

Agenda

House Appropriations Committee June 29, 2012 Room 140, Main Capitol

Bill Number	Prime Sponsor	Amendments	Topic
1. Senate Bill 1263	Browne	A12848 A12851	Amends the Fiscal Code to add the 2012-13 budget implementation language and making related repeals.

WILLIAM F. ADOLPH, JR., MEMBER
 ROOM 245, MAIN CAPITOL BUILDING
 PO BOX 202165
 HARRISBURG, PA 17120-2165
 PHONE: (717) 787-1248
 FAX: (717) 705-1851

DISTRICT OFFICE:
 920 WEST SPROUL ROAD
 SPRINGFIELD, PA 19064
 PHONE: (610) 544-9878
 FAX: (610) 338-2294



House of Representatives
 Commonwealth of Pennsylvania
 Harrisburg

COMMITTEES
 APPROPRIATIONS COMMITTEE
 MAJORITY CHAIRMAN

 PENNSYLVANIA HIGHER EDUCATION
 ASSISTANCE AGENCY
 CHAIRMAN

 RULES COMMITTEE

 Website: williamadolph.com
 E-Mail: wadolph@pahousegop.com

HOUSE APPROPRIATIONS COMMITTEE
MINUTES
June 29, 2012

Committee Chairman William F. Adolph, Jr. called the meeting of the House Appropriations Committee to order on June 29, 2012 at 5:30 p.m. in Room 140, Main Capitol Building. All members were present.

Chairman Adolph presented the following list of Bills for consideration:

Bill Number – Printer’s No.	Sponsor of Motion	Second	Type of Motion
Senate Bill 1263 Printer’s No. 1627	Representative Markosek	Representative Denlinger	Motion to Suspend Rules to offer Amendment A12848
Senate Bill 1263 Printer’s No. 1627 Amendment A12848	Representative Petri	Representative Grell	Adopt Amendment.
Senate Bill 1263 Printer’s No. 1627 Amendment A12851	Representative Costa	Representative Sabatina	Adopt Amendment- Failed
Senate Bill 1263 Printer’s No. 1627	Representative Petri	Representative Killion	Report as Amended.

The meeting was recessed at 5:45 p.m.


 Representative Maureen Gingrich, Secretary

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE CHIEF CLERK

Committee Attendance Record

DATE: June 29, 2012

COMMITTEE: APPROPRIATIONS COMMITTEE
 DATE: June 29, 2012 PLACE: 140 Main Capitol Building
 TIME CALLED TO ORDER: 5:30 p.m. TIME ADJOURNED: 5:45 p.m.

MAJORITY MEMBERS	PRES	ABS	ON LEAVE	MINORITY MEMBERS	PRES	ABS	ON LEAVE
Adolph, W., Chairman	X			Markosek, J. – Chairman	X		
Bear, J.	X			Bradford, M.	X		
Boback, K.	X			Brownlee, M.	X		
Causser, M.	X			Conklin, H. S.	X		
Christiana, J.	X			Costa, P.	X		
Day, G.	X			Kula, D.	X		
Denlinger, G.	X			Mahoney, T.	X		
Ellis, B.	X			O'Brien, M.	X		
Gingrich, M.	X			Parker, C.	X		
Grell, G.	X			Sabatina, J.	X		
Killion, T.	X			Samuelson, S.	X		
Millard, D.	X			Smith, M.	X		
Mustio, M.	X			Vitali, G.	X		
O'Neill, B.	X			Waters, R.	X		
Peifer, M.	X						
Perry, S.	X						
Petri, S.	X						
Pyle, J.	X						
Quigley, T.	X						
Scavello, M.	X						
Sonney, C.	X						

Total Present 35
 Total Absent 0
 Total Absent with Leave 0

William F. Adolph Jr.
 Majority Chairman
Joe Marbone
 Minority Chairman
Marcus Lijish
 Secretary

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE CHIEF CLERK

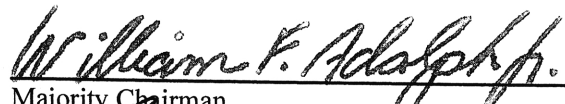
Committee Roll Call

June 29, 2012


Committee	APPROPRIATIONS	Date & Time	June 29, 2012 at 5:30PM
Bill or Resolution No.	A12848 to SENATE BILL 1263 PN1627	Type of Motion	Motion to Suspend Rules
Maker of Motion	Representative Markosek	Seconded by	Representative Denlinger
Brief Description	Motion to Suspend Rules to offer Amendment A12848 to Senate Bill 1263		

Yeas 35 Nays 0 Not Voting 0 Passed X Failed _____

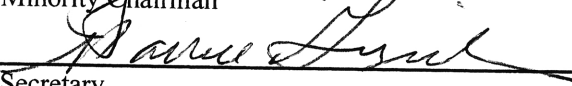
MAJORITY MEMBERS	AYE	NAY	NV	MINORITY MEMBERS	AYE	NAY	NV
Adolph, William F. - Chairman	X			Markosek, Joseph F. - Chairman	X		
Bear, John C.	X			Bradford, Matthew D.	X		
Boback, Karen	X			Brownlee, Michelle F.	X		
Causar, Martin T.	X			Conklin, H. S.	X		
Christiana, Jim	X			Costa, Paul	X		
Day, Gary	X			Kula, Deberah	X		
Denlinger, Gordon	X			Mahoney, Tim	X		
Ellis, Brian L.	X			O'Brien, Michael H.	X		
Gingrich, Mauree	X			Parker, Cherelle L.	X		
Grell, Glen R.	X			Sabatina, John P.	X		
Killion, Thomas H.	X			Samuelson, Steve	X		
Millard, David R.	X			Smith, Matthew	X		
Mustio, T. M.	X			Vitali, Greg	X		
O'Neill, Bernie	X			Waters, Ronald G.	X		
Peifer, Michael	X						
Perry, Scott	X						
Petri, Scott A.	X						
Pyle, Jeffrey P.	X						
Quigley, Thomas J.	X						
Scavello, Mario M.	X						
Sonney, Curtis G.	X						



 Majority Chairman



 Minority Chairman



 Secretary

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE CHIEF CLERK

Committee Roll Call

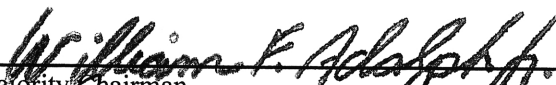
June 29, 2012

Committee	APPROPRIATIONS	Date & Time	June 29, 2012 at 5:30PM
Bill or Resolution No.	A12848 to SENATE BILL 1263 PN1627	Type of Motion	Adopt Amendment
Maker of Motion	Representative Petri	Seconded by	Representative Grell

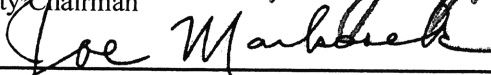
Brief Description Amends the Fiscal Code to add the 2012-13 budget implementation language and making related repeals.

Yeas 22 Nays 13 Not Voting 0 Passed X Failed _____

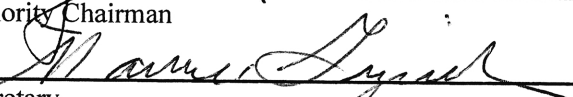
MAJORITY MEMBERS	AYE	NAY	NV	MINORITY MEMBERS	AYE	NAY	NV
Adolph, William F. - Chairman	X			Markosek, Joseph F. - Chairman		X	
Bear, John C.	X			Bradford, Matthew D.		X	
Boback, Karen	X			Brownlee, Michelle F.		X	
Causar, Martin T.	X			Conklin, H. S.		X	
Christiana, Jim	X			Costa, Paul		X	
Day, Gary	X			Kula, Deberah		X	
Denlinger, Gordon	X			Mahoney, Tim		X	
Ellis, Brian L.	X			O'Brien, Michael H.		X	
Gingrich, Mauree	X			Parker, Cherele L.		X	
Grell, Glen R.	X			Sabatina, John P.		X	
Killion, Thomas H.	X			Samuelson, Steve	X		
Millard, David R.	X			Smith, Matthew		X	
Mustio, T. M.	X			Vitali, Greg		X	
O'Neill, Bernie	X			Waters, Ronald G.		X	
Peifer, Michael	X						
Perry, Scott	X						
Petri, Scott A.	X						
Pyle, Jeffrey P.	X						
Quigley, Thomas J.	X						
Scavello, Mario M.	X						
Sonney, Curtis G.	X						



 Majority Chairman



 Minority Chairman



 Secretary

LEGISLATIVE REFERENCE BUREAU

AMENDMENTS TO SENATE BILL NO. 1263

Sponsor:

Printer's No. 1627

1 Amend Bill, page 1, lines 30 and 31, by striking out "in
2 general budget implementation, further " in line 30 and all of
3 line 31 and inserting
4 in general provisions, further providing for method of payment;
5 in Department of Revenue, further providing for transmission of
6 moneys; in Treasury Department, further providing for
7 replacement checks; in State Treasury disbursements, providing
8 for settlement agreements and enforcement actions; in capital
9 facilities debt, further providing for definitions, for
10 Neighborhood Improvement Zone Fund, for Keystone Opportunity
11 Zone and for Commonwealth pledges; in financially distressed
12 municipalities, further providing for administrative oversight;
13 in oil and gas wells, providing for conventional gas well
14 bonding and for oil and gas operations in the South Newark
15 Basin; in Keystone Special Development Zones, further providing
16 for definitions; in tax credits, repealing provisions relating
17 to the Department of Education, the Department of Revenue and
18 the Department of Community and Economic Development; in permit
19 extensions, further providing for definitions; in special funds,
20 further providing for funding; in general budget implementation,
21 further providing for Auditor General, for Department of Labor
22 and Industry and for Department of Public Welfare; providing for
23 2012-2013 budget implementation; providing for 2012-2013
24 appropriations restrictions; in audits, further providing for
25 audits of Race Horse Development Funds; and making related
26 repeals.

