THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1090 Session of 2019

INTRODUCED BY ORTITAY, APRIL 8, 2019

REFERRED TO COMMITTEE ON APPROPRIATIONS, APRIL 8, 2019

AN ACT

Amending the act of April 9, 1929 (P.L.343, No.176), entitled, as amended, "An act relating to the finances of the State 2 government; providing for cancer control, prevention and 3 research, for ambulatory surgical center data collection and 4 5 for the Joint Underwriting Association, providing for the settlement, assessment, collection, and lien of taxes, bonus, 6 7 and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or 8 belonging to the Commonwealth, or any agency thereof, 9 including escheated property and the proceeds of its sale, 10 11 the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the 12 Commonwealth, and the settlement of claims against the 13 Commonwealth, the resettlement of accounts and appeals to the 14 courts, refunds of moneys erroneously paid to the 15 Commonwealth, auditing the accounts of the Commonwealth and 16 all agencies thereof, of all public officers collecting 17 moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth, 18 19 authorizing the Commonwealth to issue tax anticipation notes 20 to defray current expenses, implementing the provisions of 21 section 7(a) of Article VIII of the Constitution of 22 Pennsylvania authorizing and restricting the incurring of 23 24 certain debt and imposing penalties; affecting every 25 department, board, commission, and officer of the State government, every political subdivision of the State, and 26 certain officers of such subdivisions, every person, 27 association, and corporation required to pay, assess, or 28 29 collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or 30 31 other moneys to the Commonwealth, or any agency thereof, 32 every State depository and every debtor or creditor of the Commonwealth, "in general budget implementation, further 33 providing for applicability and for definitions and 34 35 abbreviations; adding preliminary provisions relating to

- appropriation acts and special provisions for Federal funds 1
- and certain miscellaneous provisions relating to 2
- 3
- appropriations and appropriation acts; and further providing for Department of Human Services, for Pennsylvania Higher 4
- Education Assistance Agency, for courts of common pleas and 5
- for community courts and magisterial district judges. 6
- 7 The General Assembly of the Commonwealth of Pennsylvania
- hereby enacts as follows: 8
- 9 Section 1. Sections 1701-E and 1702-E of the act of April 9,
- 10 1929 (P.L.343, No.176), known as The Fiscal Code, are amended to
- 11 read:
- 12 Section 1701-E. Applicability.
- 13 This article applies to appropriations from [every General
- 14 Appropriation Act] any appropriation act.
- 15 Section 1702-E. Definitions and abbreviations.
- 16 (a) Definitions. -- The following words and phrases when used
- 17 in this article or appropriation act shall have the meanings
- 18 given to them in this section unless the context clearly
- indicates otherwise: 19
- 20 "Appropriation act." The General Appropriation Act or other
- 21 appropriation act.
- 22 "Employees." Includes all directors, superintendents, bureau
- or division chiefs, assistant directors, assistant 23
- 24 superintendents, assistant chiefs, experts, scientists,
- 25 engineers, surveyors, draftsmen, accountants, secretaries,
- 26 auditors, inspectors, examiners, analysts, statisticians,
- 27 marshals, clerks, stenographers, bookkeepers, messengers and
- other assistants in any department, board or commission. 28
- "Expenses" and "maintenance." Includes all printing, binding 29
- and stationery, food and forage, materials and supplies, 30
- traveling expenses, training, motor vehicle supplies and 31
- 32 repairs, freight, express and cartage, postage, telephones and
- telegraph rentals and toll charges, newspaper advertising and

