
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 187 Session of
2013

INTRODUCED BY CORMAN, SCARNATI, PILEGGI, YUDICHAK, FONTANA,
TEPLITZ, WASHINGTON, MENSCH, YAW, GREENLEAF, ARGALL, ROBBINS,
VULAKOVICH, HUGHES, GORDNER, ALLOWAY, RAFFERTY, HUTCHINSON,
ERICKSON, BAKER, TOMLINSON, SCHWANK AND WAUGH,
JANUARY 16, 2013

REFERRED TO APPROPRIATIONS, JANUARY 16, 2013

AN ACT

1 Requiring certain institutions of higher education that enter
2 into consent decrees which impose fines to pay the fines into
3 endowments under certain circumstances; and providing for
4 duties of the Pennsylvania Commission on Crime and
5 Delinquency.

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

8 Section 1. Short title.

9 This act shall be known and may be cited as the Institution
10 of Higher Education Consent Decree Endowment Act.

11 Section 2. Definitions.

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

15 "Commission." The Pennsylvania Commission on Crime and
16 Delinquency.

17 "Governing body." The body of an organization or legal
18 entity with which an institution of higher education is

1 associated and which body may impose a fine or penalty against
2 the institution of higher education.

3 "Institution of higher education." A postsecondary
4 educational institution in this Commonwealth that receives a
5 direct appropriation from an act of the General Assembly.

6 Section 3. Consent decree fine endowments.

7 (a) General rule.--If an institution of higher education
8 enters into a consent decree with a governing body and the
9 consent decree:

10 (1) requires the institution of higher education to pay
11 a fine of at least \$10,000,000 in installments over a time
12 period in excess of one year; and

13 (2) provides that the fine will be used for a specific
14 purpose,

15 then the institution of higher education shall pay the fine to
16 an endowment that complies with the provisions of subsection
17 (b).

18 (b) Requirements of endowment.--An endowment under
19 subsection (a) shall satisfy the following requirements:

20 (1) The endowment shall be a separate trust fund in the
21 State Treasury and the State Treasurer shall be custodian
22 thereof. The State Treasurer shall invest the money in the
23 endowment subject to the prudent investor provisions of 20
24 Pa.C.S. § 7203 (relating to prudent investor rule). The
25 moneys of the separate trust fund are appropriated to the
26 commission on a continuing basis to carry out the provisions
27 of this act.

28 (2) The endowment shall be authorized to accept
29 donations from any source.

30 (3) The commission shall expend the money of the

1 endowment in accordance with the purposes enumerated in the
2 consent decree and subject to the provisions of paragraph
3 (4).

4 (4) Unless otherwise expressly stated in the consent
5 decree, the funds may only be used within this Commonwealth
6 for the exclusive benefit of the residents of this
7 Commonwealth and on any of the following:

8 (i) Programs or projects preventing child sexual
9 abuse and or assisting the victims of child sexual abuse.

10 (ii) Multidisciplinary investigative teams
11 established under 23 Pa.C.S. (relating to Domestic
12 Relations).

13 (iii) Child advocacy centers.

14 (iv) Victim service organizations that provide
15 services to children subjected to sexual abuse.

16 (v) Training of persons who are mandated by law to
17 report child sexual abuse or to treat victims of child
18 sexual abuse.

19 (5) If the endowment is established to exist for at
20 least five years:

21 (i) During the first five years, not more than 50%
22 of the fines paid into the endowment shall be expended
23 annually as provided in paragraphs (3) and (4).

24 (ii) Each year thereafter, all interest and earnings
25 of the endowment shall be expended as provided in
26 paragraphs (3) and (4).

27 Section 4. Duties of commission.

28 Within 12 months of the effective date of a consent decree
29 subject to an endowment under this act, the commission shall:

30 (1) Develop a form for applicants to use for requesting

1 money from the endowment established by the consent decree.

2 (2) Establish a timeline for reviewing applications and
3 approving expenditures from the endowment.

4 (3) Develop methodology to equitably approve payments to
5 applicants throughout all geographic areas of this
6 Commonwealth.

7 Section 5. Applicability.

8 This act shall apply to all fines paid or due under consent
9 decrees regardless of the payment date.

10 Section 6. Effective date.

11 This act shall take effect immediately.