27 Amend Bill, page 2, lines 1 through 10, by striking out all
28 of said lines and inserting

29 Section 1. Section 9 of the act of April 9, 1929 (P.L.343,
30 No.176), known as The Fiscal Code, added November 21, 1990
31 (P.L.542, No.134), is amended to read:

32 Section 9. Method of Payment.--(a) Notwithstanding any
33 other provisions of this act or any other acts, the State
34 Treasurer and the Secretary of Revenue shall jointly prescribe
35 by regulation the method of payment of obligations due the

1 Commonwealth. Such regulations shall include:

2 (1) Requiring payment by electronic funds transfers (EFT)
3 which includes automated clearinghouse debit, automated
4 clearinghouse credit, wire transfer and any other means that may
5 be available to obtain funds due the Commonwealth in the most
6 expeditious manner. The payor shall select which method of
7 electronic funds transfer he wishes to utilize from among these
8 options.

9 (2) Setting the date on which a payment is deemed to have
10 been received when a method other than mail is required.

11 (3) Establishing procedures to be followed when a method
12 other than mail is required.

13 (4) Any other provisions necessary to ensure the prompt
14 deposit of funds legally due the Commonwealth.

15 (5) An option permitting payment by certified or cashier's
16 check delivered in person or by courier to the Department of
17 Revenue on or before the due date of the obligation, in lieu of
18 payment by electronic funds transfer.

19 (b) The regulations shall not require:

20 (1) Any payment to be posted to a Commonwealth account prior
21 to the due date, including grace periods, established by law or
22 regulations.

23 (2) Changes to the method of payment for those payments made
24 by individuals under Article III of the act of March 4, 1971
25 (P.L.6, No.2), known as the "Tax Reform Code of 1971."

26 (3) Changes to the method of payment when the payment is
27 less than [twenty thousand dollars (\$20,000)] ten thousand
28 dollars (\$10,000).

29 (4) Automated clearinghouse debit as the sole and exclusive
30 means of complying with this act and the regulations promulgated
31 pursuant to this act.

32 Section 2. Section 209 of the act, amended June 1, 1931
33 (P.L.318, No.143), is amended to read:

34 Section 209. Transmission of Moneys.-- [All] (a) Except as
35 provided in subsection (b), all moneys received by the
36 Department of Revenue during any day shall be transmitted
37 promptly to the Treasury Department, and the Treasury Department
38 shall forthwith issue its receipt to the Department of Revenue
39 for such moneys, and credit them to the fund and account
40 designated by the Department of Revenue.

41 Detailed statements of all moneys received shall be furnished
42 to the Treasury Department and the Department of the Auditor
43 General contemporaneously with the transmission of such moneys
44 to the Treasury Department.

45 (b) The following apply to contracts:

46 (1) The Department of Revenue may enter into contracts
47 allowing the contractor to be paid for products provided or
48 services rendered, on a contingent fee basis, for taxes,
49 interest, penalty or fees collected or refunds saved.

50 (2) The money collected under paragraph (1) shall be
51 deposited into a restricted receipt account, out of which the

1 contingent fees shall be paid. By the last day of each month,
2 all money remaining in the restricted receipt account shall be
3 transferred to the General Fund.

4 (3) The Department of Revenue shall submit an annual report
5 setting forth the number of contracts entered into under
6 paragraph (1), the amount collected, and the percentage of the
7 contingency.

8 Section 3. Section 309 of the act, amended or added June 30,
9 1972 (P.L.717, No.165) and May 2, 1986 (P.L.145, No.45), is
10 amended to read:

11 Section 309. Replacement Checks.--(a) Upon presentation for
12 payment of any check to the Treasury Department which is more
13 than [one year and not more than seven years] one hundred and
14 eighty days and not more than one year old, the Treasury
15 Department shall requisition and issue a replacement check to
16 the person entitled thereto [which shall be paid from an
17 executive authorization by the Governor made to the Treasury
18 Department for such purpose] from each of the various funds. All
19 reportable Commonwealth checks which have not been presented for
20 payment in excess of one year from the date issuance shall be
21 delivered to the custodial control of the State Treasurer as
22 abandoned or unclaimed property and shall be disposed of under
23 Article XIII.1.

24 (b) The Treasury Department as of January 1, 1972, and on
25 each July 1 thereafter, shall take credit on its books and
26 calculate as cash to the credit of the proper funds all amounts
27 held in State depositories or otherwise for the payment of
28 nonreportable checks which on said dates had been issued for a
29 period of one year or more and which had not been presented for
30 payment.

31 Section 3.1. The act is amended by adding a section to read:

32 Section 1507.1. Settlement Agreements; Enforcement
33 Actions.--(a) Except as set forth in subsection (b), the
34 following apply:

35 (1) Unless otherwise provided by this section or another
36 provision of law, money received by an agency as a result of a
37 settlement, litigation or an enforcement action shall be deemed
38 funds of the Commonwealth and shall, upon receipt, be deposited
39 into the General Fund.

40 (2) If money to pursue a settlement, litigation or
41 enforcement action was expended by the agency from the General
42 Fund or other fund or account established by law, those costs
43 recovered shall be credited to the appropriation, fund or
44 account from which the original costs were expended and used as
45 provided by law and shall be available for expenditure in
46 accordance with the law governing the expenditure.

47 (3) Amounts that exceed the actual costs of a settlement,
48 litigation or enforcement action and are deposited in the
49 General Fund may be redirected to the agency that was the party
50 to the settlement, litigation or enforcement action to
51 supplement the activities of the agency upon request of the

1 agency and approval of the Secretary of the Budget.

2 (4) If there is a redirection under paragraph (3), the
3 secretary shall provide notice of the transfer to the chair of
4 the Appropriations Committee of the Senate and the chair of the
5 Appropriations Committee of the House of Representatives and
6 include a detailed determination of actual costs incurred by the
7 agency and the identification of the associated settlement,
8 litigation or enforcement action.

9 (b) Subsection (a) shall not apply as follows:

10 (1) The recovery of Federal money shall be disposed of in
11 accordance with this section and applicable Federal or State law
12 or contract.

13 (2) Nothing in this section shall supersede any payments,
14 including restitution, ordered by a court.

15 (c) Definition.--As used in this section, the term "Agency"
16 includes the Commonwealth and an agency or instrumentality of
17 the Commonwealth.

18 Section 4. The definitions of "city" and "fund" in section
19 1602-B of the act, added October 9, 2009 (P.L.537, No.50), are
20 amended and the section is amended by adding a definition to
21 read:

22 Section 1602-B. Definitions.

23 The following words and phrases when used in this article
24 shall have the meanings given to them in this section unless the
25 context clearly indicates otherwise:

26 * * *

27 "City." A city of the third class with, [on the effective
28 date of this section] on the date of the designation of a
29 neighborhood improvement zone by the contracting authority, a
30 population of at least 106,000 [and not more than 107,000],
31 based on the [2000] most recent Federal decennial census.

32 * * *

33 "Earned income tax." A tax or portion of a tax imposed on
34 earned income within a neighborhood improvement zone under the
35 act of December 31, 1965 (P.L.1257, No.511), known as The Local
36 Tax Enabling Act, which a city, or a school district contained
37 entirely within the boundaries of or coterminous with the city,
38 is entitled to receive.

39 * * *

40 "Fund." [The] A Neighborhood Improvement Zone Fund
41 established under section 1604-B.