- 1 <u>notices</u>, <u>public advertising by or through any medium</u>, <u>fuel</u>,
- 2 light, heat, power and water, minor construction and renovation,
- 3 repairs or reconstruction of equipment, buildings and
- 4 <u>facilities</u>, rent of real estate and equipment, premiums on
- 5 workers' compensation, insurance premiums on policies of
- 6 liability insurance, insurance premiums on medical payment
- 7 <u>insurance and surety bonds for volunteer workers, premiums on</u>
- 8 employee group life insurance and employee and retired employee
- 9 group hospital and medical insurance, payment of Commonwealth
- 10 share of Social Security taxes and unemployment compensation
- 11 costs for State employees, the purchase of replacement or
- 12 <u>additional equipment and machinery and all other incidental</u>
- 13 costs and expenses, including payment to the Department of
- 14 General Services of mileage and other charges for the use of
- 15 automobiles and rental payments for permanently assigned
- 16 <u>automobiles and of expenses or costs of services incurred</u>
- 17 through the Purchasing Fund. The term "expenses" also shall
- 18 include the medical costs for the treatment of inmates of State
- 19 institutions when the inmate must be transferred to an outside
- 20 hospital, provided, that in no case shall the State institution
- 21 pay more for patient care than that provided under the State
- 22 medical assistance program.
- "Secretary." The Secretary of the Budget of the
- 24 Commonwealth.
- 25 (b) Abbreviations. -- The following abbreviations when used in
- 26 this article or appropriation act shall have the meanings given
- 27 to them in this section:
- 28 "AIDS." Acquired Immune Deficiency Syndrome.
- 29 "ARC." Appalachian Regional Commission.
- 30 "ARRA." American Recovery and Reinvestment Act.

- 1 "BG." Block Grant.
- 2 "CCDFBG." Child Care and Development Fund Block Grant.
- 3 <u>"CHIPRA." Children's Health Insurance Program</u>
- 4 Reauthorization Act.
- 5 "CSBG." Community Services Block Grant.
- 6 "DCSI." Drug Control and Systems Improvement Formula Grant
- 7 Program.
- 8 "DFSC." Drug Free Schools and Communities Act.
- 9 "DOE." Department of Energy.
- 10 "EEOC." Equal Employment Opportunity Commission.
- 11 "EPA." Environmental Protection Agency.
- "ESEA." Elementary and Secondary Education Act.
- "ESG." Emergency Solutions Grant.
- 14 "FEMA." Federal Emergency Management Agency.
- 15 "FTA." Federal Transit Administration.
- 16 "HUD." Department of Housing and Urban Development.
- 17 "LIHEABG." Low-Income Home Energy Assistance Block Grant.
- 18 "LSTA." Library Services and Technology Act.
- 19 "MCH." Maternal and Child Health.
- 20 "MCHSBG." Maternal and Child Health Services Block Grant.
- 21 "MHSBG." Mental Health Services Block Grant.
- 22 "MR." Mental Retardation.
- 23 "PAFE." Pennsylvania Agricultural Food Exposition.
- 24 "PHHSBG." Preventive Health and Health Services Block Grant.
- 25 "RSAT." Residential Substance Abuse Treatment.
- 26 "SABG." Substance Abuse Block Grant.
- 27 "SCDBG." Small Communities Development Block Grant.
- 28 "SDA." Service Delivery Area.
- 29 "SNAP." Supplemental Nutrition Assistance Project.
- 30 "SORNA." Sex Offender Registration and Notification Act.

- 1 <u>"SPBP." Special Pharmaceutical Benefit Program.</u>
- 2 "SSBG." Social Services Block Grant.
- 3 "TANF." Temporary Assistance for Needy Families.
- 4 "TANFBG." Temporary Assistance for Needy Families Block
- 5 Grant.
- 6 <u>"TB." Tuberculosis.</u>
- 7 "TEFAP." Temporary Emergency Food Assistance Program.
- 8 <u>"VA." Veterans' Administration.</u>
- 9 "WIA." Workforce Investment Act.
- 10 "WIC." Women, Infants and Children Program.
- 11 Section 2. The act is amended by adding sections to read:
- 12 <u>Section 1705-E. State appropriations.</u>
- 13 <u>(a) General Fund.--The sums specified in an appropriation</u>
- 14 act for the General Fund, or as much thereof as may be
- 15 <u>necessary</u>, shall be deemed to have been specifically
- 16 appropriated from the General Fund to the several agencies of
- 17 the Executive, Legislative and Judicial Departments of the
- 18 Commonwealth specified in that appropriation act for the payment
- 19 of salaries, wages or other compensation and travel expenses of
- 20 the duly elected or appointed officers and employees of the
- 21 Commonwealth, for the payment of fees for contractual services
- 22 rendered, for the purchase or rental of goods and services,
- 23 printing, public advertising by or through any medium,
- 24 equipment, land and buildings and for payment of any other
- 25 <u>expenses</u>, as provided by law or by this article or that
- 26 appropriation act, necessary for the proper conduct of the
- 27 <u>duties, functions and activities and for the purposes and the</u>
- 28 fiscal year specified in that appropriation act and for the
- 29 payment of bills incurred and remaining unpaid at the close of
- 30 that fiscal year.

