOT CLAIM A CREDIT UNDER BOTH THIS SECTION AND  
19 ARTICLE XVIII-B OF THE TAX REFORM CODE OF 1971.

20 (G) PASS-THROUGH ENTITIES.--

21 (1) IF A KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER IS A  
22 PASS-THROUGH ENTITY AND IT HAS ANY UNUSED TAX CREDIT UNDER  
23 SUBSECTION (C), (D) OR (E), IT MAY ELECT IN WRITING,  
24 ACCORDING TO PROCEDURES ESTABLISHED BY THE DEPARTMENT OF  
25 REVENUE, TO TRANSFER ALL OR A PORTION OF THE CREDIT TO  
26 SHAREHOLDERS, MEMBERS OR PARTNERS IN PROPORTION TO THE SHARE  
27 OF THE ENTITY'S DISTRIBUTIVE INCOME TO WHICH THE SHAREHOLDER,  
28 MEMBER OR PARTNER IS ENTITLED.

29 (2) A KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER THAT IS  
30 A PASS-THROUGH ENTITY, AND A SHAREHOLDER, MEMBER OR PARTNER

1 OF THAT KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER MAY NOT  
2 BOTH CLAIM THE KEYSTONE SPECIAL DEVELOPMENT ZONE TAX CREDIT  
3 EARNED BY THE KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER FOR  
4 ANY TAX YEAR.

5 (3) A SHAREHOLDER, MEMBER OR PARTNER OF A KEYSTONE  
6 SPECIAL DEVELOPMENT ZONE EMPLOYER THAT IS A PASS-THROUGH  
7 ENTITY TO WHOM A CREDIT IS TRANSFERRED UNDER THIS SUBSECTION  
8 SHALL IMMEDIATELY CLAIM THE CREDIT IN THE TAXABLE YEAR IN  
9 WHICH THE TRANSFER IS MADE.

10 (H) TRANSFER.--ANY TAX CREDIT OR TAX CREDIT CARRYFORWARD  
11 THAT A KEYSTONE SPECIAL DEVELOPMENT ZONE EMPLOYER IS ENTITLED TO  
12 USE MAY BE TRANSFERRED TO A SUCCESSOR ENTITY OF THE KEYSTONE  
13 SPECIAL DEVELOPMENT ZONE EMPLOYER.

14 (I) PENALTIES.--THE FOLLOWING SHALL APPLY:

15 (1) A COMPANY WHICH RECEIVES KEYSTONE SPECIAL  
16 DEVELOPMENT ZONE TAX CREDITS AND FAILS TO SUBSTANTIALLY  
17 MAINTAIN THE OPERATIONS RELATED TO THE KEYSTONE SPECIAL  
18 DEVELOPMENT ZONE TAX CREDITS IN THIS COMMONWEALTH FOR A  
19 PERIOD OF FIVE YEARS FROM THE DATE THE COMPANY FIRST SUBMITS  
20 A KEYSTONE SPECIAL DEVELOPMENT ZONE TAX CREDIT CERTIFICATE TO  
21 THE DEPARTMENT OF REVENUE SHALL BE REQUIRED TO REFUND TO THE  
22 COMMONWEALTH THE TOTAL AMOUNT OF CREDITS GRANTED, WITH  
23 INTEREST AND A PENALTY OF 20% OF THE AMOUNT OF CREDITS  
24 GRANTED.

25 (2) THE DEPARTMENT MAY WAIVE THE PENALTIES IN SUBSECTION  
26 (A) IF IT IS DETERMINED THAT A COMPANY'S OPERATIONS WERE NOT  
27 MAINTAINED OR THE NEW JOBS WERE NOT CREATED BECAUSE OF  
28 CIRCUMSTANCES BEYOND THE COMPANY'S CONTROL. CIRCUMSTANCES  
29 INCLUDE NATURAL DISASTERS, UNFORESEEN INDUSTRY TRENDS OR A  
30 LOSS OF A MAJOR SUPPLIER OR MARKET.

1 SECTION 1604-F. TAX LIABILITY ATTRIBUTABLE TO KEYSTONE SPECIAL  
2 DEVELOPMENT ZONE.

3 (A) DETERMINATIONS OF ATTRIBUTABLE TAX LIABILITY.--TAX  
4 LIABILITY ATTRIBUTABLE TO BUSINESS ACTIVITY CONDUCTED WITHIN A  
5 KEYSTONE SPECIAL DEVELOPMENT ZONE SHALL BE COMPUTED, CONSTRUED,  
6 ADMINISTERED AND ENFORCED IN CONFORMITY WITH ARTICLE III, IV,  
7 VI, VII, VIII OR XV OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2),  
8 KNOWN AS THE TAX REFORM CODE OF 1971, WHICHEVER IS APPLICABLE,  
9 AND WITH SPECIFIC REFERENCE TO THE FOLLOWING:

10 (1) IF THE ENTIRE BUSINESS OF THE EMPLOYER IN THIS  
11 COMMONWEALTH IS TRANSACTED WHOLLY WITHIN THE KEYSTONE SPECIAL  
12 DEVELOPMENT ZONE, THE TAX LIABILITY ATTRIBUTABLE TO BUSINESS  
13 ACTIVITY WITHIN A KEYSTONE SPECIAL DEVELOPMENT ZONE SHALL  
14 CONSIST OF THE PENNSYLVANIA INCOME AS DETERMINED UNDER  
15 ARTICLE III, IV, VI, VII, VIII OR XV, WHICHEVER IS  
16 APPLICABLE, OF THE TAX REFORM CODE OF 1971.

17 (2) IF THE ENTIRE BUSINESS OF THE EMPLOYER IN THIS  
18 COMMONWEALTH IS NOT TRANSACTED WHOLLY WITHIN THE KEYSTONE  
19 SPECIAL DEVELOPMENT ZONE, THE TAX LIABILITY OF AN EMPLOYER IN  
20 A KEYSTONE SPECIAL DEVELOPMENT ZONE SHALL BE DETERMINED UPON  
21 SUCH PORTION OF THE PENNSYLVANIA TAX LIABILITY OF SUCH  
22 EMPLOYER ATTRIBUTABLE TO BUSINESS ACTIVITY CONDUCTED WITHIN  
23 THE KEYSTONE SPECIAL DEVELOPMENT ZONE AND APPORTIONED IN  
24 ACCORDANCE WITH SUBSECTION (B).

25 (B) TAX LIABILITY APPORTIONMENT.--THE TAX LIABILITY OF AN  
26 EMPLOYER SHALL BE APPORTIONED TO THE KEYSTONE SPECIAL  
27 DEVELOPMENT ZONE BY MULTIPLYING THE PENNSYLVANIA TAX LIABILITY  
28 BY A FRACTION, THE NUMERATOR OF WHICH IS THE PROPERTY FACTOR  
29 PLUS THE PAYROLL FACTOR AND THE DENOMINATOR OF WHICH IS TWO, IN  
30 ACCORDANCE WITH THE FOLLOWING:



1 SHALL BE ALLOCATED EXCLUSIVELY FOR SMALL BUSINESS. AS USED IN  
2 THIS SECTION, THE TERM "SMALL BUSINESS" HAS THE MEANING ASCRIBED  
3 IN SECTION 1702-B OF THE TAX REFORM CODE OF 1971.

4 SECTION 1603-H. DEPARTMENT OF COMMUNITY AND ECONOMIC  
5 DEVELOPMENT.

6 FOR FISCAL YEAR 2011-2012 AND EACH FISCAL YEAR THEREAFTER,  
7 THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT MAY APPROVE  
8 TAX CREDITS AS FOLLOWS:

9 (1) NOTWITHSTANDING SECTION 1707-D(A) OF THE TAX REFORM  
10 CODE OF 1971, THE AGGREGATE AMOUNT OF TAX CREDITS AWARDED  
11 UNDER ARTICLE XVII-D OF THE TAX REFORM CODE OF 1971 SHALL NOT  
12 EXCEED \$60,000,000 IN A FISCAL YEAR.

13 (2) NOTWITHSTANDING SECTION 1804-B(E) OF THE TAX REFORM  
14 CODE OF 1971, AWARDS BY THE DEPARTMENT SHALL NOT EXCEED  
15 \$10,100,000 IN TAX CREDITS UNDER ARTICLE XVIII-B OF THE TAX  
16 REFORM CODE OF 1971.

17 SECTION 2. SECTION 1702-A OF THE ACT, AMENDED JULY 4, 2008  
18 (P.L.629, NO.53), IS AMENDED TO READ:

19 SECTION 1702-A. FUNDING.

20 (A) INTENT.--IT IS HEREBY DECLARED AS THE INTENT AND GOAL OF  
21 THE GENERAL ASSEMBLY TO CREATE A STABILIZATION RESERVE IN AN  
22 EVENTUAL AMOUNT OF 6% OF THE REVENUES OF THE GENERAL FUND OF THE  
23 COMMONWEALTH.

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

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

28 (I) EXCEPT AS SET FORTH IN THIS PARAGRAPH, IF THE  
29 SECRETARY OF THE BUDGET CERTIFIES THAT THERE IS A SURPLUS  
30 IN THE GENERAL FUND FOR A SPECIFIC FISCAL YEAR, 25% OF



1 THE SURPLUS SHALL BE DEPOSITED BY THE END OF THE NEXT  
2 SUCCEEDING QUARTER INTO THE BUDGET STABILIZATION RESERVE  
3 FUND.

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

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

12 (IV) NO AMOUNT OF THE SURPLUS IN THE GENERAL FUND  
13 FOR FISCAL YEAR 2010-2011 MAY BE DEPOSITED INTO THE  
14 BUDGET STABILIZATION RESERVE FUND.

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

21 (C) APPROPRIATED FUNDS.--THE GENERAL ASSEMBLY MAY AT ANY  
22 TIME PROVIDE ADDITIONAL AMOUNTS FROM ANY FUNDS AVAILABLE TO THIS  
23 COMMONWEALTH AS AN APPROPRIATION TO THE BUDGET STABILIZATION  
24 RESERVE FUND.

25 SECTION 2.1. THE HEADING OF SUBARTICLE D OF ARTICLE XVII-A  
26 OF THE ACT, ADDED JULY 7, 2005 (P.L.174, NO.41), IS REENACTED TO  
27 READ:

28 SUBARTICLE D  
29 INVESTMENTS

30 Section ~~2~~ 2.2. Section 1731-A of the act, reenacted and



1 amended October 9, 2009 (P.L.537, No.50), is reenacted and  
2 amended to read:

3 Section 1731-A. State Workers' Insurance Board.

4 Notwithstanding any inconsistent provisions of section 1512  
5 of the act of June 2, 1915 (P.L.736, No.338), known as the  
6 Workers' Compensation Act, section 504 of the act of November  
7 30, 1965 (P.L.847, No.356), known as the Banking Code of 1965,  
8 section 922 of the act of December 14, 1967 (P.L.746, No.345),  
9 known as the Savings Association Code of 1967, and any other law  
10 of this Commonwealth, the power of the State Workers' Insurance  
11 Board to invest money shall include the power to hold, purchase,  
12 sell, assign, transfer and dispose of securities, including  
13 common stock with the following restrictions:

14 (1) Investments in equities may not exceed the lesser  
15 of:

16 (i) [20%] 15% of the State Workers' Insurance Fund's  
17 assets; or

18 (ii) the State Workers' Insurance Fund's statutory  
19 surplus after discount, except that, [in the event that  
20 the statutory surplus is less than 7 1/2% of the book  
21 value of the assets of the State Workers' Insurance Fund,  
22 the investment in equities may not exceed the percentage  
23 set forth in the provisions applicable to savings banks  
24 in section 504 of the Banking Code of 1965]

25 notwithstanding the statutory surplus, the State Workers'  
26 Insurance Fund is authorized to invest up to 7 1/2% of  
27 the book value of its assets in equities.

28 (1.1) Investments in equities shall be made subject to  
29 the prudent [man rule of section 504(c) of the Banking Code  
30 of 1965] investor rule as provided for under 20 Pa.C.S. §

1 7203 (relating to prudent investor rule).