42 * * *

43 Section 5. Section 1604-B(a), (a.1)(3), (b) introductory
44 paragraph, (d), (e), (f) introductory paragraph and (g)
45 introductory paragraph of the act, amended or added October 9,
46 2009 (P.L.537, No.50) and June 30, 2011 (P.L.159, No.26), are
47 amended and the section is amended by adding a subsection to
48 read:

49 Section 1604-B. Neighborhood Improvement Zone [Fund] Funds.

50 (a) Special [fund] funds.--[There is established a special
51 fund known as the Neighborhood Improvement Zone Fund.] Following

1 the designation of a neighborhood improvement zone, the
2 contracting authority shall, within ten days of making the
3 designation or, in the case of a neighborhood improvement zone
4 designated prior to July 1, 2012, within ten days of the
5 effective date of this subsection, notify the State Treasurer of
6 the designation. Upon the notice, the State Treasurer shall
7 establish a special fund for the benefit of each contracting
8 authority to be known as the "Neighborhood Improvement Zone
9 Fund." Interest income derived from investment of the money in
10 [the] each fund shall be credited by the Treasury Department to
11 the fund.

12 (a.1) Certification.--

13 * * *

14 (3) Any penalty imposed under this subsection shall be
15 imposed, assessed and collected by the department under the
16 provisions for imposing, assessing and collecting penalties
17 under Article II of the Tax Reform Code of 1971. When the
18 penalty is received, the money shall be transferred from the
19 General Fund to the fund of the contracting authority that
20 designated the neighborhood improvement zone in which the
21 qualifying business is located.

22 * * *

23 (a.2) Transition.--

24 (1) Subject to paragraphs (3) and (4), within 15 days of
25 the effective date of this subsection, the State Treasurer
26 shall:

27 (i) determine the amount of money in the
28 Neighborhood Improvement Zone Fund existing on the
29 effective date of this subsection which is attributable
30 to each neighborhood improvement zone; and

31 (ii) transfer the amount of money in the
32 Neighborhood Improvement Zone Fund existing on the
33 effective date of this subsection to the fund for each
34 contracting authority for which money was deposited.

35 (2) An entity collecting a local tax that, on the
36 effective date of this subsection, is in possession of money
37 attributable to a local tax not included in the amount to be
38 calculated and certified under subsection (b) shall promptly
39 remit that money to the local taxing authority entitled to
40 receive the money.

41 (3) Transfer and repayment is subject to the following:

42 (i) Before making the transfer under paragraph (1),
43 the State Treasurer shall:

44 (A) determine the amount of money deposited in
45 the fund which was attributable to earned income
46 taxes that a contracting authority is not entitled to
47 receive under subsection (b); and

48 (B) deduct the amount of money determined under
49 clause (A) from the money to be transferred under
50 paragraph (1).

51 (ii) If any amount of the money under subparagraph

1 (i) (A) has already been transferred to a contracting
2 authority, the State Treasurer shall take action as
3 necessary to recover the money from the contracting
4 authority, including by way of setoff from money to be
5 paid to the contracting authority under paragraph (1).
6 The contracting authority shall comply with a demand made
7 by the State Treasurer for the repayment of money under
8 this paragraph.

9 (4) As to the money deducted or recovered under
10 paragraph (3), the State Treasurer shall:

11 (i) identify the local taxing authorities that were
12 entitled to receive the money which was deposited in the
13 fund;

14 (ii) determine the amount to which each local taxing
15 authority was entitled; and

16 (iii) remit the amount under subparagraph (ii) to
17 the proper local taxing authority.

18 (b) Calculation.--Within 60 days of the end of each calendar
19 year, the department shall certify separately for each
20 neighborhood improvement zone the amounts of State taxes paid,
21 less any State tax refunds received, by the qualified businesses
22 filing reports under subsection (a.1)(1) to the Office of the
23 Budget. Beginning in [2012] the first full calendar year
24 following the designation of a neighborhood improvement zone and
25 in each calendar year thereafter, by November 1, the department
26 shall calculate, in accordance with this subsection, amounts of
27 State taxes actually received by the Commonwealth from each
28 qualified business that filed a report under subsection (a.1)(1)
29 in the prior calendar year, and the department shall certify the
30 amounts received to the office. An entity collecting a local tax
31 within the neighborhood improvement zone shall, within 30 days
32 of the end of each calendar year, submit all of the local taxes
33 that are to be calculated under this subsection and which were
34 paid in the prior calendar year, less any certified local tax
35 refunds received by a qualified business in the prior calendar
36 year, to the State Treasurer to be deposited in the fund under
37 subsection (d) of the contracting authority that established the
38 neighborhood improvement zone. This subsection shall not apply
39 to any taxes subject to a valid pledge or security interest
40 entered into in order to secure debt service on bonds if the
41 pledge or security interest was entered into prior to May 1,
42 2011, or in the case of the neighborhood improvement zone
43 designated after July 1, 2011, on the date of the designation,
44 and is still in effect. The following shall be the amounts
45 calculated and certified separately for each neighborhood
46 improvement zone:

47 * * *

48 (d) Transfers.--

49 (1) Within ten days of receiving certification under
50 subsection (b), the Secretary of the Budget shall direct the
51 State Treasurer to, notwithstanding any other law, transfer

1 the amounts certified under subsection (b) for each
2 neighborhood improvement zone from the General Fund to the
3 fund of the contracting authority that established the
4 neighborhood improvement zone. Beginning in [2013] the second
5 calendar year following the designation of a neighborhood
6 improvement zone and in each year thereafter, the amounts
7 certified by the secretary to the State Treasurer and the
8 amounts transferred by the State Treasurer to the fund of
9 each contracting authority shall be determined as follows:

10 (i) Add amounts certified by the department under
11 subsection (b) for the prior calendar year.

12 (ii) Subtract from the sum under subparagraph (i)
13 any State tax refunds paid as certified by the department
14 under subsection (b).

15 (iii) Add to the difference under subparagraph (ii)
16 any amounts certified under subsection (b) with respect
17 to the second prior calendar year.

18 (iv) Subtract from the sum under subparagraph (iii)
19 any amounts certified under subsection (b) which are less
20 than the amounts previously certified under subsection
21 (b) with respect to the second prior calendar year.

22 (2) The State Treasurer shall provide an annual transfer
23 to the contracting authority until the bonds issued to
24 finance and refinance the improvement and development of the
25 neighborhood improvement zone and the construction of the
26 facility or facility complex are retired. Each annual
27 transfer to the contracting authority shall be equal to the
28 balance of the fund of the contracting authority on the date
29 of the transfer under paragraph (1).

30 (e) Restriction on use of [funds.--Funds] money.--Money
31 transferred under subsection (d) is subject to the following:

32 (1) [May] The money may only be utilized [for] as
33 follows:

34 (i) For payment of debt service, directly or
35 indirectly through a multitiered ownership structure or
36 other structure authorized by a contracting authority to
37 facilitate financing mechanisms, on bonds, or on
38 refinancing loans used to repay bonds, issued [for] to
39 finance or refinance:

40 (A) the improvement and development of all or
41 any part of the neighborhood improvement zone; and

42 (B) the [purpose of constructing] construction
43 of all or part of a facility or facility complex[,
44 for].

45 (ii) For payment of debt service on bonds issued to
46 refund those bonds [and to replenish].

47 (iii) For replenishment of amounts required in any
48 debt service reserve funds established to pay debt
49 service on bonds.

50 (1.1) The term of a bond to be refunded shall not exceed
51 the maximum term permitted for the original bond issued for

1 the improvement or development of the neighborhood
2 improvement zone and the construction of a facility or
3 facility complex.

4 (2) [May] The money may not be utilized for purposes of
5 renovating or repairing a facility or facility complex,
6 except for capital maintenance and improvement projects.

7 (f) Ticket surcharge.--The entity operating the facility may
8 collect a capital repair and improvement ticket surcharge, the
9 proceeds of which shall be deposited into the fund of each
10 contracting authority. The [funds] fund of each contracting
11 authority shall be maintained and utilized as follows:

12 * * *

13 (g) Excess money.--Within 30 days of the end of each
14 calendar year, any money remaining in the fund of each
15 contracting authority at the end of the prior calendar year
16 after the required payments under subsection (d)(2) were made in
17 the prior calendar year shall be refunded in the following
18 manner:

19 * * *

20 Section 6. Sections 1605-B, 1607-B and 1601-D.1 of the act,
21 amended or added June 30, 2011 (P.L.159, No.26), are amended to
22 read:

23 Section 1605-B. Keystone Opportunity Zone.

24 [Before September 1, 2011, the] Within four months following
25 the designation of a neighborhood improvement zone, a city
26 [shall] may apply to the Department of Community and Economic
27 Development to decertify and remove the designation of all or
28 part of the Keystone Opportunity Zone on behalf of all political
29 subdivisions. The provisions of section 309 of the act of
30 October 6, 1998 (P.L.705, No.92), known as the Keystone
31 Opportunity Zone, Keystone Opportunity Expansion Zone and
32 Keystone Opportunity Improvement Zone Act shall be deemed
33 satisfied as to all political subdivisions. The Department of
34 Community and Economic Development shall act on the application
35 within 30 days.