- 1 (b) Special funds and restricted accounts. -- The sums
- 2 specified in an appropriation act for a special fund or
- 3 restricted account, or as much thereof as may be necessary,
- 4 <u>shall be deemed to have been specifically appropriated from the</u>
- 5 special fund or account to the agencies of the Executive,
- 6 Legislative and Judicial Departments of the Commonwealth
- 7 specified in that appropriation act for the payment of salaries,
- 8 wages or other compensation and travel expenses of the duly
- 9 appointed officers and employees of the Commonwealth, for the
- 10 payment of fees for contractual services rendered, for the
- 11 purchase or rental of goods and services and for payment of any
- 12 other expenses, as provided by law or by this article or that
- 13 appropriation act, necessary for the proper conduct of the
- 14 <u>duties</u>, <u>functions</u> and <u>activities</u> and <u>for</u> the <u>purposes</u> and the
- 15 <u>fiscal year specified in that appropriation act and for the</u>
- 16 payment of bills incurred and remaining unpaid at the close of
- 17 that fiscal year.
- 18 Section 1705.1-E. Federal augmentation appropriations.
- 19 The Federal augmentation appropriations specified in an
- 20 appropriation act, or as much thereof as may be necessary, shall
- 21 <u>be deemed to have been appropriated from the Federal</u>
- 22 augmentation funds to the agencies of the Executive Department
- 23 of the Commonwealth specified in that appropriation act for the
- 24 payment of the expenses of implementing and carrying out the
- 25 programs stated in and for the fiscal year specified in that
- 26 appropriation act, and for the payment of bills incurred and
- 27 remaining unpaid at the close of the fiscal year specified in
- 28 that appropriation act. Unless otherwise stated, the
- 29 appropriations in an appropriation act include any carryovers
- 30 from the prior fiscal year.

- 1 Section 1705.2-E. Block grants.
- 2 (a) Appropriation. -- The sums specified in an appropriation
- 3 act, or as much thereof as may be necessary, shall be deemed to
- 4 have been appropriated from the block grant (BG) funds to the
- 5 agencies of the Executive Department of the Commonwealth
- 6 specified in that appropriation act for the purposes and under
- 7 the restrictions for which the funds are provided for the fiscal
- 8 <u>year specified in that appropriation act.</u>
- 9 (b) Small Communities Development Block Grant.--The Small
- 10 <u>Communities Development Block Grant (SCDBG) is to assist small</u>
- 11 cities and communities that have a high concentration of
- 12 <u>impoverished citizens and substandard housing to expand their</u>
- 13 <u>low-income and moderate-income housing opportunities and to meet</u>
- 14 <u>community development needs.</u>
- 15 (c) Community Services Block Grant. -- The Community Services
- 16 Block Grant (CSBG) is to provide a range of services and
- 17 activities having a measurable and potentially major impact on
- 18 the causes of poverty in the community or those areas of the
- 19 community where poverty is a particularly acute problem. In
- 20 addition, new focus may be placed on the unemployed, both old
- 21 and new. Local agencies may lower their eligibility requirements
- 22 for recipients to three months to allow greater flexibility to
- 23 <u>assure proper consideration of each recipient.</u>
- 24 (d) Preventive Health and Health Services Block Grant. -- The
- 25 Preventive Health and Health Services Block Grant (PHHSBG) is
- 26 for the provision of preventive health and other health services
- 27 <u>related to emergency medical systems, health initiative grants,</u>
- 28 comprehensive public health, hypertension, fluoridation, health
- 29 education, risk reduction, home health, rape crisis and domestic
- 30 violence services.