2 (2) The State Workers' Insurance Board shall establish a  
3 policy for investments and shall meet at least annually to  
4 develop a schedule for rebalancing its investments in  
5 securities to meet the restriction of paragraph (1).

6 Section ~~3~~ 2.3. Section 1732-A of the act, reenacted and ←  
7 amended October 9, 2009, (P.L.537, No.50), is reenacted and  
8 amended to read:

9 Section 1732-A. Expiration.

10 This subarticle shall expire June 30, [2010] 2015.

11 SECTION 3. REPEALS ARE AS FOLLOWS: ←

12 (1) THE GENERAL ASSEMBLY FINDS AND DECLARES AS FOLLOWS:

13 (I) EACH YEAR, ARTICLES ON BUDGET IMPLEMENTATION ARE  
14 ADDED TO THE ACT.

15 (II) THESE ARTICLES ARE TEMPORARY IN NATURE BUT ARE  
16 PLACED PERMANENTLY INTO THE ACT, UTILIZING ARTICLE  
17 NUMBERS AND SECTION NUMBERS.

18 (III) REUSING ARTICLE NUMBERS AND SECTION NUMBERS  
19 WILL KEEP THE TEXT OF THE ACT MORE CONCISE.

20 (IV) THE REPEAL UNDER PARAGRAPH (2) IS NECESSARY TO  
21 EFFECTUATE PARAGRAPH (1) (III).

22 (2) ARTICLES XVII-B AND XVII-C OF THE ACT, ADDED JULY 5,  
23 2006 (P.L.296, NO.66), AND AMENDED OR REPEALED IN PART JULY  
24 17, 2007 (P.L.141, NO.42), ARE REPEALED.

25 SECTION 4. THE ACT IS AMENDED BY ADDING ARTICLES TO READ:

26 ARTICLE XVII-B

27 2011-2012 BUDGET IMPLEMENTATION

28 SUBARTICLE A

29 PRELIMINARY PROVISIONS

30 SECTION 1701-B. APPLICABILITY OF ARTICLE.

1 EXCEPT AS SPECIFICALLY PROVIDED IN THIS ARTICLE, THIS ARTICLE  
2 APPLIES TO THE GENERAL APPROPRIATION ACT OF 2011 AND ALL OTHER  
3 APPROPRIATION ACTS OF 2011.

4 SECTION 1702-B. DEFINITIONS AND ABBREVIATIONS.

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

8 "GENERAL APPROPRIATION ACT." THE ACT OF \_\_\_\_\_, 2011 (P.L. \_\_\_\_\_,  
9 NO.1A), KNOWN AS THE GENERAL APPROPRIATION ACT OF 2011.

10 "SECRETARY." THE SECRETARY OF THE BUDGET OF THE  
11 COMMONWEALTH.

12 (B) ABBREVIATIONS.--THE FOLLOWING ABBREVIATIONS WHEN USED IN  
13 THIS ARTICLE SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS  
14 SECTION:

15 "AIDS." ACQUIRED IMMUNE DEFICIENCY SYNDROME.

16 "ARC." APPALACHIAN REGIONAL COMMISSION.

17 "ARRA." THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009  
18 (PUBLIC LAW 111-5, 123 STAT. 115).

19 "BG." BLOCK GRANT.

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

21 "CSBG." COMMUNITY SERVICES BLOCK GRANT.

22 "DCSI." DRUG CONTROL AND SYSTEMS IMPROVEMENT FORMULA GRANT  
23 PROGRAM.

24 "DFSC." THE SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES ACT  
25 (PUBLIC LAW 107-110, 20 U.S.C. § 7101 ET SEQ.).

26 "DOE." DEPARTMENT OF ENERGY.

27 "EEOC." EQUAL EMPLOYMENT OPPORTUNITY COMMISSION.

28 "EPA." ENVIRONMENTAL PROTECTION AGENCY.

29 "ESEA." THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965  
30 (PUBLIC LAW 89-10, 20 U.S.C. § 6301 ET SEQ.).

1 "FEMA." FEDERAL EMERGENCY MANAGEMENT AGENCY.  
2 "FTA." FEDERAL TRANSIT ADMINISTRATION.  
3 "HUD." DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.  
4 "LIHEABG." LOW-INCOME HOME ENERGY ASSISTANCE BLOCK GRANT.  
5 "LSTA." THE LIBRARY SERVICES AND TECHNOLOGY ACT (PUBLIC LAW  
6 104-208, 20 U.S.C. § 9101 ET SEQ.).  
7 "MCHSBG." MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT.  
8 "MHSBG." MENTAL HEALTH SERVICES BLOCK GRANT.  
9 "MR." MENTAL RETARDATION.  
10 "PAFE." PENNSYLVANIA AGRICULTURAL FOOD EXPOSITION.  
11 "PHHSBG." PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT.  
12 "RSAT." RESIDENTIAL SUBSTANCE ABUSE TREATMENT.  
13 "SABG." SUBSTANCE ABUSE BLOCK GRANT.  
14 "SCDBG." SMALL COMMUNITIES DEVELOPMENT BLOCK GRANT.  
15 "SDA." SERVICE DELIVERY AREA.  
16 "SSBG." SOCIAL SERVICES BLOCK GRANT.  
17 "TANF." TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.  
18 "TANFBG." TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK  
19 GRANT.  
20 "TEFAP." TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM.  
21 "WIA." THE WORKFORCE INVESTMENT ACT OF 1998 (PUBLIC LAW  
22 105-220, 112 STAT. 936).  
23 "WIC." WOMEN, INFANTS AND CHILDREN PROGRAM.  
24 SUBARTICLE B  
25 EXECUTIVE DEPARTMENTS  
26 SECTION 1711-B. GOVERNOR (RESERVED).  
27 SECTION 1712-B. EXECUTIVE OFFICES.  
28 FUNDS FOR INTERMEDIATE PUNISHMENT TREATMENT PROGRAMS SHALL BE  
29 ALLOCATED IN THE SAME PROPORTION AS FUNDING PROVIDED IN FISCAL  
30 YEAR 2010-2011 FOR INTERMEDIATE PUNISHMENT PROGRAMS AND FOR

1 INTERMEDIATE PUNISHMENT DRUG AND ALCOHOL TREATMENT.

2 SECTION 1713-B. LIEUTENANT GOVERNOR (RESERVED).

3 SECTION 1714-B. ATTORNEY GENERAL (RESERVED).

4 SECTION 1715-B. AUDITOR GENERAL (RESERVED).

5 SECTION 1716-B. TREASURY DEPARTMENT (RESERVED).

6 SECTION 1717-B. DEPARTMENT OF AGING (RESERVED).

7 SECTION 1718-B. DEPARTMENT OF AGRICULTURE.

8 NO LESS THAN 80% OF THE FUNDS APPROPRIATED FOR HARDWOODS

9 RESEARCH AND PROMOTION SHALL BE EQUALLY DISTRIBUTED AMONG THE

10 HARDWOOD UTILIZATION GROUPS OF THIS COMMONWEALTH ESTABLISHED

11 PRIOR TO THE EFFECTIVE DATE OF THIS SECTION.

12 SECTION 1719-B. DEPARTMENT OF COMMUNITY AND ECONOMIC

13 DEVELOPMENT.

14 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE

15 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT:

16 (1) FOR FISCAL YEAR 2011-2012, FUNDS APPROPRIATED TO

17 KEYSTONE COMMUNITIES SHALL INCLUDE ALLOCATIONS FOR THE MAIN

18 STREET AND ELM STREET PROGRAMS IN AMOUNTS NOT LESS THAN THE

19 AMOUNTS ALLOCATED IN FISCAL YEAR 2010-2011.

20 (2) FUNDS APPROPRIATED FOR PARTNERSHIPS FOR REGIONAL

21 ECONOMIC PERFORMANCE SHALL BE ALLOCATED TO INDUSTRIAL

22 DEVELOPMENT CORPORATIONS, INDUSTRIAL RESOURCE CENTERS, LOCAL

23 DEVELOPMENT DISTRICTS AND SMALL BUSINESS DEVELOPMENT CENTERS.

24 FORTY PERCENT OF THE FUNDS APPROPRIATED SHALL BE PRO RATA

25 ALLOCATED TO THE ENTITY IN PROPORTION TO THE 2010-2011

26 APPROPRIATIONS TO THE ENTITIES. THE DEPARTMENT SHALL PROVIDE

27 NOTICE OF THE ALLOCATION BY OCTOBER 1, 2011. THE REMAINING

28 60% OF FUNDS APPROPRIATED FOR THIS PROGRAM SHALL BE

29 DISTRIBUTED IN ACCORDANCE WITH PROGRAM GUIDELINES.

30 SECTION 1720-B. DEPARTMENT OF CONSERVATION AND NATURAL

1           RESOURCES (RESERVED).

2 SECTION 1721-B. DEPARTMENT OF CORRECTIONS (RESERVED).

3 SECTION 1722-B. DEPARTMENT OF EDUCATION.

4       THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE  
5 DEPARTMENT OF EDUCATION IN THE GENERAL APPROPRIATION ACT:

6           (1) NOTWITHSTANDING 24 PA.C.S. § 8329(A) (RELATING TO  
7 PAYMENTS ON ACCOUNT OF SOCIAL SECURITY DEDUCTIONS FROM  
8 APPROPRIATIONS), WHEN CALCULATING PAYMENTS BY THE  
9 COMMONWEALTH UNDER 24 PA.C.S. § 8329, THE DEPARTMENT OF  
10 EDUCATION SHALL TREAT WAGES PAID OUT OF THE ARRA STATE  
11 STABILIZATION FUND, WAGES PAID OUT OF THE ARRA FUNDS  
12 APPROPRIATED FOR INDIVIDUALS WITH DISABILITIES EDUCATION  
13 (PART B - PRESCHOOL-AGE 3-5) OR WAGES PAID OUT OF THE  
14 EDUCATION JOBS FUND GRANT AS COVERED WAGES WHICH ARE NOT  
15 FEDERALLY FUNDED.

16           (2) NOTWITHSTANDING THE PROVISIONS OF SECTION 1724-A OF  
17 THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), KNOWN AS THE  
18 PUBLIC SCHOOL CODE OF 1949, AND 24 PA.C.S. SECTION 8329  
19 (RELATING TO PAYMENTS ON ACCOUNT OF SOCIAL SECURITY  
20 DEDUCTIONS FROM APPROPRIATIONS), NO PAYMENTS SHALL BE MADE TO  
21 CHARTER SCHOOLS OR CYBER CHARTER SCHOOLS AUTHORIZED UNDER THE  
22 PROVISIONS OF ARTICLE XVII-A OF THE PUBLIC SCHOOL CODE OF  
23 1949 OR ANY SUCCESSOR PROVISIONS CONTAINED IN THE PUBLIC  
24 SCHOOL CODE OF 1949, FROM FUNDS APPROPRIATED FOR SCHOOL  
25 EMPLOYEES SOCIAL SECURITY.

26 SECTION 1723-B. DEPARTMENT OF ENVIRONMENTAL PROTECTION.

27       THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE  
28 DEPARTMENT OF ENVIRONMENTAL PROTECTION IN THE GENERAL  
29 APPROPRIATION ACT:

30           (1) (RESERVED).

1           (2) NOTWITHSTANDING THE PROVISIONS OF SECTION 502 OF THE  
2 ACT OF JULY 9, 2008 (1ST SP.SESS., P.L.1873, NO.1), KNOWN AS  
3 THE ALTERNATIVE ENERGY INVESTMENT ACT, IN FISCAL YEAR  
4 2011-2012, NO FUNDS SHALL BE APPROPRIATED FROM THE GENERAL  
5 FUND TO THE DEPARTMENT FOR THE CONSUMER ENERGY PROGRAM. ANY  
6 APPROPRIATION FOR FISCAL YEAR 2011-2012 IS REVOKED.

7 SECTION 1724-B. DEPARTMENT OF GENERAL SERVICES (RESERVED).

8 SECTION 1725-B. DEPARTMENT OF HEALTH.

9           THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE  
10 DEPARTMENT OF HEALTH IN THE GENERAL APPROPRIATION ACT:

11           (1) FUNDS APPROPRIATED FOR LUPUS PROGRAMS SHALL BE  
12 DISTRIBUTED IN THE SAME PROPORTION AS DISTRIBUTED IN FISCAL  
13 YEAR 2010-2011.