36 Section 1607-B. Commonwealth pledges.

37 If and to the extent that the contracting authority pledges
38 amounts required to be transferred to the fund of the
39 contracting authority under section 1604-B for the payment of
40 bonds issued by the contracting authority, until all bonds
41 secured by the pledge of the contracting authority, together
42 with the interest on the bonds, are fully paid or provided for,
43 the Commonwealth pledges to and agrees with any person, firm,
44 corporation or government agency, whether in this Commonwealth
45 or elsewhere, and to and with any Federal agency subscribing to
46 or acquiring the bonds issued by the contracting authority that
47 the Commonwealth itself will not, nor will it authorize any
48 government entity to, abolish or reduce the size of the
49 neighborhood improvement zone; to amend or repeal section 1604-
50 B(a.1), (b) or (d); to limit or alter the rights vested in the
51 contracting authority in a manner inconsistent with the

1 obligations of the contracting authority with respect to the
2 bonds issued by the contracting authority; or to otherwise
3 impair revenues to be paid under this article to the contracting
4 authority necessary to pay debt service on bonds. Nothing in
5 this section shall limit the authority of the Commonwealth or
6 any government entity to change the rate, tax bases or any
7 subject of any specific tax or repealing or enacting any tax.
8 Section 1601-D.1. Administrative oversight.

9 (a) Scope of article.--This section applies to a city of the
10 third class which is determined to be financially distressed
11 under section 203 of the act of July 10, 1987 (P.L.246, No.47),
12 known as the Municipalities Financial Recovery Act.

13 (b) Limitation on bankruptcy.--Notwithstanding any other
14 provision of law, including section 261 of the Municipalities
15 Financial Recovery Act, no distressed city may file a petition
16 for relief under 11 U.S.C. Ch. 9 (relating to adjustment of
17 debts of a municipality) or any other Federal bankruptcy law,
18 and no government agency may authorize the distressed city to
19 become a debtor under 11 U.S.C. Ch. 9 or any other Federal
20 bankruptcy law.

21 (c) Penalty.--If a city subject to this section fails to
22 comply with subsection (b), all Commonwealth funding to the city
23 shall be suspended.

24 (d) Expiration.--This section shall expire [July 1, 2012]
25 November 30, 2012.

26 Section 7. (Reserved).

27 Section 8. (Reserved).

28 Section 9. The act is amended by adding sections to read:
29 Section 1606-E. Conventional oil and gas well bonding.

30 (a) Requirement.--Notwithstanding 58 Pa.C.S. § 3225(a)(1)
31 (relating to bonding), the bond amount for conventional oil or
32 gas wells shall be \$2,500 per well or a blanket bond of \$25,000.
33 The Environmental Quality Board shall undertake a review of the
34 existing bond requirements for conventional oil and gas wells.
35 Nothing in this section shall be construed to alter or repeal
36 section 1934-A of the act of April 9, 1929 (P.L.177, No.175),
37 known as The Administrative Code of 1929.

38 (b) Definition.--As used in this section, the term
39 "conventional oil or gas well" means any oil or gas well which
40 is not an unconventional well as defined in 58 Pa.C.S. § 3203
41 (relating to definitions).

42 Section 1607-E. Oil and gas operations in the South Newark
43 Basin.

44 (a) Legislative findings.--The General Assembly finds and
45 declares that:

46 (1) The United States Geological Survey issued a report
47 in June of 2012, entitled "Assessment of Undiscovered Oil and
48 Gas Resources of the East Coast Mesozoic Basins of the
49 Piedmont, Blue Ridge Thrust Belt, Atlantic Coastal Plain, and
50 New England Provinces, 2011."

51 (2) The report under paragraph (1) revealed a mean

1 average of 876,000,000,000 cubic feet of total undiscovered
2 natural gas resources in the South Newark Basin assessment
3 unit.

4 (3) The unique geologic and geochemical characteristics
5 of the South Newark Basin evaluated in the report under
6 paragraph (1) have not been adequately evaluated by the
7 Commonwealth and are deserving of further study.

8 (b) Well permits.--The Department of Environmental
9 Protection may not issue well permits under 58 Pa.C.S. Ch. 32
10 (relating to development) to engage in oil and gas operations
11 within the geographic boundaries of the South Newark Basin, as
12 defined by the report under subsection (a), until all of the
13 following has occurred:

14 (1) A study is completed by the Department of
15 Conservation and Natural Resources, in consultation with the
16 municipalities located in the South Newark Basin, evaluating
17 the practical resource recovery implications of the report
18 under subsection (a) and the fiscal impact of oil and gas
19 operations on the South Newark Basin.

20 (2) Legislation authorizes the governing body of a
21 county situated in whole or in part within the South Newark
22 Basin that has spud a gas well located within its borders to
23 elect whether to impose a fee on gas wells pursuant to 58
24 Pa.C.S. Ch. 23 (relating to unconventional gas well fee).

25 (c) Expiration.--This section shall expire January 1, 2018.
26 Section 10. Section 1602-F of the act, added June 30, 2011
27 (P.L.159, No.26), is amended to read:
28 Section 1602-F. Definitions.

29 The following words and phrases when used in this article
30 shall have the meanings given to them in this section unless the
31 context clearly indicates otherwise:

32 "Affiliate." As follows:

33 (1) an entity which is part of the same "affiliated
34 group," as defined in section 1504(a) of the Internal Revenue
35 Code of 1986 (Public Law 99-514, 26 U.S.C. § 1504(a)), as a
36 Keystone Special Development Zone employer; or

37 (2) an entity that would be part of the same "affiliated
38 group" except that the entity or the Keystone Special
39 Development employer is not a corporation.

40 "Department." The Department of Community and Economic
41 Development of the Commonwealth.

42 "Employee." An individual who:

43 (1) is employed in this Commonwealth by a Keystone
44 Special Development Zone employer, or its predecessor, after
45 the effective date of this article;

46 (2) is employed for at least 35 hours per week by a
47 Keystone Special Development Zone employer; and

48 (3) spends at least 90% of his or her working time for
49 the Keystone Special Development Zone employer at the
50 Keystone Special Development Zone location.

51 "Full-time equivalent employee." The whole number of

1 employees, rounded down, that equals the sum of:

2 (1) the total paid hours, including paid time off and
3 family leave under the Family and Medical Leave Act of 1993
4 (Public Law 103-3, 29 U.S.C. § 2601 et seq.), of all of a
5 Keystone Special Development Zone employer's employees
6 classified as nonexempt during the Keystone Special
7 Development Zone employer's tax year divided by 2000; and

8 (2) a total number arrived at by adding, for each
9 Keystone Special Development Zone employer's employee
10 classified as exempt scheduled to work at least 35 hours per
11 week, the fraction equal to the portion of the year the
12 exempt employee was paid by the Keystone Special Development
13 Zone employer. Whether an employee shall be classified as
14 exempt or nonexempt shall be determined under the Fair Labor
15 Standards Act of 1938 (52 Stat. 1060, 29 U.S.C. § 201 et
16 seq.).

17 The calculation under this definition excludes employees
18 previously employed by an affiliate and employees previously
19 employed by the Keystone Special Development Zone employer
20 outside of a Keystone Special Development Zone.

21 "Keystone Special Development Zone." A parcel of real
22 property that meets all of the following:

23 (1) On July 1, 2011, was within a special industrial
24 area, as described in section 305(a) of the act of May 19,
25 1995 (P.L.4, No.2), known as the Land Recycling and
26 Environmental Remediation Standards Act, for which the
27 Department of Environmental Protection has executed a special
28 industrial area consent order and agreement, as provided
29 under section 502(a) of the Land Recycling and Environmental
30 Remediation Standards Act.

31 (2) On July 1, 2011[,];

32 (i) had no permanent vertical structures affixed to
33 it; or

34 (ii) had a permanent vertical structure affixed to
35 it which has been deteriorated or abandoned for at least
36 20 years.

37 (3) Is certified by the Department of Environmental
38 Protection as meeting the requirements of paragraphs (1) and
39 (2).

40 "Keystone Special Development Zone employer." A person or
41 entity subject to the taxes imposed under Article III, IV, VI,
42 VII, VIII or XV of the act of March 4, 1971 (P.L.6, No.2) known
43 as the Tax Reform Code of 1971, who employs one or more
44 employees at a Keystone Special Development Zone. The term shall
45 include a pass-through entity. The term shall not include any of
46 the following:

47 (1) An employer who, after January 1, 1990,
48 intentionally or negligently caused or contributed to, in any
49 material respect, a level of regulated substance above the
50 cleanup standards in the act of May 19, 1995 (P.L.4, No.2),
51 known as the Land Recycling and Environmental Remediation

1 Standards Act, on, in or under the Keystone Special
2 Development Zone at which an employee is employed.

3 (2) An employer engaged in construction improvements on
4 a Keystone Special Development Zone.

5 "Pass-through entity." A partnership as defined in section
6 301(n.0) of the act of March 4, 1971 (P.L.6, No.2), known as the
7 Tax Reform Code of 1971, or a Pennsylvania S corporation as
8 defined in section 301(n.1) of the Tax Reform Code of 1971.