- 1 (e) Maternal and Child Health Services Block Grant. -- The
- 2 Maternal and Child Health Services Block Grant (MCHSBG) is to
- 3 enable states to maintain and strengthen their leadership in
- 4 planning, promoting, coordinating and evaluating health care for
- 5 pregnant women, mothers, infants and children, and children with
- 6 special health care needs and in providing health services for
- 7 mothers and children who do not have access to adequate health
- 8 care.
- 9 (f) Low-Income Home Energy Assistance Block Grant. -- The Low-
- 10 Income Home Energy Assistance Block Grant (LIHEABG) is to help
- 11 <u>lessen the impact of the high cost of energy on low-income</u>
- 12 <u>families and individuals, including energy efficiency grants for</u>
- 13 <u>low-income dwellings. No less than 15% of the LIHEABG funds</u>
- 14 received shall be used for weatherization. LIHEABG funds
- 15 <u>received pursuant to a Presidential release of contingency funds</u>
- 16 <u>shall be exempt from the 15% requirement.</u>
- 17 (q) Social Services Block Grant. -- The Social Services Block
- 18 Grant (SSBG) is for the provision of social services to eliqible
- 19 <u>persons.</u>
- 20 (h) Mental Health Services Block Grant. -- The Mental Health
- 21 Services Block Grant (MHSBG) provides funds for the provision of
- 22 services to adults with serious mental illness or children with
- 23 serious emotional disturbance.
- 24 (i) Substance Abuse Block Grant. -- The Substance Abuse Block
- 25 Grant (SABG) provides funds to establish and maintain programs
- 26 to combat alcohol and drug abuse.
- 27 (j) Child Care and Development Fund Block Grant. -- The Child
- 28 Care and Development Fund Block Grant (CCDFBG) is for the
- 29 provision of direct child care or to increase the quality and
- 30 availability of child care for low-income families.

- 1 (k) Temporary Assistance for Needy Families Block Grant.--
- 2 The Temporary Assistance for Needy Families Block Grant (TANFBG)
- 3 provides funds for the provision of cash grants, child care,
- 4 training and support services, child welfare and administration
- 5 for eligible families and individuals.
- 6 <u>Section 1705.3-E. General Fund repository for Federal funds.</u>
- 7 <u>All money received from the Federal Government as</u>
- 8 contributions or supplements to the departments or agencies of
- 9 the Commonwealth or the programs provided in an appropriation
- 10 act shall be paid into the General Fund.
- 11 <u>Section 1705.4-E. Limitation on encumbering or spending Federal</u>
- 12 <u>funds.</u>
- 13 Federal funds shall be encumbered or spent only to the extent
- 14 that such funds are estimated as being available during the
- 15 <u>fiscal year of the Commonwealth.</u>
- 16 <u>Section 1705.5-E. Appropriation of prior unspent Federal funds.</u>
- 17 <u>In a given fiscal year specified in an appropriation act, any</u>
- 18 Federal money which has been appropriated by the General
- 19 Assembly for a prior fiscal year and authorized or allocated by
- 20 the Federal Government, but remains unspent from the prior
- 21 <u>fiscal year and will not be renewed for the given fiscal year</u>,
- 22 <u>is appropriated</u>.
- 23 <u>Section 1705.6-E. Subgrants between Federal fund</u>
- 24 appropriations.
- 25 Subgrants may be made between Federal appropriations without
- 26 further approval of the General Assembly. The Secretary of the
- 27 <u>Budget shall submit a list of subgrants to the chairman and</u>
- 28 minority chairman of the Appropriations Committee of the Senate
- 29 and the chairman and minority chairman of the Appropriations
- 30 Committee of the House of Representatives quarterly. No subgrant