14           (2) FUNDS APPROPRIATED FOR BIOTECHNOLOGY RESEARCH  
15 INCLUDE \$750,000 FOR A REGENERATIVE MEDICINE CENTER LOCATED  
16 IN A COUNTY OF THE SECOND CLASS AND \$1,036,000 FOR AN  
17 INSTITUTION FOR HEPATITIS AND VIRUS RESEARCH LOCATED IN A  
18 COUNTY OF THE SECOND CLASS A, WHICH CONDUCTS RESEARCH RELATED  
19 TO DEVELOPING NEW THERAPIES FOR VIRAL HEPATITIS AND LIVER  
20 CANCER.

21 SECTION 1726-B. INSURANCE DEPARTMENT (RESERVED).

22 SECTION 1727-B. DEPARTMENT OF LABOR AND INDUSTRY.

23           THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE  
24 DEPARTMENT OF LABOR AND INDUSTRY IN THE GENERAL APPROPRIATION  
25 ACT:

26           (1) THE APPROPRIATION FOR PAYMENT TO THE VOCATIONAL  
27 REHABILITATION FUND FOR WORK OF THE STATE BOARD OF VOCATIONAL  
28 REHABILITATION INCLUDES \$2,153,000 FOR A STATEWIDE  
29 PROFESSIONAL SERVICE PROVIDER ASSOCIATION FOR THE BLIND TO  
30 PROVIDE SPECIALIZED SERVICES AND PREVENTION OF BLINDNESS



1 SERVICES AND \$431,000 TO PROVIDE SPECIALIZED SERVICES AND  
2 PREVENTION OF BLINDNESS SERVICES IN CITIES OF THE FIRST  
3 CLASS.

4 (2) FOR THE "REED ACT-UNEMPLOYMENT INSURANCE" AND "REED  
5 ACT-EMPLOYMENT SERVICES AND UNEMPLOYMENT INSURANCE"  
6 APPROPRIATIONS, THE TOTAL AMOUNT WHICH MAY BE OBLIGATED SHALL  
7 NOT EXCEED THE LIMITATIONS UNDER SECTION 903 OF THE SOCIAL  
8 SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1103).

9 SECTION 1728-B. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS  
10 (RESERVED).

11 SECTION 1729-B. DEPARTMENT OF PUBLIC WELFARE.

12 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE  
13 DEPARTMENT OF PUBLIC WELFARE FROM THE GENERAL APPROPRIATION ACT:

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

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

27 (II) THE DEPARTMENT, UPON APPROVAL OF THE SECRETARY,  
28 MAY TRANSFER FEDERAL FUNDS APPROPRIATED FOR CCDFBG CHILD  
29 CARE ASSISTANCE TO THE CCDFBG CHILD-CARE SERVICES  
30 APPROPRIATION TO PROVIDE CHILD-CARE SERVICES TO

1 ADDITIONAL LOW-INCOME FAMILIES, PROVIDED THAT THE  
2 TRANSFER OF FUNDS WILL NOT RESULT IN A DEFICIT IN THE  
3 APPROPRIATION. THE SECRETARY SHALL PROVIDE NOTICE TEN  
4 DAYS PRIOR TO A TRANSFER UNDER THIS SUBPARAGRAPH TO THE  
5 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS  
6 COMMITTEE OF THE SENATE AND THE CHAIRMAN AND MINORITY  
7 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF  
8 REPRESENTATIVES.

9 (2) FEDERAL AND STATE MEDICAL ASSISTANCE PAYMENTS. THE  
10 FOLLOWING SHALL APPLY:

11 (I) NO FUNDS APPROPRIATED FOR APPROVED CAPITATION  
12 PLANS SHALL BE USED TO PAY A PROVIDER WHO FAILS TO SUPPLY  
13 INFORMATION IN A FORM REQUIRED BY THE DEPARTMENT IN ORDER  
14 TO FACILITATE CLAIMS FOR FEDERAL FINANCIAL PARTICIPATION  
15 FOR SERVICES RENDERED TO GENERAL ASSISTANCE CLIENTS.

16 (II) FOR FISCAL YEAR 2011-2012, PAYMENTS TO  
17 HOSPITALS FOR COMMUNITY ACCESS FUND GRANTS SHALL BE  
18 DISTRIBUTED UNDER THE FORMULAS UTILIZED FOR THESE GRANTS  
19 IN FISCAL YEAR 2010-2011. IF THE TOTAL FUNDING AVAILABLE  
20 FOR COMMUNITY ACCESS FUND PAYMENTS IN FISCAL YEAR  
21 2011-2012 IS LESS THAN THAT AVAILABLE IN FISCAL YEAR  
22 2010-2011, PAYMENTS SHALL BE MADE ON A PRO RATA BASIS.

23 (III) FUNDS APPROPRIATED FOR MEDICAL ASSISTANCE  
24 TRANSPORTATION SHALL ONLY BE UTILIZED AS A PAYMENT OF  
25 LAST RESORT FOR TRANSPORTATION FOR ELIGIBLE MEDICAL  
26 ASSISTANCE RECIPIENTS.

27 (IV) AMOUNTS ALLOCATED FROM FUNDS APPROPRIATED FOR  
28 MEDICAL ASSISTANCE OUTPATIENT SERVICES FOR THE SELECT  
29 PLAN FOR WOMEN PREVENTATIVE HEALTH SERVICES SHALL BE USED  
30 FOR WOMEN'S MEDICAL SERVICES, INCLUDING NONINVASIVE

1 CONTRACEPTION SUPPLIES.

2 (V) FEDERAL OR STATE FUNDS APPROPRIATED UNDER THE  
3 GENERAL APPROPRIATION ACT IN ACCORDANCE WITH ARTICLE  
4 VIII-H OF THE ACT OF JUNE 13, 1967 (P.L.31, NO.21), KNOWN  
5 AS THE PUBLIC WELFARE CODE, NOT USED TO MAKE PAYMENTS TO  
6 HOSPITALS QUALIFYING AS LEVEL III TRAUMA CENTERS SHALL BE  
7 USED TO MAKE PAYMENTS TO HOSPITALS QUALIFYING AS LEVELS I  
8 AND II TRAUMA CENTERS.

9 (VI) QUALIFYING UNIVERSITY-AFFILIATED PHYSICIAN  
10 PRACTICE PLANS WHICH RECEIVED FUNDS FOR THE FISCAL YEAR  
11 2010-2011 SHALL NOT RECEIVE ANY LESS THAN 50% OF THE  
12 STATE APPROPRIATION MADE AVAILABLE TO THOSE UNIVERSITY-  
13 AFFILIATED PHYSICIAN PRACTICE PLANS DURING FISCAL YEAR  
14 2010-2011.

15 (VII) QUALIFYING STATE-RELATED ACADEMIC MEDICAL  
16 CENTERS WHICH RECEIVED FUNDS FOR THE FISCAL YEAR  
17 2010-2011 SHALL NOT RECEIVE ANY LESS THAN 50% OF THE  
18 STATE APPROPRIATION MADE AVAILABLE TO THOSE ACADEMIC  
19 MEDICAL CENTERS DURING FISCAL YEAR 2010-2011. FROM FUNDS  
20 APPROPRIATED FOR QUALIFYING STATE-RELATED ACADEMIC  
21 MEDICAL CENTERS, \$2,000,000 SHALL BE DISTRIBUTED TO AN  
22 ACADEMIC MEDICAL CENTER LOCATED IN A THIRD CLASS COUNTY  
23 WITH A POPULATION BETWEEN 210,000 AND 215,000 UNDER THE  
24 2010 FEDERAL DECENNIAL CENSUS, \$500,000 SHALL BE  
25 DISTRIBUTED TO AN ACADEMIC MEDICAL CENTER LOCATED IN A  
26 THIRD CLASS COUNTY WITH A POPULATION BETWEEN 279,000 AND  
27 282,000 UNDER THE 2010 FEDERAL DECENNIAL CENSUS AND  
28 \$500,000 TO AN ACADEMIC MEDICAL CENTER LOCATED IN A CITY  
29 OF THE FIRST CLASS WHO DID NOT RECEIVE FUNDING DURING  
30 FISCAL YEAR 2010-2011.

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

2 (I) FUNDS APPROPRIATED FOR BREAST CANCER SCREENING  
3 MAY BE USED FOR WOMEN'S MEDICAL SERVICES, INCLUDING  
4 NONINVASIVE CONTRACEPTION SUPPLIES.

5 (II) (RESERVED).

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

7 (I) FUNDS APPROPRIATED FOR WOMEN'S SERVICE PROGRAMS  
8 GRANTS TO NONPROFIT AGENCIES WHOSE PRIMARY FUNCTION IS TO  
9 PROVIDE ALTERNATIVES TO ABORTION SHALL BE EXPENDED TO  
10 PROVIDE SERVICES TO WOMEN UNTIL CHILDBIRTH AND FOR UP TO  
11 12 MONTHS THEREAFTER, INCLUDING FOOD, SHELTER, CLOTHING,  
12 HEALTH CARE, COUNSELING, ADOPTION SERVICES, PARENTING  
13 CLASSES, ASSISTANCE FOR POSTDELIVERY STRESS AND OTHER  
14 SUPPORTIVE PROGRAMS AND SERVICES AND FOR RELATED OUTREACH  
15 PROGRAMS. AGENCIES MAY SUBCONTRACT WITH OTHER NONPROFIT  
16 ENTITIES WHICH OPERATE PROJECTS DESIGNED SPECIFICALLY TO  
17 PROVIDE ALL OR A PORTION OF THESE SERVICES. PROJECTS  
18 RECEIVING FUNDS REFERRED TO IN THIS SUBPARAGRAPH SHALL  
19 NOT PROMOTE, REFER FOR OR PERFORM ABORTIONS OR ENGAGE IN  
20 ANY COUNSELING WHICH IS INCONSISTENT WITH THE  
21 APPROPRIATION REFERRED TO IN THIS SUBPARAGRAPH AND SHALL  
22 BE PHYSICALLY AND FINANCIALLY SEPARATE FROM ANY COMPONENT  
23 OF ANY LEGAL ENTITY ENGAGING IN SUCH ACTIVITIES.

24 (II) FEDERAL FUNDS APPROPRIATED FOR TANFBG  
25 ALTERNATIVES TO ABORTION SHALL BE UTILIZED SOLELY FOR  
26 SERVICES TO WOMEN WHOSE GROSS FAMILY INCOME IS BELOW 185%  
27 OF THE FEDERAL POVERTY GUIDELINES.

28 (5) COUNTY CHILDREN AND YOUTH PROGRAMS. THE FOLLOWING  
29 SHALL APPLY:

30 (I) NO MORE THAN 50% OF FUNDS ALLOCATED FROM THE

1           STATE APPROPRIATION FOR COUNTY CHILDREN AND YOUTH  
2           PROGRAMS TO EACH COUNTY SHALL BE EXPENDED UNTIL EACH  
3           COUNTY SUBMITS TO THE DEPARTMENT DATA FOR THE PRIOR STATE  
4           FISCAL YEAR, AND UPDATED QUARTERLY, ON THE UNDUPLICATED  
5           CASELOADS, UNDUPLICATED SERVICES AND NUMBER OF  
6           CASEWORKERS BY COUNTY PROGRAM. DATA SHALL BE SUBMITTED IN  
7           A FORM ACCEPTABLE TO THE DEPARTMENT. A COPY OF THE DATA  
8           SHALL BE SENT TO THE CHAIRMAN AND MINORITY CHAIRMAN OF  
9           THE APPROPRIATIONS COMMITTEE OF THE SENATE AND TO THE  
10           CHAIRMAN AND THE MINORITY CHAIRMAN OF THE APPROPRIATIONS  
11           COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

12           (II) REIMBURSEMENT FOR CHILDREN AND YOUTH SERVICES  
13           MADE UNDER SECTION 704.1 OF THE PUBLIC WELFARE CODE SHALL  
14           NOT EXCEED THE AMOUNT OF STATE FUNDS APPROPRIATED. IT IS  
15           THE INTENT OF THE GENERAL ASSEMBLY THAT COUNTIES DO NOT  
16           EXPERIENCE ANY ADVERSE FISCAL IMPACT DUE TO THE  
17           DEPARTMENT'S MAXIMIZATION EFFORTS.