9 "Qualified tax liability." Any tax owed by a Keystone
10 Special Development Zone employer attributable to a business
11 activity conducted within a Keystone Special Development Zone
12 for a tax year under Article III, IV, VI, VII, VIII or XV of the
13 act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code
14 of 1971.

15 Section 10.1. Section 1601-H of the act, added July 6, 2010
16 (P.L.279, No.46), is repealed:

17 [Section 1601-H. Department of Education.

18 (a) Applicability.--This section shall apply to Educational
19 Improvement Tax Credits awarded in fiscal year 2010-2011.

20 (b) Restoration.--Notwithstanding Articles XVII-F and XXIX-E
21 of the act of March 4, 1971 (P.L.6, No.2), known as the Tax
22 Reform Code of 1971, for the tax credit established under
23 Article XVII-F of the Tax Reform Code of 1971, the amount
24 available to be awarded pursuant to section 1706-F(a) of the Tax
25 Reform Code of 1971 shall be \$60,000,000 in fiscal year
26 2010-2011. The amount available to be awarded under section
27 1706-F(a)(1) and (2) of the Tax Reform Code of 1971 shall be as
28 follows:

29 (1) The total aggregate amount of all tax credits
30 approved shall not exceed \$53,604,000 in fiscal year
31 2010-2011. No less than \$40,202,400 of the total aggregate
32 amount shall be used to provide tax credits for contributions
33 from business firms to scholarship organizations. No less
34 than \$13,401,600 of the total aggregate amount shall be used
35 to provide tax credits for contributions from business firms
36 to educational improvement organizations.

37 (2) The total aggregate amount of all tax credits
38 approved for contributions from business firms to
39 prekindergarten scholarship programs shall not exceed
40 \$6,396,000 in fiscal year 2010-2011.]

41 Section 10.1a. Sections 1602-H and 1603-H, added June 30,
42 2011 (P.L.159, No.26), are repealed:

43 [Section 1602-H. Department of Revenue.

44 For fiscal year 2011-2012 and each fiscal year thereafter and
45 notwithstanding section 1709-B(a) of the act of March 4, 1971
46 (P.L.6, No.2), known as the Tax Reform Code of 1971, the amount
47 of credits approved by the Department of Revenue under Article
48 XVII-B of the Tax Reform Code of 1971 shall not exceed
49 \$55,000,000 in a fiscal year, and \$11,000,000 of that amount
50 shall be allocated exclusively for small business. As used in
51 this section, the term "small business" has the meaning ascribed

1 in section 1702-B of the Tax Reform Code of 1971.
2 Section 1603-H. Department of Community and Economic
3 Development.

4 For fiscal year 2011-2012 and each fiscal year thereafter,
5 the Department of Community and Economic Development may approve
6 tax credits as follows:

7 (1) Notwithstanding section 1707-D(a) of the act of
8 March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
9 1971, the aggregate amount of tax credits awarded under
10 Article XVII-D of the Tax Reform Code of 1971 shall not
11 exceed \$60,000,000 in a fiscal year.

12 (2) Notwithstanding section 1804-B(e) of the Tax Reform
13 Code of 1971, awards by the department shall not exceed
14 \$10,100,000 in tax credits under Article XVIII-B of the Tax
15 Reform Code of 1971.]

16 Section 10.2. The definition of "extension period" in
17 section 1602-I of the act, added July 6, 2010 (P.L.279, No.46),
18 is amended to read:

19 Section 1602-I. Definitions.

20 The following words and phrases when used in this article
21 shall have the meanings given to them in this section unless the
22 context clearly indicates otherwise:

23 * * *

24 "Extension period." The period beginning after December 31,
25 2008, and ending before July 2, [2013] 2016.

26 * * *

27 Section 11. Section 1702-A of the act, amended June 30, 2011
28 (P.L.159, No.26), is amended to read:

29 Section 1702-A. Funding.

30 (a) Intent.--It is hereby declared as the intent and goal of
31 the General Assembly to create a stabilization reserve in an
32 eventual amount of 6% of the revenues of the General Fund of the
33 Commonwealth.

34 (b) Transfer of portion of surplus.--

35 (1) Except as may be provided in paragraph (2), for
36 fiscal years beginning after June 30, 2002, the following
37 apply:

38 (i) Except as set forth in this paragraph, if the
39 Secretary of the Budget certifies that there is a surplus
40 in the General Fund for a specific fiscal year, 25% of
41 the surplus shall be deposited by the end of the next
42 succeeding quarter into the Budget Stabilization Reserve
43 Fund.

44 (ii) If the Secretary of the Budget certifies, after
45 June 30, 2005, that there is a surplus in the General
46 Fund for the fiscal year 2004-2005, 15% of the surplus
47 shall be deposited by the end of the next succeeding
48 quarter into the Budget Stabilization Reserve Fund.

49 (iii) No amount of the surplus in the General Fund
50 for fiscal year 2007-2008 may be deposited into the
51 Budget Stabilization Reserve Fund.

1 (iv) No amount of the surplus in the General Fund
2 for fiscal year 2010-2011 may be deposited into the
3 Budget Stabilization Reserve Fund.

4 (v) No amount of the surplus in the General Fund for
5 fiscal year 2011-2012 may be deposited into the Budget
6 Stabilization Reserve Fund.

7 (2) If, at the end of any fiscal year, the ending
8 balance of the Budget Stabilization Reserve Fund equals or
9 exceeds 6% of the actual General Fund revenues received for
10 the fiscal year in which the surplus occurs, 10% of the
11 surplus shall be deposited by the end of the next succeeding
12 quarter into the Budget Reserve Stabilization Fund.

13 (c) Appropriated funds.--The General Assembly may at any
14 time provide additional amounts from any funds available to this
15 Commonwealth as an appropriation to the Budget Stabilization
16 Reserve Fund.

17 Section 12. Section 1715-E of the act, amended June 30, 2011
18 (P.L.159, No.26), is amended to read:
19 Section 1715-E. Auditor General.

20 The following shall apply to appropriations to the Auditor
21 General:

22 (1) Funds appropriated to the Department of the Auditor
23 General shall be for the purpose of performing postaudits in
24 accordance with generally accepted government auditing
25 standards.

26 (2) [If] By March 31, the Auditor General [fails to]
27 shall deliver [an] to the Office of the Budget a complete
28 annual audit of Commonwealth-managed federally funded
29 programs [by March 31, 2012, and each March 31 thereafter,]
30 in accordance with the Single Audit Act of 1984 (Public Law
31 98-502, 31 U.S.C. § 7501 et seq.) and related guidance issued
32 by the [United States] Office of Management and Budget; or
33 the Auditor General and the Office of the Budget must agree
34 in writing that extenuating circumstances prevent the Auditor
35 General from completing the audit by the specified date. If
36 there is noncompliance with this paragraph, the State
37 Treasurer shall not authorize the release of any funds
38 appropriated to the Auditor General in the quarter following
39 the failure of the Auditor General to deliver the audit until
40 the Auditor General completes the audit and delivers it to
41 the Office of the Budget. The Auditor General shall not bill
42 any Commonwealth agency to make up for any funding deficiency
43 caused by the State Treasurer withholding payments under this
44 paragraph.

45 (3) The Auditor General shall provide the Office of the
46 Budget a Single Audit Engagement Letter, including the total
47 cost to perform the audit and a timeline each year for annual
48 funding approval.

49 Section 13. (Reserved).

50 Section 14. Sections 1727-E and 1729-E(2)(i) of the act,
51 added July 17, 2007 (P.L.141, No.42), are amended to read:

1 Section 1727-E. Department of Labor and Industry [(Reserved)].
2 For the "Reed Act-Unemployment Insurance" and "Reed Act-
3 Employment Services and Unemployment Insurance" appropriations,
4 the total amount which may be obligated shall not exceed the
5 limitations under section 903 of the Social Security Act (49
6 Stat. 620, 42 U.S.C. § 1103).

7 Section 1729-E. Department of Public Welfare.

8 The following shall apply to appropriations for the
9 Department of Public Welfare:

10 * * *

11 (2) Federal and State medical assistance payments. The
12 following shall apply:

13 (i) [(Reserved).] No funds appropriated for approved
14 capitation plans shall be used to pay a provider who
15 fails to supply information in a form required by the
16 department in order to facilitate claims for Federal
17 financial participation for services rendered to general
18 assistance clients.

19 * * *

20 Section 15. Repeals are as follows:

21 (1) The General Assembly finds and declares as follows:

22 (i) Each year, articles on budget implementation are
23 added to the act.

24 (ii) These articles are temporary in nature but are
25 placed permanently into the act, utilizing article
26 numbers and section numbers.

27 (iii) Reusing article numbers and section numbers
28 will keep the text of the act more concise.

29 (iv) The repeal under paragraph (2) is necessary to
30 effectuate subparagraph (iii).

31 (2) Articles XVII-F and XVII-G of the act, added July
32 17, 2007 (P.L.141, No.42), are repealed.

