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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1863 Session of  
2019

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INTRODUCED BY D. MILLER, HILL-EVANS, DELLOSO, CALTAGIRONE,  
OTTEN, YOUNGBLOOD, MADDEN, ZABEL, DeLUCA, SCHLOSSBERG,  
A. DAVIS, FRANKEL, DALEY, HOHENSTEIN AND DONATUCCI,  
DECEMBER 2, 2019

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REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, DECEMBER 2, 2019

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AN ACT

1 Amending Title 15 (Corporations and Unincorporated Associations)  
2 of the Pennsylvania Consolidated Statutes, in general  
3 provisions, providing for eligibility for receipt of State  
4 resources.

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

7 Section 1. Title 15 of the Pennsylvania Consolidated  
8 Statutes is amended by adding a section to read:

9 § 5111. Eligibility for receipt of State resources.

10 (a) Conditions.--A domestic nonprofit corporation or a  
11 foreign nonprofit corporation with 200 or more employees in this  
12 Commonwealth shall not be eligible for a State contract, State  
13 funding or a State grant if the corporation:

14 (1) has violated the Fair Labor Standards Act of 1938  
15 (52 Stat. 1060, 29 U.S.C. § 201 et seq.) within the previous  
16 five years;

17 (2) is found guilty of an unfair labor practice in this  
18 Commonwealth within the previous five years; or

1           (3) fails to submit to the Department of State current  
2 bylaws of the corporation, which must provide that at least  
3 20% of the members of the governing board of the corporation  
4 are current employees of the corporation and are elected by  
5 the employees of the corporation.

6 (b) Applicability.--

7           (1) Subsection (a) shall not apply in the case of health  
8 care-related money payable from the Commonwealth to the  
9 domestic nonprofit corporation or foreign nonprofit  
10 corporation, which shall include, but not be limited to,  
11 Medicaid reimbursements.

12           (2) This section shall not apply if the condition  
13 described in subsection (a)(1) or (2) occurred prior to the  
14 effective date of this section.

15 Section 2. This act shall apply to the following:

16           (1) A State contract entered into or renewed on or after  
17 the effective date of this act.

18           (2) State funding approved or otherwise made on or after  
19 the effective date of this act.

20           (3) A State grant approved on or after the effective  
21 date of this act.

22 Section 3. This act shall take effect in 60 days.