18           (6) COMMUNITY-BASED FAMILY CENTERS. NO FUNDS  
19           APPROPRIATED FOR COMMUNITY-BASED FAMILY CENTERS MAY BE  
20           CONSIDERED AS PART OF THE BASE FOR CALCULATION OF THE COUNTY  
21           CHILD WELFARE NEEDS-BASED BUDGET FOR A FISCAL YEAR.

22           (7) COUNTY HUMAN SERVICES. THE DEPARTMENT OF PUBLIC  
23           WELFARE SHALL CONVENE A WORKING GROUP COMPRISED OF DEPARTMENT  
24           OF PUBLIC WELFARE PERSONNEL AND THE COUNTY COMMISSIONERS  
25           ASSOCIATION OF PENNSYLVANIA FOR THE PURPOSE OF DEVELOPING  
26           MUTUALLY AGREEABLE PILOT PROGRAMS FOR ALLOCATION OF COUNTY  
27           HUMAN SERVICES FUNDING AS MULTIPLE PURPOSE GRANTS, PERMITTING  
28           COUNTIES TO UTILIZE FUNDS AT THE COUNTY LEVEL NORMALLY  
29           PROVIDED IN CATEGORICAL ALLOCATIONS, SUCH AS CHILD WELFARE,  
30           MENTAL HEALTH, SUBSTANCE ABUSE AND SIMILAR PROGRAMS. THE

1 DEPARTMENT OF PUBLIC WELFARE SHALL REPORT JOINTLY DEVELOPED  
2 RECOMMENDATIONS TO THE GENERAL ASSEMBLY NO LATER THAN OCTOBER  
3 31, 2011, WITH THE INTENT OF ESTABLISHING THE MULTIPURPOSE  
4 PILOT GRANT PROGRAMS IN THE 2012-2013 BUDGET.

5 (8) FUNDS APPROPRIATED SHALL NOT BE USED TO PRIVATIZE  
6 THE FORENSIC UNIT OF ANY STATE MENTAL INSTITUTION.

7 (9) THE PROVISIONS OF 8 U.S.C. §§ 1611 (RELATING TO  
8 ALIENS WHO ARE NOT QUALIFIED ALIENS INELIGIBLE FOR FEDERAL  
9 PUBLIC BENEFITS), 1612 (RELATING TO LIMITED ELIGIBILITY OF  
10 QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS) AND 1642  
11 (RELATING TO VERIFICATION OF ELIGIBILITY FOR FEDERAL PUBLIC  
12 BENEFITS) SHALL APPLY TO PAYMENTS AND PROVIDERS.

13 (10) FROM FUNDS APPROPRIATED FOR AUTISM INTERVENTION AND  
14 SERVICES, \$450,000 SHALL BE DISTRIBUTED TO A BEHAVIORAL  
15 HEALTH FACILITY LOCATED IN A FIFTH CLASS COUNTY WITH A  
16 POPULATION BETWEEN 130,000 AND 135,000 UNDER THE 2010 FEDERAL  
17 DECENNIAL CENSUS THAT OPERATES A CENTER FOR AUTISM AND  
18 DEVELOPMENTAL DISABILITIES.

19 SECTION 1730-B. DEPARTMENT OF REVENUE.

20 NOTWITHSTANDING SECTION 1705-D(F) OF THE ACT OF MARCH 4, 1971  
21 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, A PURCHASER  
22 OR ASSIGNEE MAY CARRY FORWARD A TAX CREDIT PURCHASED OR ASSIGNED  
23 IN CALENDAR YEAR 2011 AGAINST QUALIFIED TAX LIABILITIES INCURRED  
24 IN THE NEXT TAXABLE YEAR. IF A CREDIT IS CARRIED OVER TO THE  
25 SUCCEEDING TAXABLE YEAR, IT SHALL BE REDUCED BY THE AMOUNT THAT  
26 WAS USED AS A CREDIT DURING THE IMMEDIATELY PRECEDING TAXABLE  
27 YEAR.

28 SECTION 1731-B. DEPARTMENT OF STATE (RESERVED).

29 SECTION 1732-B. DEPARTMENT OF TRANSPORTATION (RESERVED).

30 SECTION 1733-B. PENNSYLVANIA STATE POLICE.

1 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS FOR THE  
2 PENNSYLVANIA STATE POLICE FROM THE GENERAL APPROPRIATION ACT:

3 (1) PAYMENTS MADE TO MUNICIPALITIES UNDER 53 PA.C.S. §  
4 2170 (RELATING TO REIMBURSEMENT OF EXPENSES) SHALL BE LIMITED  
5 TO FUNDS AVAILABLE. IF FUNDS ARE NOT AVAILABLE TO MAKE FULL  
6 PAYMENTS, THE MUNICIPAL POLICE OFFICERS' EDUCATION AND  
7 TRAINING COMMISSION SHALL MAKE PAYMENTS ON A PRO RATA BASIS.

8 (2) (RESERVED).

9 SECTION 1734-B. STATE CIVIL SERVICE COMMISSION (RESERVED).

10 SECTION 1735-B. PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY  
11 (RESERVED).

12 SECTION 1736-B. PENNSYLVANIA FISH AND BOAT COMMISSION  
13 (RESERVED).

14 SECTION 1737-B. STATE SYSTEM OF HIGHER EDUCATION (RESERVED).

15 SECTION 1737.1-B. STATE-RELATED INSTITUTIONS (RESERVED).

16 SECTION 1738-B. PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY  
17 (RESERVED).

18 SECTION 1739-B. PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION  
19 (RESERVED).

20 SECTION 1740-B. PENNSYLVANIA INFRASTRUCTURE INVESTMENT  
21 AUTHORITY (RESERVED).

22 SECTION 1741-B. ENVIRONMENTAL HEARING BOARD (RESERVED).

23 SECTION 1742-B. PENNSYLVANIA BOARD OF PROBATION AND PAROLE  
24 (RESERVED).

25 SECTION 1743-B. PENNSYLVANIA PUBLIC TELEVISION NETWORK  
26 COMMISSION (RESERVED).

27 SECTION 1744-B. PENNSYLVANIA SECURITIES COMMISSION (RESERVED).

28 SECTION 1745-B. STATE TAX EQUALIZATION BOARD (RESERVED).

29 SECTION 1746-B. (RESERVED).

30 SECTION 1747-B. (RESERVED).

1 SECTION 1748-B. (RESERVED).

2 SECTION 1749-B. THADDEUS STEVENS COLLEGE OF TECHNOLOGY

3 (RESERVED).

4 SECTION 1750-B. PENNSYLVANIA HOUSING FINANCE AGENCY (RESERVED).

5 SECTION 1751-B. LIHEABG (RESERVED).

6 SUBARTICLE C

7 STATE GOVERNMENT SUPPORT AGENCIES

8 SECTION 1761-B. HEALTH CARE COST CONTAINMENT COUNCIL.

9 THE HEALTH CARE COST CONTAINMENT COUNCIL SHALL SUBMIT A

10 REPORT TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE

11 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRMAN AND

12 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE

13 OF REPRESENTATIVES SPECIFYING THE AMOUNT AND SOURCE OF PROCEEDS

14 RECEIVED FROM THE SALE OF DATA BY THE COUNCIL. THE REPORT SHALL

15 SUPPLEMENT THE ANNUAL REPORT OF FINANCIAL EXPENDITURES REQUIRED

16 UNDER SECTION 17.1 OF THE ACT OF JULY 8, 1986 (P.L.408, NO.89),

17 KNOWN AS THE HEALTH CARE COST CONTAINMENT ACT. THE PROCEEDS

18 RECEIVED FROM THE SALE OF DATA MAY BE USED FOR THE OPERATIONS OF

19 THE COUNCIL.

20 SECTION 1762-B. STATE ETHICS COMMISSION (RESERVED).

21 SECTION 1763-B. LEGISLATIVE REFERENCE BUREAU (RESERVED).

22 SECTION 1764-B. LEGISLATIVE BUDGET AND FINANCE COMMITTEE

23 (RESERVED).

24 SECTION 1765-B. LEGISLATIVE DATA PROCESSING COMMITTEE

25 (RESERVED).

26 SECTION 1766-B. JOINT STATE GOVERNMENT COMMISSION (RESERVED).

27 SECTION 1767-B. JOINT LEGISLATIVE AIR AND WATER POLLUTION

28 CONTROL AND CONSERVATION COMMITTEE (RESERVED).

29 SECTION 1768-B. LEGISLATIVE AUDIT ADVISORY COMMISSION

30 (RESERVED).



1 SECTION 1769-B. INDEPENDENT REGULATORY REVIEW COMMISSION

2 (RESERVED).

3 SECTION 1770-B. CAPITOL PRESERVATION COMMITTEE (RESERVED).

4 SECTION 1771-B. PENNSYLVANIA COMMISSION ON SENTENCING

5 (RESERVED).

6 SECTION 1772-B. CENTER FOR RURAL PENNSYLVANIA (RESERVED).

7 SECTION 1773-B. COMMONWEALTH MAIL PROCESSING CENTER (RESERVED).

8 SECTION 1774-B. TRANSFERS.

9 DURING THE 2011-2012 FISCAL YEAR, ANY AMOUNT UNEXPENDED ON  
10 THE EFFECTIVE DATE OF THE GENERAL APPROPRIATIONS ACT OF 2011  
11 MAY, UPON THE WRITTEN CONCURRENCE OF THE PRESIDENT PRO TEMPORE  
12 OF THE SENATE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE  
13 MAJORITY LEADER OF THE SENATE AND THE MAJORITY LEADER OF THE  
14 HOUSE OF REPRESENTATIVES, BE TRANSFERRED BETWEEN ANY OF THE  
15 FOLLOWING ACCOUNTS:

16 (1) LEGISLATIVE REFERENCE BUREAU.

17 (2) LEGISLATIVE BUDGET AND FINANCE COMMITTEE.

18 (3) LEGISLATIVE DATA PROCESSING COMMITTEE.

19 (4) JOINT STATE GOVERNMENT COMMISSION.

20 (5) LOCAL GOVERNMENT COMMISSION.

21 (6) LEGISLATIVE AUDIT ADVISORY COMMISSION.

22 (7) CENTER FOR RURAL PENNSYLVANIA.

23 (8) COMMONWEALTH MAIL PROCESSING CENTER.

24 (9) JOINT LEGISLATIVE AIR AND WATER POLLUTION CONTROL  
25 AND CONSERVATION COMMITTEE.

26 SUBARTICLE D

27 JUDICIAL DEPARTMENT

28 SECTION 1781-B. SUPREME COURT (RESERVED).

29 SECTION 1782-B. SUPERIOR COURT (RESERVED).

30 SECTION 1783-B. COMMONWEALTH COURT (RESERVED).

1 SECTION 1784-B. COURTS OF COMMON PLEAS (RESERVED).  
2 SECTION 1785-B. COMMUNITY COURTS; MAGISTERIAL DISTRICT JUDGES  
3 (RESERVED).  
4 SECTION 1786-B. PHILADELPHIA TRAFFIC COURT (RESERVED).  
5 SECTION 1787-B. PHILADELPHIA MUNICIPAL COURT (RESERVED).  
6 SECTION 1788-B. JUDICIAL CONDUCT BOARD (RESERVED).  
7 SECTION 1789-B. COURT OF JUDICIAL DISCIPLINE (RESERVED).  
8 SECTION 1790-B. JUROR COST REIMBURSEMENT (RESERVED).  
9 SECTION 1791-B. COUNTY COURT REIMBURSEMENT (RESERVED).  
10 SECTION 1792-B. SENIOR JUDGES (RESERVED).  
11 SECTION 1793-B. TRANSFER OF FUNDS BY SUPREME COURT (RESERVED).