33 Section 16. The act is amended by adding articles to read:

34 ARTICLE XVII-F

35 2012-2013 BUDGET IMPLEMENTATION

36 SUBARTICLE A

37 PRELIMINARY PROVISIONS

38 Section 1701-F. Applicability.

39 Except as specifically provided in this article, this article
40 applies to the General Appropriation Act and all other
41 appropriation acts of 2012.

42 Section 1702-F. Definitions and abbreviations.

43 (a) Definitions.--The following words and phrases when used
44 in this article shall have the meanings given to them in this
45 section unless the context clearly indicates otherwise:

46 "General Appropriation Act." The act of _____, 2012 (P.L. _____,
47 No. _____ A), known as the General Appropriation Act of 2012.

48 "Secretary." The Secretary of the Budget of the
49 Commonwealth.

50 (b) Abbreviations.--The following abbreviations when used in
51 this article shall have the meanings given to them in this

1 section:

2 "AIDS." Acquired Immune Deficiency Syndrome.

3 "ARC." Appalachian Regional Commission.

4 "ARRA." The American Recovery and Reinvestment Act of 2009
5 (Public Law 111-5, 123 Stat. 115).

6 "BG." Block Grant.

7 "CCDFBG." Child Care and Development Fund Block Grant.

8 "CSBG." Community Services Block Grant.

9 "DCSI." Drug Control and Systems Improvement Formula Grant
10 Program.

11 "DFSC." The Safe and Drug-Free Schools and Communities Act
12 (Public Law 107-110, 20 U.S.C. § 7101 et seq.).

13 "DOE." Department of Energy.

14 "EEOC." Equal Employment Opportunity Commission.

15 "EPA." Environmental Protection Agency.

16 "ESEA." The Elementary and Secondary Education Act of 1965
17 (Public Law 89-10, 20 U.S.C. § 6301 et seq.).

18 "FEMA." Federal Emergency Management Agency.

19 "FTA." Federal Transit Administration.

20 "HUD." Department of Housing and Urban Development.

21 "ID." Intellectual Disability.

22 "LIHEABG." Low-Income Home Energy Assistance Block Grant.

23 "LSTA." The Library Services and Technology Act (Public Law
24 104-208, 20 U.S.C. § 9101 et seq.).

25 "MCHSBG." Maternal and Child Health Services Block Grant.

26 "MHSBG." Mental Health Services Block Grant.

27 "PAFE." Pennsylvania Agricultural Food Exposition.

28 "PHHSBG." Preventive Health and Health Services Block Grant.

29 "RSAT." Residential Substance Abuse Treatment.

30 "SABG." Substance Abuse Block Grant.

31 "SCDBG." Small Communities Development Block Grant.

32 "SDA." Service Delivery Area.

33 "SSBG." Social Services Block Grant.

34 "TANF." Temporary Assistance for Needy Families.

35 "TANFBG." Temporary Assistance for Needy Families Block
36 Grant.

37 "TEFAP." Temporary Emergency Food Assistance Program.

38 "WIA." The Workforce Investment Act of 1998 (Public Law
39 105-220, 112 Stat. 936).

40 "WIC." Women, Infants and Children Program.

41 SUBARTICLE B

42 EXECUTIVE DEPARTMENTS

43 Section 1711-F. Governor (Reserved).

44 Section 1712-F. Executive Offices.

45 (1) Money appropriated to the Pennsylvania Commission on
46 Crime and Delinquency for intermediate punishment treatment
47 programs shall be allocated in the same proportion as funding
48 provided in fiscal year 2011-2012 for intermediate punishment
49 programs and for intermediate punishment drug and alcohol
50 treatment.

51 (2) From money appropriated to the commission, at least

1 \$85,000 shall be used to support the Statewide Automated
2 Victim Information and Notification System (SAVIN) to provide
3 offender information through county jails.

4 (3) From money appropriated to the commission, at least
5 \$50,000 shall be used for gang violence prevention
6 initiatives in counties of the third class.

7 (4) From money appropriated for violence prevention
8 programs, at least \$250,000 shall be used for programs in a
9 city of the first class.

10 Section 1713-F. Lieutenant Governor (Reserved).

11 Section 1714-F. Attorney General (Reserved).

12 Section 1715-F. Auditor General (Reserved).

13 Section 1716-F. Treasury Department (Reserved).

14 Section 1717-F. Department of Aging (Reserved).

15 Section 1718-F. Department of Agriculture.

16 At least 80% of the funds appropriated for hardwoods research
17 and promotion shall be equally distributed among the hardwood
18 utilization groups of this Commonwealth established prior to the
19 effective date of this section.

20 Section 1719-F. Department of Community and Economic
21 Development.

22 The following shall apply to appropriations for the
23 Department of Community and Economic Development:

24 (1) For fiscal year 2012-2013, money appropriated for
25 the Keystone Communities shall include allocations for the
26 Main Street and Elm Street programs in the same proportion as
27 amounts allocated in fiscal year 2011-2012.

28 (2) Money appropriated for PennPORTS for fiscal year
29 2012-2013 shall be allocated as follows:

30 (i) Six and ninety-seven hundredths percent for
31 PennPORTS operation.

32 (ii) Eight percent for the Port of Pittsburgh.

33 (iii) Twenty-three and three hundredths percent for
34 the Port of Erie.

35 (iv) Sixty-two percent for the operating and
36 administrative expenses of the Philadelphia Regional Port
37 Authority.

38 (3) Money appropriated for marketing to attract tourists
39 includes an allocation to market a biennial arts and cultural
40 activity which generates regional and Statewide economic
41 impact and allocations to promote annual arts and cultural
42 activities.

43 (4) From money appropriated for Pennsylvania First,
44 \$800,000 shall be distributed through a pilot program to
45 purchase mobile imaging and cardiovascular hospital
46 equipment.

47 Section 1720-F. Department of Conservation and Natural
48 Resources (Reserved).

49 Section 1721-F. Department of Corrections (Reserved).

50 Section 1722-F. Department of Education.

51 The following shall apply to appropriations for the

1 Department of Education in the General Appropriation Act:

2 (1) Notwithstanding section 1905-D of the act of March
3 10, 1949 (P.L.30, No.14), known as the Public School Code of
4 1949, funds appropriated for community education councils
5 shall be distributed as follows:

6 (i) Each community education council which received
7 funding in fiscal year 2011-2012 shall receive an amount
8 equal to the amount it received in that fiscal year and a
9 pro rata share of \$170,000.

10 (ii) In addition to the funds received under
11 subparagraph (i), a grant in an amount not less than
12 \$100,000 shall be awarded to a community education
13 council located in Potter County.

14 (iii) No less than \$350,000 shall be awarded to an
15 education consortium serving Cameron, Clarion,
16 Clearfield, Crawford, Elk, Forest, Jefferson, McKean,
17 Potter, Venango and Warren Counties.

18 (iv) No less than \$50,000 shall be awarded to an
19 education partnership located in Lackawanna County that
20 previously received funding from the department for a
21 postsecondary career training grant and is currently
22 providing community education services which support
23 business education partnerships.

24 (v) No less than \$50,000 shall be awarded to a
25 community education council located in Wayne County.

26 (2) From funds appropriated for regional community
27 college services, \$500,000 shall be distributed to a
28 community college in a county of the fourth class with a
29 population, based on the most recent Federal decennial
30 census, of at least 165,000 but not more than 180,000.

31 (3) From funds appropriated for approved private
32 schools, \$700,000 shall be allocated to a school which has
33 received approval from the department to begin serving
34 students as an approved private school for the 2012-2013
35 school year.

36 (4) Notwithstanding 24 Pa.C.S. § 8329(a) (relating to
37 payments on account of social security deductions from
38 appropriations), when calculating payments by the
39 Commonwealth under 24 Pa.C.S. § 8329, the department shall
40 treat the following as covered wages which are not federally
41 funded:

42 (i) Wages paid out of the ARRA State Stabilization
43 Fund.

44 (ii) Wages paid out of the ARRA funds appropriated
45 for individuals with disabilities education (Part B -
46 preschool age 3-5).

47 (iii) Wages paid out of the Education Jobs Fund
48 Grant.

49 (5) For Federal funds redistributed to the department
50 from the act of August 10, 2010 (Public Law 111-226, 124
51 Stat. 2389), each district shall receive a pro rata share of

1 the Federal education job funds based on the amount of the
2 allocation it received in accordance with section 1722-L(14).
3 If a district notifies the department that it will refuse its
4 pro rata share of these funds, the department shall include
5 those refused funds in the pro rata distribution among the
6 remaining districts. This shall apply to appropriations made
7 to the department under Part XIX of the General Appropriation
8 Act.

9 (6) Notwithstanding section 1724-A of the Public School
10 Code of 1949 or 24 Pa.C.S. § 8329, no payments shall be made
11 to charter schools or cyber charter schools authorized under
12 Article XVII-A of the Public School Code of 1949, from funds
13 appropriated for school employee's Social Security.

