

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

HOUSE BILL

No. 2399 Session of  
2022

---

INTRODUCED BY LAWRENCE, CAUSER, SCHLEGEL CULVER, GREINER, HAMM,  
HENNESSEY, KEEFER, MILLARD, B. MILLER, MOUL, O'NEAL, PICKETT,  
RYAN, SMITH, STAMBAUGH AND THOMAS, MARCH 10, 2022

---

REFERRED TO COMMITTEE ON APPROPRIATIONS, MARCH 10, 2022

---

AN ACT

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

1 every State depository and every debtor or creditor of the  
2 Commonwealth," in procedure for the dispersment of money  
3 from the State treasury, further providing for settlement  
4 agreements and enforcement actions.

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

7 Section 1. Section 1507.1(a) of the act of April 9, 1929  
8 (P.L.343, No.176), known as The Fiscal Code, is amended to read:

9 Section 1507.1. Settlement Agreements; Enforcement

10 Actions.--(a) Except as set forth in subsections (b) and (b.1),  
11 the following apply:

12 (1) Unless otherwise provided by this section or another  
13 provision of law, money received by an agency as a result of a  
14 settlement, litigation or an enforcement action shall be deemed  
15 funds of the Commonwealth and shall, upon receipt, be deposited  
16 into a restricted account within the General Fund. A separate  
17 restricted account shall be established within the General Fund  
18 for each settlement, litigation or enforcement action.

19 (2) If money to pursue a settlement, litigation or  
20 enforcement action was expended by the agency from the General  
21 Fund or other fund or account established by law, [those costs  
22 recovered] money from the restricted account associated with the  
23 settlement, litigation or enforcement action shall be  
24 transferred and credited to the appropriation, fund or account  
25 from which the original costs were expended and used as provided  
26 by law and shall be available for expenditure in accordance with  
27 the law governing the expenditure.

28 (3) Amounts deposited in a restricted account under  
29 paragraph (1) other than amounts transferred and credited under  
30 paragraph (2) may be expended only upon appropriation by the  
31 General Assembly. [that exceed the actual costs of a settlement,  
32 litigation or enforcement action and are deposited in the

1 General Fund may be redirected to the agency that was the party  
2 to the settlement, litigation or enforcement action to  
3 supplement the activities of the agency upon request of the  
4 agency and approval of the Secretary of the Budget.]

5 (4) [If there is a redirection under paragraph (3), the  
6 secretary shall provide notice of the transfer to the chair of  
7 the Appropriations Committee of the Senate and the chair of the  
8 Appropriations Committee of the House of Representatives and  
9 include a detailed determination of actual costs incurred by the  
10 agency and the identification of the associated settlement,  
11 litigation or enforcement action.] An agency which was the party  
12 to the settlement, litigation or enforcement action may submit a  
13 request for an appropriation from the restricted account to  
14 supplement the activities of the agency.

15 \* \* \*

16 Section 2. The amendment of section 1507.1(a) of the act  
17 shall apply to money received by the State Treasurer after the  
18 effective date of this section.

19 Section 3. This act shall take effect immediately.