12 SUBARTICLE E

13 GENERAL ASSEMBLY

14 (RESERVED)

15 ARTICLE XVII-C

16 2011-2012 RESTRICTIONS ON APPROPRIATIONS

17 FOR FUNDS AND ACCOUNTS

18 SECTION 1701-C. APPLICABILITY OF ARTICLE.

19 EXCEPT AS SPECIFICALLY PROVIDED IN THIS ARTICLE, THIS ARTICLE  
20 APPLIES TO THE GENERAL APPROPRIATION ACT OF 2011 AND ALL OTHER  
21 APPROPRIATION ACTS OF 2011.

22 SECTION 1702-C. STATE LOTTERY FUND.

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

25 (2) (RESERVED).

26 SECTION 1703-C. ENERGY CONSERVATION AND ASSISTANCE FUND

27 (RESERVED).

28 SECTION 1704-C. JUDICIAL COMPUTER SYSTEM AUGMENTATION ACCOUNT

29 (RESERVED).

30 SECTION 1704.1-C. ACCESS TO JUSTICE ACCOUNT (RESERVED).

1 SECTION 1705-C. EMERGENCY MEDICAL SERVICES OPERATING FUND  
2 (RESERVED).  
3 SECTION 1706-C. STATE STORES FUND (RESERVED).  
4 SECTION 1707-C. MOTOR LICENSE FUND (RESERVED).  
5 SECTION 1708-C. HAZARDOUS MATERIAL RESPONSE FUND (RESERVED).  
6 SECTION 1709-C. MILK MARKETING FUND (RESERVED).  
7 SECTION 1710-C. HOME INVESTMENT TRUST FUND (RESERVED).  
8 SECTION 1711-C. TUITION PAYMENT FUND (RESERVED).  
9 SECTION 1712-C. BANKING DEPARTMENT FUND (RESERVED).  
10 SECTION 1713-C. FIREARM RECORDS CHECK FUND (RESERVED).  
11 SECTION 1714-C. BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY  
12 FUND (RESERVED).  
13 SECTION 1715-C. TOBACCO SETTLEMENT FUND.  
14 (A) DEPOSITS.--  
15 (1) NOTWITHSTANDING SECTIONS 303(B)(2), (3) AND (4) AND  
16 306 OF THE ACT OF JUNE 26, 2001 (P.L.755, NO.77), KNOWN AS  
17 THE TOBACCO SETTLEMENT ACT, THE FOLLOWING SHALL APPLY:  
18 (I) FOR FISCAL YEAR 2011-2012, THE STRATEGIC  
19 CONTRIBUTION PAYMENTS RECEIVED IN FISCAL YEAR 2010-2011  
20 PURSUANT TO THE MASTER SETTLEMENT AGREEMENT SHALL REMAIN  
21 IN THE TOBACCO SETTLEMENT FUND.  
22 (II) FOR FISCAL YEAR 2011-2012, THE FUNDS  
23 APPROPRIATED UNDER SECTION 306(B)(1)(I) OF THE TOBACCO  
24 SETTLEMENT ACT SHALL REMAIN IN THE TOBACCO SETTLEMENT  
25 FUND.  
26 (III) FOR FISCAL YEAR 2011-2012, ~~36%~~ 62.5% OF THE  
27 MONEY APPROPRIATED UNDER SECTION 306(B)(1)(III) OF THE  
28 TOBACCO SETTLEMENT ACT MAY NOT BE EXPENDED, TRANSFERRED  
29 OR LAPSED BUT SHALL REMAIN IN THE TOBACCO SETTLEMENT  
30 FUND.



1           (IV) FOR FISCAL YEAR 2011-2012, 33.3% OF THE MONEY  
2           APPROPRIATED UNDER SECTION 306(B) (1) (VI) OF THE TOBACCO  
3           SETTLEMENT ACT MAY NOT BE EXPENDED, TRANSFERRED OR LAPSED  
4           BUT SHALL REMAIN IN THE TOBACCO SETTLEMENT FUND.

5           (V) FOR FISCAL YEAR 2011-2012, 50% 18.2% OF THE  
6           MONEY APPROPRIATED UNDER SECTION 306(B) (1) (V) OF THE  
7           TOBACCO SETTLEMENT ACT MAY NOT BE EXPENDED, TRANSFERRED  
8           OR LAPSED BUT SHALL REMAIN IN THE TOBACCO SETTLEMENT  
9           FUND.

10          (2) MONEY DEPOSITED INTO THE FUND UNDER PARAGRAPH (1)  
11          SHALL BE APPROPRIATED FOR HEALTH-RELATED PURPOSES. IF  
12          APPLICABLE, THE AMOUNT APPROPRIATED IN ACCORDANCE WITH THIS  
13          PARAGRAPH SHALL BE MATCHED BY APPROPRIATED FEDERAL AUGMENTING  
14          FUNDS.

15          (B) USE OF FUNDS.--FUNDS DEPOSITED IN THE TOBACCO SETTLEMENT  
16          FUND FROM PAYMENTS RECEIVED IN APRIL 2011 AND APRIL 2012 SHALL  
17          BE USED TO MAKE APPROPRIATIONS PURSUANT TO THIS SECTION AND  
18          SECTION 306 OF THE TOBACCO SETTLEMENT ACT.

19          (C) ALLOCATION.--FUNDING FOR LOCAL PROGRAMS UNDER SECTION  
20          708(B) OF THE TOBACCO SETTLEMENT ACT SHALL BE ALLOCATED AS  
21          FOLLOWS:

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

25           (2) THE REMAINING 70% OF GRANT FUNDING TO PRIMARY  
26           CONTRACTORS FOR LOCAL PROGRAMS SHALL BE ALLOCATED ON A PER  
27           CAPITA BASIS OF EACH COUNTY WITH A POPULATION GREATER THAN  
28           60,000. THE PER CAPITA FORMULA SHALL BE APPLIED ONLY TO THAT  
29           PORTION OF THE POPULATION THAT IS GREATER THAN 60,000 FOR  
30           EACH COUNTY.



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

7           (4) THE DEPARTMENT OF HEALTH SHALL COMPILE A DETAILED  
8           ANNUAL REPORT OF EXPENDITURES PER COUNTY AND THE SPECIFIC  
9           PROGRAMS OFFERED IN EACH REGION. THIS REPORT SHALL BE MADE  
10           AVAILABLE ON THE PUBLICLY AVAILABLE INTERNET WEBSITE OF THE  
11           DEPARTMENT OF HEALTH 60 DAYS FOLLOWING THE CLOSE OF EACH  
12           FISCAL YEAR.

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

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           (E) HEALTH VENTURE ACCOUNT INVESTMENTS.--NOTWITHSTANDING  
21           CHAPTER 3 OF THE TOBACCO SETTLEMENT ACT, ALL ASSETS, NONLIQUID  
22           INVESTMENTS, CONTRACTUALLY OBLIGATED MONEY, RETURN ON  
23           INVESTMENTS, AND ANY OTHER MONEY OR ASSETS IN THE HEALTH VENTURE  
24           INVESTMENT ACCOUNT SHALL BE RETAINED IN THE HEALTH VENTURE  
25           INVESTMENT ACCOUNT FOR CONTINUED INVESTMENT BY THE TOBACCO  
26           SETTLEMENT INVESTMENT BOARD IN HEALTH CARE, BIOTECHNOLOGY OR ANY  
27           OTHER HEALTH-RELATED BUSINESSES WHICH ARE EXPECTED TO GROW  
28           SUBSTANTIALLY IN THE FUTURE. THE REQUIREMENTS FOR VENTURE  
29           CAPITAL INVESTMENTS OUTLINED IN SECTION 305(F) OF THE TOBACCO  
30           SETTLEMENT ACT SHALL BE MAINTAINED.

1 SECTION 1716-C. RESTRICTED RECEIPTS ACCOUNTS.

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

5 (B) DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.--THE  
6 FOLLOWING RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE  
7 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT:

8 (1) ARC HOUSING REVOLVING LOAN PROGRAM.

9 (2) (RESERVED).

10 (C) DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES.--THE  
11 FOLLOWING RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE  
12 DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES:

13 (1) FEDERAL AID TO VOLUNTEER FIRE COMPANIES.

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

15 (3) NATIONAL FOREST RESERVE ALLOTMENT.

16 (4) FEDERAL LAND AND WATER CONSERVATION FUND ACT -  
17 CONSERVATION AND NATURAL RESOURCES.

18 (D) DEPARTMENT OF EDUCATION.--THE FOLLOWING RESTRICTED  
19 RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE DEPARTMENT OF  
20 EDUCATION:

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

22 (2) LSTA - LIBRARY GRANTS.

23 (3) THE PENNSYLVANIA STATE UNIVERSITY FEDERAL AID.

24 (4) EMERGENCY IMMIGRATION EDUCATION ASSISTANCE.

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

26 (6) HOMELESS ADULT ASSISTANCE PROGRAM.

27 (7) SEVERELY HANDICAPPED.

28 (8) MEDICAL ASSISTANCE REIMBURSEMENTS TO LOCAL EDUCATION  
29 AGENCIES.

30 (E) DEPARTMENT OF ENVIRONMENTAL PROTECTION.--THE FOLLOWING

1 RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE

2 DEPARTMENT OF ENVIRONMENTAL PROTECTION:

3 (1) FEDERAL WATER RESOURCES PLANNING ACT.

4 (2) FLOOD CONTROL PAYMENTS.

5 (3) SOIL AND WATER CONSERVATION ACT - INVENTORY OF  
6 PROGRAMS.

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

9 (1) SHARE LOAN PROGRAM.

10 (2) (RESERVED).

11 (G) DEPARTMENT OF TRANSPORTATION.--THE FOLLOWING RESTRICTED  
12 RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE DEPARTMENT OF  
13 TRANSPORTATION:

14 (1) CAPITAL ASSISTANCE ELDERLY AND HANDICAPPED PROGRAMS.

15 (2) RAILROAD REHABILITATION AND IMPROVEMENT ASSISTANCE.

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

17 (H) PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY.--THE FOLLOWING  
18 RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE  
19 PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY:

20 (1) RECEIPTS FROM FEDERAL GOVERNMENT - DISASTER RELIEF -  
21 DISASTER RELIEF ASSISTANCE TO STATE AND POLITICAL  
22 SUBDIVISIONS.

23 (2) (RESERVED).

24 (I) PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION.--THE  
25 FOLLOWING RESTRICTED RECEIPT ACCOUNTS MAY BE ESTABLISHED FOR THE  
26 PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION:

27 (1) FEDERAL GRANT - NATIONAL HISTORIC PRESERVATION ACT.

28 (2) (RESERVED).

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

- 1           (1) RETIRED EMPLOYEES MEDICARE PART D.
- 2           (2) JUSTICE ASSISTANCE.
- 3           (3) JUVENILE ACCOUNTABILITY INCENTIVE.
- 4           (4) EARLY RETIREE REINSURANCE PROGRAM.

5 SECTION 1720-C. STATE GAMING FUND (RESERVED).

6           SECTION 5. SECTIONS 1712-E AND 1715-E OF THE ACT, ADDED JULY  
7 17, 2007 (P.L.141, NO.42), ARE AMENDED TO READ:

8 SECTION 1712-E. EXECUTIVE OFFICES.

9           (A) APPROPRIATIONS.--THE FOLLOWING SHALL APPLY TO  
10 APPROPRIATIONS FOR THE EXECUTIVE OFFICES:

11           (1) PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY.  
12 FUNDS REMAINING AFTER APPLICATION OF SECTION 202 OF A GENERAL  
13 APPROPRIATION ACT FOR THE APPROPRIATION FOR GRANTS-IN-AID FOR  
14 INTERMEDIATE PUNISHMENT PROGRAMS SHALL BE DISTRIBUTED TO  
15 COUNTIES BASED ON THE FOLLOWING FORMULA:

16           (I) FIFTY PERCENT SHALL BE BASED ON THE PROPORTION  
17 OF OFFENDERS DIVERTED FROM THE COUNTY PRISON SYSTEM TO  
18 COUNTY INTERMEDIATE PUNISHMENT PROGRAMS.

19           (II) FIFTY PERCENT SHALL BE BASED ON THE PROPORTION  
20 OF OFFENDERS DIVERTED FROM THE STATE CORRECTIONAL SYSTEM  
21 TO THE COUNTY PRISON SYSTEM.