- 1 to a State agency, however, may be made from a restricted
- 2 receipt account without a specific appropriation by the General
- 3 Assembly.
- 4 <u>Section 1705.7-E. Utilization of emergency Federal funds.</u>
- 5 (a) Natural disasters and civil disobedience. -- Federal funds
- 6 <u>available for costs and damages resulting from natural disasters</u>
- 7 <u>or civil disobedience may be added to an appropriation contained</u>
- 8 in an appropriation act or to funds appropriated or may be used
- 9 for the purposes prescribed by the Federal Government.
- 10 (b) Other emergencies. -- In addition to the money
- 11 appropriated by an appropriation act, all money received from
- 12 the Federal Government for the purpose of disaster assistance or
- 13 relief, or other money received as a direct result of terrorist
- 14 acts, money for homeland security and defense and money for
- 15 avian flu/pandemic preparedness shall be paid into the General
- 16 Fund and are appropriated out of the General Fund to the
- 17 departments, boards, commissions or agencies designated by the
- 18 Governor.
- 19 (c) Executive authorization. -- In the event of an emergency
- 20 situation in which the General Assembly cannot act in sufficient
- 21 time, the Governor is authorized through executive authorization
- 22 to provide up to \$10,000,000 in Federal funds to alleviate the
- 23 emergency situation.
- 24 (d) Definition. -- For the purposes of this section,
- 25 <u>"emergency" is defined as any situation in which there is a</u>
- 26 chance of or which may result in substantial human suffering.
- 27 <u>Section 1705.8-E. (Reserved).</u>
- 28 <u>Section 1705.9-E. Prior laws unaffected.</u>
- 29 <u>An appropriation act is not intended to be inconsistent with</u>
- 30 or to repeal any provision of any act enacted at any session of

- 1 the General Assembly regulating the purchase of supplies, the
- 2 ordering of printing and binding, the purchase, maintenance and
- 3 use of automobiles, the method of making payments from the State
- 4 Treasury for any purpose or the functioning of any
- 5 <u>administrative department, board or commission.</u>
- 6 <u>Section 1705.10-E. Compliance with other law before funds</u>
- 7 <u>available.</u>
- 8 No appropriation made by an appropriation act to any
- 9 department, board, commission or agency of the Executive
- 10 Department shall be available unless and until the department,
- 11 board, commission or agency has complied with sections 615 and
- 12 616 of the act of April 9, 1929 (P.L.177, No.175), known as The
- 13 Administrative Code of 1929.
- 14 <u>Section 1705.11-E. Contracts prerequisite to encumbering or</u>
- committing funds.
- 16 Funds available to agencies, boards, departments, commissions
- 17 or other governmental entities under an appropriation act for
- 18 the procurement of supplies, services or construction shall not
- 19 be available for payment of or to be committed to or encumbered
- 20 for payment of any such procurement unless and until the agency,
- 21 board, department or other governmental entity has complied with
- 22 all of the requirements applicable to the procurement that are
- 23 set out in 62 Pa.C.S. (relating to procurement) and in the
- 24 policies, procedures and regulations instituted in accordance
- 25 with that code.
- 26 Section 1705.12-E. Minority business set-asides.
- 27 <u>(a) Duty to report.--Each department or other</u>
- 28 instrumentality of the Commonwealth in the Executive Department
- 29 <u>authorized to contract for buildings, highways, commodities,</u>
- 30 equipment, supplies or services shall report to the General

- 1 Assembly all information pertinent to anticipated procurement
- 2 needs at the beginning of each fiscal year and each fiscal
- 3 quarter thereafter.
- 4 (b) Definition. -- As used in this section, the term "minority
- 5 <u>business" means a minority business enterprise as defined in the</u>
- 6 <u>act of July 22, 1974 (P.L.598, No.206), known as the</u>
- 7 <u>Pennsylvania Minority Business Development Authority Act.</u>
- 8 <u>Section 1705.13-E. Appropriation of funds from miscellaneous</u>
- 9 <u>sources.</u>
- In addition to the amounts appropriated by an appropriation
- 11 <u>act:</u>
- 12 (1) Money received in payment for food and household
- 13 <u>supplies furnished to employees and other persons, except</u>
- inmates, by an institution and money received from the
- proceeds from the sale of any products of the soil, meats,
- livestock, timber or other materials sold by a department or
- 17 agency of the Commonwealth shall be paid into the General
- 18 Fund and are appropriated out of the General Fund to the
- 19 <u>several respective institutions for the operation and</u>
- 20 maintenance of the institutions.
- 21 (2) Money received from any other source, except the
- 22 Federal Government, as contributions for the programs
- 23 <u>provided in that appropriation act or as payment for services</u>
- or materials furnished by one institution to another, except
- 25 those collections designated as revenues, shall be paid into
- the General Fund and are appropriated out of the General Fund
- 27 <u>for the purposes of the respective appropriations.</u>
- 28 (3) Money received by a department or agency of the
- 29 <u>Commonwealth from any other sources, except the Federal</u>
- 30 Government, as contributions or supplements to the department