14 (7) Notwithstanding any other provision of law, funds
15 from the set-aside under section 2509.8(e) of the Public
16 School Code of 1949 shall be allocated to each approved
17 private school with a day tuition rate determined to be less
18 than \$32,000 during the 2010-2011 school year. The allocation
19 shall be determined as follows:

20 (i) Subtract:

21 (A) the approved private school's 2010-2011
22 school year day tuition rate; from

23 (B) \$38,072.

24 (ii) Multiply:

25 (A) the difference under subparagraph (i); by

26 (B) the number of approved students enrolled in
27 the approved private school during the 2010-2011
28 school year.

29 (8) From funds appropriated for Pennsylvania Charter
30 Schools for the Deaf and Blind, \$750,000 shall be distributed
31 pro rata based on each school's share of required
32 contributions for public school employees' retirement.

33 (9) Notwithstanding any other provision of law, the
34 department may directly distribute money from funds
35 appropriated in Part XIX of the General Appropriations Act
36 for basic education formula enhancement on behalf of a school
37 district located in a home rule county that was formerly a
38 county of the second class A and which has, as of June 30,
39 2012, outstanding statutory and accounts payable obligations
40 for the 2011-2012 fiscal year.

41 Section 1723-F. Department of Environmental Protection.

42 The following shall apply to appropriations for the
43 Department of Environmental Protection in the General
44 Appropriation Act:

45 (1) Notwithstanding section 502 of the act of July 9,
46 2008 (1st Sp.Sess., P.L.1873, No.1), known as the Alternative
47 Energy Investment Act, in fiscal year 2012-2013, no funds
48 shall be appropriated from the General Fund to the department
49 for the Consumer Energy Program. Any appropriation for fiscal
50 year 2012-2013 is revoked.

51 (2) (Reserved).

1 Section 1724-F. Department of General Services (Reserved).

2 Section 1725-F. Department of Health.

3 (1) Funds appropriated for lupus programs shall be
4 distributed in the same proportion as distributed in fiscal
5 year 2011-2012.

6 (2) Funds appropriated for biotechnology research
7 include allocations for regenerative medicine research; for
8 hepatitis and viral research; for drug research and clinical
9 trials related to cancer; and for genetic and molecular
10 research for disease identification and eradication.

11 Section 1726-F. Insurance Department (Reserved).

12 Section 1727-F. Department of Labor and Industry.

13 The following shall apply to appropriations for the
14 Department of Labor and Industry from the General Appropriation
15 Act:

16 (1) The appropriation for payment to the Vocational
17 Rehabilitation Fund for work of the State Board of Vocational
18 Rehabilitation includes \$2,153,000 for a Statewide
19 professional service provider association for the blind to
20 provide specialized services and prevention of blindness
21 services and \$431,000 to provide specialized services and
22 prevention of blindness services in cities of the first
23 class.

24 (2) From funds appropriated to the department for
25 general government operations, \$250,000 shall be used for the
26 purchase of transportation assistance for job retention, job
27 training and job search activities for displaced, unemployed
28 and disabled individuals and families in counties of the
29 second class.

30 Section 1728-F. Department of Military and Veterans Affairs
31 (Reserved).

32 Section 1729-F. Department of Public Welfare.

33 The following shall apply to appropriations for the
34 Department of Public Welfare from the General Appropriation Act:

35 (1) Authorized transfers for child-care services. The
36 following shall apply:

37 (i) The department, upon approval of the secretary,
38 may transfer Federal funds appropriated for TANFBG Child
39 Care Assistance to the CCDFBG Child Care Services
40 appropriation to provide child-care services to
41 additional low-income families if the transfer of funds
42 will not result in a deficit in the appropriation. The
43 secretary shall provide notice ten days prior to a
44 transfer under this subparagraph to the chairman and
45 minority chairman of the Appropriations Committee of the
46 Senate and the chairman and minority chairman of the
47 Appropriations Committee of the House of Representatives.

48 (ii) The department, upon approval of the secretary,
49 may transfer Federal funds appropriated for CCDFBG Child
50 Care Assistance to the CCDFBG Child Care Services
51 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) For fiscal year 2012-2013, payments to hospitals
12 for Community Access Fund grants shall be distributed
13 under the formulas utilized for these grants in fiscal
14 year 2011-2012. If the total funding available under this
15 subparagraph is less than that available in fiscal year
16 2011-2012, payments shall be made on a pro rata basis.

17 (ii) Funds appropriated for medical assistance
18 transportation shall only be utilized as a payment of
19 last resort for transportation for eligible medical
20 assistance recipients.

21 (iii) Amounts allocated from funds appropriated for
22 medical assistance outpatient services for the Select
23 Plan for Women Preventative Health Services shall be used
24 for women's medical services, including noninvasive
25 contraception supplies.

26 (iv) Federal or State funds appropriated under the
27 General Appropriation Act in accordance with Article
28 VIII-H of the act of June 13, 1967 (P.L.31, No.21), known
29 as the Public Welfare Code, not used to make payments to
30 hospitals qualifying as Level III trauma centers or
31 seeking accreditation as Level III trauma centers shall
32 be used to make payments to hospitals qualifying as
33 Levels I and II trauma centers.

34 (v) Qualifying university-affiliated physician
35 practice plans which received funds for the fiscal year
36 2011-2012 shall not receive any less than the State
37 appropriation made available to those university-
38 affiliated physician practice plans during fiscal year
39 2011-2012. From funds appropriated for physician practice
40 plans, \$1,500,000 shall be distributed to a physician
41 practice plan serving a health system located in a city
42 of the first class and a contiguous county of the second
43 class A which did not receive funding during fiscal year
44 2011-2012.

45 (vi) Qualifying academic medical centers which
46 received funds for the fiscal year 2011-2012 shall not
47 receive any less than the State appropriation made
48 available to those academic medical centers during fiscal
49 year 2011-2012. From funds appropriated for qualifying
50 academic medical centers:

51 (A) \$2,000,000 shall be distributed to an

1 academic medical center located in a third class
2 county with a population between 210,000 and 215,000
3 under the 2010 Federal decennial census;

4 (B) \$500,000 shall be distributed to an academic
5 medical center located in a third class county with a
6 population between 279,000 and 282,000 under the 2010
7 Federal decennial census; and

8 (C) \$500,000 shall be distributed to an academic
9 medical center located in a city of the first class
10 that did not receive funding during fiscal year
11 2010-2011.

12 (vii) Notwithstanding any other law, funds
13 appropriated for medical assistance payments-inpatient,
14 exclusive of inpatient services provided through
15 capitation plans, shall include sufficient funds for two
16 separate All Patient Refined Diagnostic Related Group
17 payments for inpatient acute care general hospital stays
18 for:

19 (A) normal newborn care; and

20 (B) mothers obstetrical delivery.

21 (3) Breast cancer screening. The following shall apply:

22 (i) Funds appropriated for breast cancer screening
23 may be used for women's medical services, including
24 noninvasive contraception supplies.

25 (ii) (Reserved).

26 (4) Women's service programs. The following shall apply:

27 (i) Funds appropriated for women's service programs
28 grants to nonprofit agencies whose primary function is to
29 promote childbirth and provide alternatives to abortion
30 shall be expended to provide services to women until
31 childbirth and for up to 12 months thereafter, including
32 food, shelter, clothing, health care, counseling,
33 adoption services, parenting classes, assistance for
34 postdelivery stress and other supportive programs and
35 services and for related outreach programs. Agencies may
36 subcontract with other nonprofit entities which operate
37 projects designed specifically to provide all or a
38 portion of these services. Projects receiving funds
39 referred to in this subparagraph shall not promote, refer
40 for or perform abortions or engage in any counseling
41 which is inconsistent with the appropriation referred to
42 in this subparagraph and shall be physically and
43 financially separate from any component of any legal
44 entity engaging in such activities.

45 (ii) Federal funds appropriated for TANFBG
46 Alternatives to Abortion shall be utilized solely for
47 services to women whose gross family income is below 185%
48 of the Federal poverty guidelines.

49 (5) County children and youth programs. The following
50 shall apply:

51 (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 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) The provisions of 8 U.S.C. §§ 1611 (relating to
23 aliens who are not qualified aliens ineligible for Federal
24 public benefits), 1612 (relating to limited eligibility of
25 qualified aliens for certain Federal programs) and 1642
26 (relating to verification of eligibility for Federal public
27 benefits) shall apply to payments and providers.

28 (8) To supplement the funds appropriated to the
29 department for medical assistance for workers with
30 disabilities, in addition to the monthly premium established
31 in section 1503(b)(1) of act of June 26, 2001 (P.L.755,
32 No.77), known as the Tobacco Settlement Act, the department
33 may adjust the percentage of the premium, upon approval of
34 the Centers for Medicare and Medicaid Services as authorized
35 under Federal requirements. Failure to make payments in
36 accordance with this paragraph or section 1503(b)(1) of the
37 Tobacco Settlement Act shall result in the termination of
38 medical assistance coverage.