22           (2) GRANTS FOR SPECIALIZED PROBATION SERVICES, INCLUDING  
23 SCHOOL-BASED, COMMUNITY-BASED, INTENSIVE SUPERVISION AND  
24 AFTERCARE SERVICES, SHALL BE PROVIDED IN ACCORDANCE WITH  
25 STANDARDS ADOPTED BY THE JUVENILE COURT JUDGES COMMISSION.

26           (B) PURCHASE CARDS.--THE OFFICE OF THE BUDGET SHALL, WHERE  
27 PRACTICABLE, MAXIMIZE THE USE OF PURCHASE CARDS FOR FINANCIAL  
28 TRANSACTIONS INVOLVING THE COMMONWEALTH IN ACCORDANCE WITH AN  
29 INTERAGENCY AGREEMENT ESTABLISHING USAGE GUIDELINES BETWEEN THE  
30 OFFICE AND THE TREASURY DEPARTMENT.



1 (C) TREASURY OFFSET PROGRAM.--

2 (1) THE OFFICE OF THE BUDGET IS AUTHORIZED TO ENTER INTO  
3 AN AGREEMENT WITH THE UNITED STATES TO PARTICIPATE IN THE  
4 TREASURY OFFSET PROGRAM UNDER 31 U.S.C. § 3716 (RELATING TO  
5 ADMINISTRATIVE OFFSET) FOR THE COLLECTION OF ANY DEBTS OWED  
6 TO COMMONWEALTH AGENCIES. THE AGREEMENT MAY PROVIDE FOR THE  
7 UNITED STATES TO SUBMIT DEBTS OWED TO FEDERAL AGENCIES FOR  
8 OFFSET AGAINST COMMONWEALTH PAYMENTS AND PROVIDE FOR THE  
9 COMMONWEALTH TO SUBMIT DEBTS OWED TO COMMONWEALTH AGENCIES  
10 FOR OFFSET AGAINST FEDERAL PAYMENTS.

11 (2) THE TREASURER OF THE UNITED STATES SHALL REDUCE ANY  
12 COMMONWEALTH PAYMENT BY THE AMOUNT OF ANY FEDERAL DEBT  
13 SUBMITTED IN ACCORDANCE WITH THE AGREEMENT AUTHORIZED BY THIS  
14 SUBSECTION AND PAY THE AMOUNT TO THE APPROPRIATE FEDERAL  
15 OFFICIAL IN ACCORDANCE WITH THE PROCEDURES SPECIFIED IN THE  
16 AGREEMENT.

17 SECTION 1715-E. AUDITOR GENERAL.

18 THE FOLLOWING SHALL APPLY TO APPROPRIATIONS TO THE AUDITOR  
19 GENERAL:

20 (1) FUNDS APPROPRIATED TO THE DEPARTMENT OF THE AUDITOR  
21 GENERAL SHALL BE FOR THE PURPOSE OF PERFORMING POSTAUDITS IN  
22 ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING  
23 STANDARDS.

24 (2) [(RESERVED).] IF THE AUDITOR GENERAL FAILS TO  
25 DELIVER AN ANNUAL AUDIT OF COMMONWEALTH-MANAGED FEDERALLY  
26 FUNDED PROGRAMS BY MARCH 31, 2012 AND EACH MARCH 31  
27 THEREAFTER, IN ACCORDANCE WITH THE SINGLE AUDIT ACT OF 1984  
28 (PUBLIC LAW 98-502, 31 U.S.C. § 7501 ET SEQ.) AND RELATED  
29 GUIDANCE ISSUED BY THE UNITED STATES OFFICE OF MANAGEMENT AND  
30 BUDGET, THE STATE TREASURER SHALL NOT AUTHORIZE THE RELEASE

1 OF ANY FUNDS APPROPRIATED TO THE AUDITOR GENERAL IN THE  
2 QUARTER FOLLOWING THE FAILURE OF THE AUDITOR GENERAL TO  
3 DELIVER THE AUDIT. THE AUDITOR GENERAL SHALL NOT BILL ANY  
4 COMMONWEALTH AGENCY TO MAKE UP FOR ANY FUNDING DEFICIENCY  
5 CAUSED BY THE STATE TREASURER WITHHOLDING PAYMENTS UNDER THIS  
6 PARAGRAPH.

7 SECTION 6. THE ACT IS AMENDED BY ADDING A SECTION TO READ:  
8 SECTION 1719.1-E. PENNSYLVANIA INFRASTRUCTURE INVESTMENT  
9 AUTHORITY ACCOUNTS.

10 FIFTEEN MILLION DOLLARS IN FUNDS ALLOCATED TO PENNVEST UNDER  
11 27 PA.C.S. § 6104(D)(6) (RELATING TO FUND) SHALL BE TRANSFERRED  
12 FROM THE AUTHORITY TO THE PENNSYLVANIA GAMING ECONOMIC  
13 DEVELOPMENT AND TOURISM FUND. FUNDS DEPOSITED INTO THE  
14 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND SHALL  
15 BE INCLUDED IN FUND DISTRIBUTION MADE UNDER SECTION 301 OF THE  
16 ACT OF JULY 9, 2008 (P.L.908, NO.63), KNOWN AS THE H2O PA ACT,  
17 AND SHALL BE USED BY THE COMMONWEALTH FINANCING AUTHORITY TO  
18 SUPPORT THE H2O PROGRAM ESTABLISHED IN THAT ACT. THE  
19 COMMONWEALTH FINANCING AUTHORITY SHALL REPAY TO THE AUTHORITY  
20 THE FUNDS TRANSFERRED UNDER THIS SECTION BY JUNE 30, 2020.  
21 SECTION 10(F) OF THE ACT OF MARCH 1, 1988 (P.L.82, NO.16), KNOWN  
22 AS THE PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY ACT,  
23 SHALL NOT APPLY TO THIS TRANSFER.

24 SECTION 7. SECTION 1738-E OF THE ACT, ADDED JULY 17, 2007  
25 (P.L.141, NO.42), IS AMENDED TO READ:

26 SECTION 1738-E. PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY  
27 [(RESERVED)].

28 (A) APPROPRIATIONS.--THE FOLLOWING SHALL APPLY TO  
29 APPROPRIATIONS FOR THE PENNSYLVANIA HIGHER EDUCATION ASSISTANCE  
30 AGENCY FROM THE GENERAL APPROPRIATION ACT:

1           (1) THE PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY  
2 SHALL USE FUNDS APPROPRIATED FOR MATCHING PAYMENTS FOR  
3 STUDENT AID FUNDS TO MAXIMIZE THE RECEIPT OF FEDERAL FUNDS TO  
4 THE FULLEST EXTENT POSSIBLE.

5           (2) NO COLLEGE, UNIVERSITY OR INSTITUTION RECEIVING A  
6 DIRECT APPROPRIATION FROM THE COMMONWEALTH SHALL BE ELIGIBLE  
7 TO PARTICIPATE IN THE INSTITUTIONAL ASSISTANCE GRANTS  
8 PROGRAM.

9           (B) BLIND AND DEAF STUDENT PROGRAM.--

10           (1) THE PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY  
11 MAY, IN CONFORMANCE WITH POLICIES, STANDARDS, RULES AND  
12 REGULATIONS ADOPTED BY THE STATE BOARD OF EDUCATION, CONTRACT  
13 WITH INSTITUTIONS OF HIGHER EDUCATION FOR THE AWARDING OF  
14 HIGHER EDUCATION EQUAL OPPORTUNITY PROGRAM GRANTS. PROGRAMS  
15 FOR WHICH GRANTS MAY BE AWARDED SHALL INCLUDE REMEDIAL  
16 LEARNING SERVICES, COUNSELING SERVICES OR TUTORIAL SERVICES.  
17 FUNDS PROVIDED UNDER THIS SUBSECTION MAY NOT BE USED TO PAY  
18 TUITION, ROOM AND BOARD OR OTHER INSTITUTIONAL COSTS OR FEES  
19 INCURRED BY STUDENTS.

20           (2) EACH INSTITUTION OF HIGHER EDUCATION REQUESTING A  
21 GRANT TO PROVIDE A PROGRAM UNDER THIS SUBSECTION SHALL SUBMIT  
22 AN APPLICATION IN A FORM AND MANNER AS THE AGENCY MAY  
23 REQUIRE. THE APPLICATION SHALL INCLUDE A DESCRIPTION OF THE  
24 NATURE AND THE METHODS BY WHICH ALL FUNDS GRANTED WILL BE  
25 USED BY THE APPLICANT INSTITUTION TO CONTRIBUTE TO THE  
26 PROVISION, MAINTENANCE OR IMPROVEMENT OF PROGRAMS DESIGNED TO  
27 ENHANCE OPPORTUNITIES FOR DISADVANTAGED PART-TIME AND FULL-  
28 TIME STUDENTS TO ACHIEVE THEIR EDUCATIONAL GOALS.

29           (3) THE PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY  
30 SHALL USE FUNDS APPROPRIATED FOR HIGHER EDUCATION OF BLIND OR

1 DEAF STUDENTS TO MAKE GRANTS FOR DEFRAYING THE NECESSARY  
2 EXPENSES OF ANY STUDENTS WHO ARE BLIND OR DEAF AND WHO ARE  
3 REGULARLY ENROLLED STUDENTS PURSUING A COURSE OF STUDY OR  
4 PROFESSION IN A UNIVERSITY, COLLEGE, CONSERVATORY OF MUSIC,  
5 NORMAL, PROFESSIONAL OR VOCATION SCHOOL APPROVED BY THE  
6 DEPARTMENT OF EDUCATION. IN ORDER TO RECEIVE A GRANT, A BLIND  
7 OR DEAF STUDENT WHO DESIRES TO ATTEND, OR WHO IS ATTENDING, A  
8 SCHOOL OR INSTITUTION SHALL APPLY AS REQUIRED UNDER PARAGRAPH  
9 (2). GRANT AWARDS SHALL BE ESTABLISHED ANNUALLY BY THE  
10 PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY BASED ON  
11 AVAILABLE RESOURCES.

12 (4) UP TO 2.5% OF FUNDS APPROPRIATED ANNUALLY TO CARRY  
13 OUT THE PURPOSES OF THIS SUBSECTION MAY BE USED TO PAY THE  
14 COSTS OF ADMINISTRATION.

15 (5) BEGINNING JULY 1, 2011, THE RIGHTS, POWERS AND  
16 DUTIES EXERCISED BY THE SECRETARY OF EDUCATION UNDER THE  
17 FORMER ACT OF AUGUST 31, 1971 (P.L.423, NO.101), KNOWN AS THE  
18 HIGHER EDUCATION EQUAL OPPORTUNITY ACT, ARE TRANSFERRED TO  
19 AND SHALL BE EXERCISED BY THE PENNSYLVANIA HIGHER EDUCATION  
20 ASSISTANCE AGENCY. EXISTING REGULATIONS PROMULGATED UNDER THE  
21 FORMER HIGHER EDUCATION EQUAL OPPORTUNITY ACT SHALL CONTINUE  
22 IN FULL FORCE AND EFFECT BY THE PENNSYLVANIA HIGHER EDUCATION  
23 ASSISTANCE AGENCY UNTIL THE AGENCY PROMULGATES NEW OR  
24 ADDITIONAL REGULATIONS.

25 (6) THE AGENCY SHALL HAVE ACCESS TO STUDENT LEVEL DATA  
26 THAT IS COLLECTED BY THE DEPARTMENT OF EDUCATION THAT RELATES  
27 TO THE ADMINISTRATION OF THIS SUBSECTION IN ACCORDANCE WITH  
28 FEDERAL AND STATE LAW.

29 (7) AS USED IN THIS SUBSECTION, THE FOLLOWING WORDS AND  
30 PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS

1 PARAGRAPH UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:  
2 "FULL-TIME STUDENT." A BONA FIDE RESIDENT OF THIS  
3 COMMONWEALTH WHO HAS BEEN ADMITTED AS A FULL-TIME STUDENT TO AN  
4 INSTITUTION OF HIGHER EDUCATION AND WHO IS ECONOMICALLY AND  
5 EDUCATIONALLY DISADVANTAGED IN ACCORDANCE WITH CRITERIA  
6 ESTABLISHED BY THE STATE BOARD OF EDUCATION.