- or agency for a program or administration of an act included
- 2 in that appropriation act shall be paid into the General Fund
- 3 <u>and credited to the appropriation for that program or</u>
- 4 <u>administration of the act.</u>
- 5 <u>Section 1705.14-E. Lapsing of unused funds.</u>
- 6 Except as otherwise provided by law or in an appropriation
- 7 act, that part of all appropriations in an appropriation act
- 8 <u>unexpended</u>, <u>uncommitted or unencumbered as of June 30 of the</u>
- 9 <u>fiscal year specified in that appropriation act shall</u>
- 10 automatically lapse as of that date.
- 11 Section 1705.15-E. Transfer of excess funds.
- 12 The Governor may transfer any excess money in those funds
- 13 <u>receiving proceeds of Commonwealth of Pennsylvania general</u>
- 14 obligation bonds in excess of the amount necessary for the
- 15 purposes for which the bonds were issued to the appropriate
- 16 <u>sinking fund for payment of debt service due on outstanding</u>
- 17 bonds. If such excess funds, together with any available
- 18 balance, exceed the amount of debt service remaining to be paid,
- 19 the funds shall be transferred to the General Fund or to the
- 20 appropriate special fund responsible for such debt service.
- 21 Section 3. Sections 1729-E(3), 1738-E(a) introductory
- 22 paragraph, 1784-E introductory paragraph and 1785-E introductory
- 23 paragraph of the act are amended to read:
- 24 Section 1729-E. Department of Human Services.
- 25 The following shall apply to appropriations for the
- 26 Department of Human Services:
- 27 * * *
- 28 (3) The following shall apply:
- 29 (i) If, in any fiscal year, the annual appropriation
- for payments to counties under section 704.1(a) of the

Human Services Code has not been enacted by September 1, an amount shall be appropriated as of September 1 to the Department of Human Services for the purpose of making payments to counties under section 704.1(g)(5) and (g.1) of the Human Services Code that is equal to the difference between:

- (A) the amount of funds specified as the aggregate child welfare needs-based budget allocation by the General Assembly under section 709.3(c.1) of the Human Services Code in the [general] appropriation act for the immediately preceding fiscal year as necessary to fund child welfare services provided for that fiscal year; and
- (B) the amount of funds actually provided for reimbursement to counties during that fiscal year.
- (ii) The department may adjust any payment to a county under section 704.1(g) of the Human Services Code based on the amount of funds actually appropriated by the General Assembly.
- (iii) Within five days of executing the authority granted in this paragraph and weekly thereafter, the Secretary of the Budget shall inform the chairperson and minority chairperson of the Appropriations Committee of the Senate and the chairperson and minority chairperson of the Appropriations Committee of the House of Representatives of the amount of payments made to each county under this section.

28 * * *

29 Section 1738-E. Pennsylvania Higher Education Assistance 30 Agency.

- 1 (a) Appropriations. -- The following shall apply to
- 2 appropriations for the Pennsylvania Higher Education Assistance
- 3 Agency [from the General Appropriation Act]:
- 4 * * *
- 5 Section 1784-E. Courts of common pleas.
- 6 The following shall apply to appropriations for the courts of
- 7 common pleas [in the General Appropriation Act.]:
- 8 * * *
- 9 Section 1785-E. Community courts and magisterial district
- judges.
- 11 All of the following shall apply to the appropriation [in
- 12 each General Appropriation Act] for salaries and expenses of
- 13 community court judges and magisterial district judges:
- 14 * * *
- 15 Section 4. This act shall take effect July 1, 2019, or
- 16 immediately, whichever is later.