7 "INSTITUTIONS OF HIGHER EDUCATION." A POSTSECONDARY  
8 INSTITUTION IN THIS COMMONWEALTH AUTHORIZED TO AWARD DEGREES.

9 "PART-TIME STUDENT." A BONA FIDE RESIDENT OF THIS  
10 COMMONWEALTH WHO:

11 (1) HAS BEEN ADMITTED INTO A DEGREE PROGRAM AS A LESS  
12 THAN FULL-TIME STUDENT IN AN INSTITUTION OF HIGHER EDUCATION.

13 (2) IS ENROLLED IN AT LEAST THE EQUIVALENT OF SIX  
14 SEMESTER CREDITS OR 225 CLOCK HOURS OF INSTRUCTION PER  
15 SEMESTER IN AN INSTITUTION OF HIGHER EDUCATION.

16 (3) IS ECONOMICALLY AND EDUCATIONALLY DISADVANTAGED IN  
17 ACCORDANCE WITH THE CRITERIA ESTABLISHED BY THE STATE BOARD  
18 OF EDUCATION.

19 SECTION 8. SUBARTICLE C HEADING OF ARTICLE XVII-E AND  
20 SECTIONS 1761-E, 1762-E, 1763-E, 1764-E, 1765-E, 1766-E, 1767-E,  
21 1768-E, 1769-E, 1770-E, 1771-E, 1772-E, 1773-E, 1774-E AND 1775-  
22 E OF THE ACT, ADDED JULY 17, 2007 (P.L.141, NO.42), ARE  
23 REPEALED:

24 [SUBARTICLE C

25 LEGISLATIVE DEPARTMENT

26 SECTION 1761-E. SENATE (RESERVED).

27 SECTION 1762-E. HOUSE OF REPRESENTATIVES (RESERVED).

28 SECTION 1763-E. LEGISLATIVE REFERENCE BUREAU.

29 (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
30 CONTRARY, INCLUDING 62 PA.C.S. (RELATING TO PROCUREMENT), THE

1 PENNSYLVANIA CONSOLIDATED STATUTES, ADVANCE COPIES OF  
2 STATUTES, VOLUMES OF THE LAWS OF PENNSYLVANIA AND OTHER  
3 PUBLICATIONS SHALL BE PRINTED UNDER CONTRACTS ENTERED INTO BY  
4 THE LEGISLATIVE REFERENCE BUREAU AND DISTRIBUTED AS  
5 DETERMINED BY THE BUREAU. MONEY FROM SALES SHALL BE PAID TO  
6 THE BUREAU OR THE DEPARTMENT OF GENERAL SERVICES, AS THE  
7 BUREAU SHALL DETERMINE, AND THAT MONEY SHALL BE PAID INTO THE  
8 STATE TREASURY TO THE CREDIT OF THE GENERAL FUND. MONEY FROM  
9 SALES IS HEREBY APPROPRIATED FROM THE GENERAL FUND TO THE  
10 LEGISLATIVE REFERENCE BUREAU FOR THE EDITING, PRINTING AND  
11 DISTRIBUTION OF THE PENNSYLVANIA CONSOLIDATED STATUTES,  
12 ADVANCE COPIES OF STATUTES, VOLUMES OF THE LAWS OF  
13 PENNSYLVANIA AND OTHER PUBLICATIONS AND FOR RELATED EXPENSES.

14 (2) CONTINGENT EXPENSES CONNECTED WITH THE WORK OF THE  
15 BUREAU SHALL BE PAID ON WARRANTS OF THE STATE TREASURER IN  
16 FAVOR OF THE DIRECTOR ON THE PRESENTATION OF THE DIRECTOR'S  
17 REQUISITIONS.

18 (3) THE DIRECTOR SHALL FILE AN ACCOUNTING OF THE  
19 CONTINGENT EXPENSES, TOGETHER WITH SUPPORTING DOCUMENTS  
20 WHENEVER POSSIBLE, IN THE OFFICE OF THE BUREAU.

21 SECTION 1764-E. LEGISLATIVE BUDGET AND FINANCE COMMITTEE

22 (RESERVED) .

23 SECTION 1765-E. LEGISLATIVE DATA PROCESSING COMMITTEE

24 (RESERVED) .

25 SECTION 1766-E. JOINT STATE GOVERNMENT COMMISSION (RESERVED) .

26 SECTION 1767-E. LOCAL GOVERNMENT COMMISSION (RESERVED) .

27 SECTION 1768-E. JOINT LEGISLATIVE AIR AND WATER POLLUTION  
28 CONTROL AND CONSERVATION COMMITTEE (RESERVED) .

29 SECTION 1769-E. LEGISLATIVE AUDIT ADVISORY COMMISSION

30 (RESERVED) .

1 SECTION 1770-E. INDEPENDENT REGULATORY REVIEW COMMISSION  
2 (RESERVED) .  
3 SECTION 1771-E. CAPITOL PRESERVATION COMMITTEE (RESERVED) .  
4 SECTION 1772-E. PENNSYLVANIA COMMISSION ON SENTENCING  
5 (RESERVED) .  
6 SECTION 1773-E. CENTER FOR RURAL PENNSYLVANIA (RESERVED) .  
7 SECTION 1774-E. COMMONWEALTH MAIL PROCESSING CENTER (RESERVED) .  
8 SECTION 1775-E. CHIEF CLERK OF THE SENATE AND CHIEF CLERK OF  
9 THE HOUSE OF REPRESENTATIVES (RESERVED) .]

10 SECTION 9. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

11 SECTION 1798-E. CATASTROPHIC LOSS BENEFITS CONTINUATION FUND.

12 FOR FISCAL YEAR 2011-2012 AND FOR EACH FISCAL YEAR

13 THEREAFTER, ALL SURCHARGES COLLECTED UNDER 75 PA.C.S. § 6506

14 (RELATING TO SURCHARGE) BY ANY DIVISION OF THE UNIFIED JUDICIAL

15 SYSTEM SHALL BE DEPOSITED IN THE GENERAL FUND UPON RECEIPT.

16 SECTION 10. SECTION 1799-E OF THE ACT, AMENDED OR ADDED JULY  
17 17, 2007 (P.L.141, NO.42) AND JULY 6, 2010 (P.L.279, NO.46), IS  
18 AMENDED TO READ:

19 SECTION 1799-E. STATE GAMING FUND.

20 (A) TRANSFERS FOR VOLUNTEER FIRE COMPANY AND VOLUNTEER

21 AMBULANCE SERVICE GRANT ACT.--COMMENCING WITH FISCAL YEAR

22 2007-2008 AND CONTINUING ANNUALLY THEREAFTER, THE SUM OF

23 \$25,000,000 SHALL BE TRANSFERRED FROM THE STATE GAMING FUND TO

24 THE GENERAL FUND AND IS HEREBY APPROPRIATED ON A CONTINUING

25 BASIS TO THE PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY FOR THE

26 PURPOSE OF MAKING GRANTS [IN ACCORDANCE WITH CHAPTER 7 OF THE

27 ACT OF JULY 31, 2003 (P.L.73, NO.17), KNOWN AS THE VOLUNTEER

28 FIRE COMPANY AND VOLUNTEER AMBULANCE SERVICE GRANT ACT] UNDER 35

29 PA.C.S. CH. 78 (RELATING TO GRANTS TO VOLUNTEER FIRE COMPANIES

30 AND VOLUNTEER SERVICES). ANNUALLY, THE SUM OF \$22,000,000 SHALL

1 BE EXPENDED FOR THE PURPOSE OF MAKING GRANTS TO ELIGIBLE  
2 VOLUNTEER FIRE COMPANIES [PURSUANT TO CHAPTER 3 OF THE VOLUNTEER  
3 FIRE COMPANY AND VOLUNTEER AMBULANCE SERVICE GRANT ACT] UNDER 35  
4 PA.C.S. CH. 78 SUBCH. B (RELATING TO VOLUNTEER FIRE COMPANY  
5 GRANT PROGRAM). ANNUALLY, THE SUM OF \$3,000,000 SHALL BE  
6 EXPENDED FOR THE PURPOSE OF MAKING GRANTS TO ELIGIBLE VOLUNTEER  
7 AMBULANCE SERVICES [PURSUANT TO CHAPTER 5 OF THE VOLUNTEER FIRE  
8 COMPANY AND VOLUNTEER AMBULANCE SERVICE GRANT ACT] UNDER 35  
9 PA.C.S. CH. 78 SUBCH. C (RELATING TO VOLUNTEER AMBULANCE SERVICE  
10 GRANT PROGRAM).

11 (B) (RESERVED).

12 (C) PERFORMANCE AUDIT.--NOTWITHSTANDING SECTION 408, A  
13 PERFORMANCE AUDIT OF THE PENNSYLVANIA GAMING CONTROL BOARD  
14 COMMENCED IN 2007 BY THE AUDITOR GENERAL SHALL BE PAID FOR FROM  
15 FUNDS APPROPRIATED TO THE AUDITOR GENERAL.

16 (D) UTILIZATION.--THE BOARD SHALL NOT ENCUMBER OR COMMIT  
17 FUNDS OBTAINED FROM ANY SOURCE, INCLUDING A COMMERCIAL LOAN OR  
18 THE SALE OF GAMING RECEIPTS, UNLESS APPROPRIATED BY THE GENERAL  
19 ASSEMBLY.

20 (E) ASSESSMENTS FOR PROPERTY TAX RELIEF.--NOTWITHSTANDING  
21 SUBSECTION (G) OR ANY OTHER PROVISION OF LAW TO THE CONTRARY, IF  
22 THE SECRETARY OF THE BUDGET AUTHORIZES A TRANSFER FROM THE  
23 PROPERTY TAX RELIEF RESERVE FUND AND DETERMINES THAT THE MONEYS  
24 IN THE FUND ARE INSUFFICIENT TO SUPPORT THE TRANSFER, THE  
25 SECRETARY OF THE BUDGET SHALL NOTIFY THE PENNSYLVANIA GAMING  
26 CONTROL BOARD AND, UPON NOTIFICATION, THE BOARD SHALL  
27 IMMEDIATELY ASSESS EACH SLOT MACHINE LICENSEE FOR THE REPAYMENT  
28 [OF THE LOANS AUTHORIZED] OF THE INSUFFICIENCY IN AN AMOUNT THAT  
29 IS PROPORTIONAL TO EACH SLOT MACHINE LICENSEE'S GROSS TERMINAL  
30 REVENUE. THE AMOUNT SHALL BE DEDUCTED FROM AMOUNTS OWED UNDER



1 SECTIONS 1720-G, 1720-I AND 1720-K IN AN AMOUNT THAT IS  
2 PROPORTIONAL TO EACH SLOT MACHINE LICENSEE'S GROSS TERMINAL  
3 REVENUE.

4 (F) APPROPRIATIONS SOLELY FROM ASSESSMENTS.--BEGINNING IN  
5 FISCAL YEAR 2010-2011 AND EACH FISCAL YEAR THEREAFTER, ALL FUNDS  
6 FOR THE OPERATION OF THE PENNSYLVANIA STATE POLICE, THE  
7 DEPARTMENT OF REVENUE AND THE ATTORNEY GENERAL SHALL BE  
8 APPROPRIATED SOLELY FROM AN ASSESSMENT ON GROSS TERMINAL REVENUE  
9 FROM ACCOUNTS UNDER 4 PA.C.S. § 1401 (RELATING TO SLOT MACHINE  
10 LICENSEE DEPOSITS) IN AN AMOUNT EQUAL TO THAT APPROPRIATED BY  
11 THE GENERAL ASSEMBLY FOR THAT FISCAL YEAR. THE PENNSYLVANIA  
12 STATE POLICE, DEPARTMENT OF REVENUE OR ATTORNEY GENERAL SHALL  
13 NOT ASSESS ANY CHARGE, FEE, COST OF OPERATIONS OR OTHER PAYMENT  
14 FROM A LICENSED GAMING ENTITY IN EXCESS OF AMOUNTS APPROPRIATED  
15 IN ANY SUCH FISCAL YEAR UNLESS SPECIFICALLY AUTHORIZED BY LAW.

16 (G) ESTABLISHMENT OF REPAYMENT SCHEDULE.--NO LATER THAN JUNE  
17 30, 2011, THE PENNSYLVANIA GAMING CONTROL BOARD, IN CONSULTATION  
18 WITH ALL LICENSED GAMING ENTITIES, SHALL ESTABLISH A SCHEDULE  
19 GOVERNING THE REPAYMENT BY LICENSED GAMING ENTITIES OF LOANS  
20 PROVIDED TO THE PENNSYLVANIA GAMING CONTROL BOARD UNDER SECTIONS  
21 1720-G, 1720-I AND 1720-K. THE FOLLOWING SHALL APPLY:

22 (1) REPAYMENT OF LOANS PROVIDED TO THE PENNSYLVANIA  
23 GAMING CONTROL BOARD PURSUANT TO SECTIONS 1720-G, 1720-I AND  
24 1720-K BY LICENSED GAMING ENTITIES SHALL BEGIN [AT SUCH TIME  
25 AS AT LEAST 11 SLOT MACHINE LICENSES HAVE BEEN ISSUED AND 11  
26 LICENSED GAMING ENTITIES HAVE COMMENCED OPERATION OF SLOT  
27 MACHINES] JANUARY 1, 2012.

28 (2) THE PENNSYLVANIA GAMING CONTROL BOARD SHALL  
29 ESTABLISH A REPAYMENT SCHEDULE THAT, AT A MINIMUM:

30 (I) SETS FORTH THE DATES UPON WHICH THE REPAYMENTS

1 SHALL BE DUE. PAYMENTS MAY BE REQUIRED ON A QUARTERLY,  
2 SEMIANNUAL OR ANNUAL BASIS.

3 (II) ASSESSES TO EACH SLOT MACHINE LICENSEE COSTS  
4 FOR REPAYMENT OF LOANS FROM THE PROPERTY TAX RELIEF  
5 RESERVE FUND MADE UNDER SECTIONS 1720-G, 1720-I AND 1720-  
6 K IN AN AMOUNT THAT IS PROPORTIONAL TO EACH SLOT MACHINE  
7 LICENSEE'S GROSS TERMINAL REVENUE.

8 (III) RESULTS IN FULL REPAYMENT OF AMOUNTS LOANED  
9 PURSUANT TO SECTIONS 1720-G, 1720-I AND 1720-K NOT  
10 EARLIER THAN FIVE YEARS NOR LATER THAN TEN YEARS  
11 FOLLOWING COMMENCEMENT OF THE LOAN REPAYMENTS BY THE SLOT  
12 MACHINE LICENSEE.

13 SECTION 11. SECTION 1722-L(A) (11) OF THE ACT, ADDED JULY 6,  
14 2010 (P.L.279, NO.46), IS AMENDED TO READ:

15 SECTION 1722-L. DEPARTMENT OF EDUCATION.

16 (A) GENERAL RULE.--THE FOLLOWING SHALL APPLY TO  
17 APPROPRIATIONS FOR THE DEPARTMENT OF EDUCATION IN THE GENERAL  
18 APPROPRIATION ACT FOR THE FISCAL YEAR BEGINNING JULY 1, 2010:

19 \* \* \*

20 (11) NOTWITHSTANDING THE PROVISIONS OF 24 PA.C.S. §  
21 8329(A) (RELATING TO PAYMENTS ON ACCOUNT OF SOCIAL SECURITY  
22 DEDUCTIONS FROM APPROPRIATIONS) WHEN CALCULATING PAYMENTS BY  
23 THE COMMONWEALTH UNDER 24 PA.C.S. § 8329, THE DEPARTMENT OF  
24 EDUCATION SHALL TREAT WAGES PAID OUT OF THE ARRA STATE  
25 STABILIZATION FUND OR OUT OF ARRA FUNDS APPROPRIATED FOR  
26 INDIVIDUAL WITH DISABILITIES EDUCATION (PART B - PRESCHOOL  
27 -AGE 3-5) OUT OF THE EDUCATION JOBS FUND GRANT AS COVERED  
28 WAGES WHICH ARE NOT FEDERALLY FUNDED.

29 \* \* \*

30 SECTION 12. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ:

1 ARTICLE XVII-O

2 AUDITS

3 SECTION 1701-O. AUDITS OF RACE HORSE DEVELOPMENT FUNDS.

4 THE FOLLOWING SHALL APPLY:

5 (1) BY DECEMBER 31, 2011, AND EACH DECEMBER 31  
6 THEREAFTER, THE DEPARTMENT OF AGRICULTURE, IN CONJUNCTION  
7 WITH THE OFFICE OF THE BUDGET, SHALL CONDUCT A FINANCIAL  
8 AUDIT OF ALL FUNDS DISTRIBUTED UNDER 4 PA.C.S. § 1406(A)  
9 (RELATING TO DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE  
10 DEVELOPMENT FUND) FOR THE PRIOR FISCAL YEAR. THE AUDIT SHALL  
11 INCLUDE RECOMMENDATIONS FOR CHANGES RELATING TO THE  
12 MAINTENANCE, USE OR ADMINISTRATION OF THESE FUNDS.

13 (2) THE AUDITS AND AUDITED FINANCIAL STATEMENTS REQUIRED  
14 UNDER THIS SECTION AND 4 PA.C.S. § 1406(E) FOR FISCAL YEARS  
15 ENDING PRIOR TO JUNE 30, 2011, SHALL BE OPEN FOR PUBLIC  
16 INSPECTION AND PROVIDED, WITHIN 60 DAYS OF THE EFFECTIVE DATE  
17 OF THIS SECTION, TO THE PERSONS LISTED IN PARAGRAPH (5).

18 (3) THE FOLLOWING APPLY:

19 (I) NOTWITHSTANDING 4 PA.C.S. § 1406(E), EACH  
20 HORSEMEN'S ORGANIZATION SHALL, WITHIN 90 DAYS AFTER THE  
21 END OF THE ORGANIZATION'S FISCAL YEAR, PREPARE ANNUAL  
22 FINANCIAL STATEMENTS IN ACCORDANCE WITH GENERALLY  
23 ACCEPTED ACCOUNTING PRINCIPLES FOR THE HORSEMEN'S  
24 ORGANIZATION AND ALL OF ITS AFFILIATES.

25 (II) THE FINANCIAL STATEMENTS REQUIRED UNDER  
26 SUBPARAGRAPH (I) SHALL BE PREPARED BEGINNING IN THE  
27 HORSEMEN'S ORGANIZATION FISCAL YEAR ENDING PRIOR TO JUNE  
28 30, 2011, AND FOR EACH FISCAL YEAR THEREAFTER.

29 (III) THE FINANCIAL STATEMENTS REQUIRED UNDER  
30 SUBPARAGRAPH (I) SHALL INCLUDE ADDITIONAL INFORMATION AS

1 NECESSARY TO RECONCILE THE INFORMATION IN THE FINANCIAL  
2 STATEMENT TO THE AMOUNTS RECEIVED BY THE HORSEMEN'S  
3 ORGANIZATION DURING THE SAME FISCAL YEAR.

4 (4) THE DEPARTMENT MAY ENGAGE INDEPENDENT CERTIFIED  
5 PUBLIC ACCOUNTANTS TO CONDUCT THE AUDIT UNDER PARAGRAPH (1)  
6 AND TO AUDIT THE ANNUAL FINANCIAL STATEMENTS AND ACCOMPANYING  
7 INFORMATION FILED UNDER PARAGRAPH (3) FOR EACH FISCAL YEAR.  
8 THE DEPARTMENT SHALL PROVIDE COPIES OF EACH AUDIT TO THE  
9 PERSONS LISTED IN PARAGRAPH (5) (II), (III), (IV) AND (V).

10 (5) THE HORSEMEN'S ORGANIZATION SHALL PROVIDE ALL  
11 FINANCIAL STATEMENTS, REPORTS AND ADDITIONAL INFORMATION  
12 REQUIRED UNDER PARAGRAPH (3) TO ALL OF THE FOLLOWING WITHIN  
13 90 DAYS OF THE END OF THE ORGANIZATION'S FISCAL YEAR:

14 (I) THE DEPARTMENT.

15 (II) THE CHAIRMAN AND MINORITY CHAIRMAN OF THE  
16 COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT  
17 COMMITTEE OF THE SENATE AND THE CHAIRMAN AND MINORITY  
18 CHAIRMAN OF THE GAMING OVERSIGHT COMMITTEE OF THE HOUSE  
19 OF REPRESENTATIVES.

20 (III) THE CHAIRMAN AND MINORITY CHAIRMAN OF THE  
21 AGRICULTURE AND RURAL AFFAIRS COMMITTEE OF THE SENATE AND  
22 THE CHAIRMAN AND MINORITY CHAIRMEN OF THE AGRICULTURE AND  
23 RURAL AFFAIRS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

24 (IV) THE PENNSYLVANIA GAMING CONTROL BOARD.

25 (V) THE STATE HORSE RACING COMMISSION AND THE STATE  
26 HARNESS RACING COMMISSION.

27 (6) ALL DISTRIBUTIONS UNDER 4 PA.C.S. § 1406 SHALL BE  
28 SUSPENDED FOR ANY HORSEMEN'S ORGANIZATION THAT THE DEPARTMENT  
29 CERTIFIES IS OUT OF COMPLIANCE WITH THE REQUIREMENTS OF THIS  
30 SECTION.

1           (7) EACH HORSEMAN'S ORGANIZATION SHALL COOPERATE FULLY  
2 WITH ALL AUDITS UNDER THIS SECTION AND SHALL REIMBURSE THE  
3 DEPARTMENT FOR ALL FEES AND COSTS TO ADMINISTER THIS SECTION.

4           (8) FOR THE PURPOSES OF THIS SECTION, THE TERM  
5 "HORSEMAN'S ORGANIZATION" SHALL HAVE THE SAME MEANING AS  
6 DEFINED UNDER 4 PA.C.S. § 1103 (RELATING TO DEFINITIONS).

7 SECTION 13. REPEALS ARE AS FOLLOWS:

8           (1) SECTION 217 OF THE ACT OF MARCH 4, 1971 (P.L.6,  
9 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, IS REPEALED  
10 INsofar AS IT IS INCONSISTENT WITH THE ADDITION OF SECTION  
11 202.2 OF THE ACT.

12           (2) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER  
13 PARAGRAPH (4) (I) IS NECESSARY TO EFFECTUATE THE AMENDMENT OF  
14 SECTION 1738-E OF THE ACT.

15           (3) THE GENERAL ASSEMBLY DECLARES THAT THE REPEALS UNDER  
16 PARAGRAPH (4) (II) AND (III) ARE NECESSARY TO EFFECTUATE THE  
17 ADDITION OF SECTION 1798-E OF THE ACT.

18           (4) THE FOLLOWING ACTS AND PARTS OF ACTS ARE REPEALED:

19           (I) THE ACT OF AUGUST 31, 1971 (P.L.423, NO.101),  
20 KNOWN AS THE HIGHER EDUCATION EQUAL OPPORTUNITY ACT.

21           (II) SECTION 712(M) OF THE ACT OF MARCH 20, 2002  
22 (P.L.154, NO.13), KNOWN AS THE MEDICAL CARE AVAILABILITY  
23 AND REDUCTION OF ERROR (MCARE) ACT.

24           (III) THE PROVISIONS OF 75 PA.C.S. § 6506(B).

25 ~~Section 4. The reenactment or amendment of Article XVII-A~~ ←

26 SECTION 14. THE FOLLOWING SHALL APPLY: ←

27           (1) THE REENACTMENT OR AMENDMENT OF ARTICLE XVII-A  
28 Subarticle D heading and sections 1731-A and 1732-A of the  
29 act shall apply retroactively to June 30, 2010.

30           (2) THE AMENDMENT OF SECTION 1722-L OF THE ACT SHALL ←

1 APPLY RETROACTIVELY TO JULY 1, 2010.

2 Section 5 15. This act shall take effect immediately.