39 (9) From funds appropriated for autism intervention and
40 services, \$450,000 shall be distributed to a behavioral
41 health facility located in a fifth class county with a
42 population between 130,000 and 135,000 under the 2010 Federal
43 decennial census that operates a center for autism and
44 developmental disabilities and \$240,000 shall be distributed
45 to an institution of higher education which provides autism
46 education and diagnostic curriculum located in a city of the
47 first class that operates a center for autism in a county of
48 the second class A.

49 (10) The department shall conduct a study to analyze the
50 impact of the current funding formula and the factors
51 weighted to determine Statewide distribution of funding unmet

1 needs; access to sexual assault victim services; and the
2 relationship of the funding to rural, urban and suburban
3 regions of this Commonwealth. The study shall include input
4 from a geographic cross section of the subgrantees operating
5 the rape crisis programs and providing direct services,
6 including programs which serve the majority of sexual assault
7 victims. The department shall, by January 31, 2013, report
8 its findings, including the rationale for the current
9 weighted formula and any recommendations for formula changes,
10 to the chair of the Appropriations Committee of the Senate
11 and the chair of the Appropriations Committee of the House of
12 Representatives. The Pennsylvania Coalition Against Rape
13 shall provide data and otherwise cooperate with the
14 department to conduct the study.

15 (11) Notwithstanding any other law, for fiscal year
16 2012-2013, the department may reallocate State funds
17 resulting from any unspent funds allocated to counties for
18 fiscal year 2011-2012 for mental health and intellectual
19 disability services under the act of October 20, 1966 (3rd
20 Sp.Sess., P.L.96, No.6), known as the Mental Health and
21 Intellectual Disability Act of 1966, to other counties based
22 on criteria determined by the department.

23 (12) The department shall conduct a study to develop a
24 new county funding formula that provides a more equitable
25 distribution of funds and considers the most recent
26 population data. By January 1, 2013, the department shall
27 submit a report including the new county funding formula, the
28 factors involved in developing the formula, the impact on
29 county allocations and recommendations regarding
30 implementation.

31 Section 1730-F. Department of Revenue.

32 The following shall apply to appropriations for the
33 Department of Revenue in the General Appropriation Act:

34 (1) The Enhanced Revenue Collection Account created
35 under section 1730-L for fiscal years 2010-2011 and 2011-2012
36 shall continue through fiscal year 2016-2017. Revenues
37 collected and the amount of refunds avoided as a result of
38 expanded tax return reviews and tax collection activities
39 shall be deposited into the account. The following shall
40 apply:

41 (i) Of the funds in the account, for each of the
42 fiscal years 2012-2013 through fiscal year 2016-2017, up
43 to \$10,000,000 is appropriated to the department to fund
44 the costs associated with increased tax collection
45 enforcement and reduction in tax refund errors. The
46 balance of the funds in the account on June 15, 2012, and
47 each June 15 thereafter shall be transferred to the
48 General Fund or other authorized fund.

49 (ii) The department shall issue a report to the
50 Governor, the majority chair and the minority chair of
51 the Appropriations Committee of the Senate and the

1 majority chair and minority chair of the Appropriations
2 Committee of the House of Representatives by June 1,
3 2013, and by each June 1, thereafter, with the following
4 information:

5 (A) A detailed breakdown of the department's
6 administrative costs in implementing the activities
7 described under this section.

8 (B) The amount of revenue collected and the
9 amount of refunds avoided as a result of the
10 activities described under this paragraph, including
11 details of the type of tax generating the revenue and
12 avoided refunds.

13 (2) (Reserved).

14 Section 1731-F. Department of State (Reserved).

15 Section 1732-F. Department of Transportation (Reserved).

16 Section 1733-F. Pennsylvania State Police.

17 The following shall apply to appropriations for the
18 Pennsylvania State Police from the General Appropriation Act:

19 (1) Payments made to municipalities under 53 Pa.C.S. §
20 2170 (relating to reimbursement of expenses) shall be limited
21 to money available. If money is not available to make full
22 payments, the Municipal Police Officers' Education and
23 Training Commission shall make payments on a pro rata basis.

24 (2) Money appropriated for general government operations
25 shall include adequate funding for the recruitment, education
26 and training of a cadet class of not less than 100
27 individuals.

28 Section 1734-F. (Reserved).

29 Section 1735-F. Pennsylvania Emergency Management Agency
30 (Reserved).

31 Section 1736-F. Pennsylvania Fish and Boat Commission
32 (Reserved).

33 Section 1737-F. State System of Higher Education (Reserved).

34 Section 1737.1-F. State-related institutions (Reserved).

35 Section 1738-F. Pennsylvania Higher Education Assistance Agency
36 (Reserved).

37 Section 1739-F. Pennsylvania Historical and Museum Commission
38 (Reserved).

39 Section 1740-F. Pennsylvania Infrastructure Investment
40 Authority (Reserved).

41 Section 1741-F. Environmental Hearing Board (Reserved).

42 Section 1742-F. Pennsylvania Board of Probation and Parole
43 (Reserved).

44 Section 1743-F. (Reserved).

45 Section 1744-F. (Reserved).

46 Section 1745-F. (Reserved).

47 Section 1746-F. (Reserved).

48 Section 1747-F. (Reserved).

49 Section 1748-F. Commonwealth Financing Authority.

50 The Board of the Commonwealth Financing Authority shall use
51 at least \$5,500,000 of interest earned from the investment of

1 unexpended authority bond proceeds to pay the principal and
2 interest due to be paid for authority bonds during fiscal year
3 2012-2013.

4 Section 1749-F. Thaddeus Stevens College of Technology
5 (Reserved).

6 Section 1750-F. Pennsylvania Housing Finance Agency (Reserved).

7 Section 1751-F. LIHEABG (Reserved).

8 SUBARTICLE C

9 STATE GOVERNMENT SUPPORT AGENCIES

10 Section 1761-F. Health Care Cost Containment Council.

11 The Health Care Cost Containment Council shall submit a
12 report to the chairman and minority chairman of the
13 Appropriations Committee of the Senate and the chairman and
14 minority chairman of the Appropriations Committee of the House
15 of Representatives specifying the amount and source of proceeds
16 received from the sale of data by the council. The report shall
17 supplement the annual report of financial expenditures required
18 under section 17.1 of the act of July 8, 1986 (P.L.408, No.89),
19 known as the Health Care Cost Containment Act. The proceeds
20 received from the sale of data may be used for the operations of
21 the council.

22 Section 1762-F. State Ethics Commission (Reserved).

23 Section 1763-F. Legislative Reference Bureau (Reserved).

24 Section 1764-F. Legislative Budget and Finance Committee.

25 (a) Environmental study.--

26 (1) The Legislative Budget and Finance Committee, in
27 consultation with the Pennsylvania Infrastructure Investment
28 Authority, shall conduct a study of how the Commonwealth can
29 meet nutrient reduction planning targets contained in any
30 watershed implementation plan.

31 (2) Contents.--The study shall include:

32 (i) A review of the cost, the environmental,
33 recreational and public health and safety impact and
34 other benefits realized by the Commonwealth and
35 municipalities from reductions of water quality
36 impairment from nutrients in major watersheds.

37 (ii) An assessment of the use of competitive bidding
38 for long-term verified nutrient credits rather than
39 sector allocation targets in any watershed implementation
40 plan.

41 (iii) An analysis of funding options, including use
42 of any available Federal, State or local funds for the
43 purchase of nutrient credits.

44 (3) Results.--Results of the study shall be presented by
45 December 30, 2012, to all of the following:

46 (i) The following committees of the Senate:

47 (A) Agriculture and Rural Affairs.

48 (B) Environmental Resources and Energy.

49 (C) Local Government.

50 (ii) The following committees of the House of
51 Representatives:

1 2012-2013 RESTRICTIONS ON APPROPRIATIONS
2 FOR FUNDS AND ACCOUNTS

3 Section 1701-G. Applicability.

4 Except as specifically provided in this article, this article
5 applies to the act of , 2012 (P.L. No. A), known as the
6 General Appropriation Act of 2012 and all other appropriation
7 acts of 2012.

8 Section 1702-G. State Lottery Fund.

9 (1) Funds appropriated for PENNCARE shall not be
10 utilized for administrative costs by the Department of Aging.

11 (2) (Reserved).

12 Section 1703-G. Energy Conservation and Assistance Fund

13 (Reserved).

14 Section 1704-G. Judicial Computer System Augmentation Account

15 (Reserved).

16 Section 1704.1-G. Access to Justice Account (Reserved).

17 Section 1705-G. Emergency Medical Services Operating Fund

18 (Reserved).

19 Section 1706-G. The State Stores Fund (Reserved).

20 Section 1707-G. Motor License Fund (Reserved).

21 Section 1708-G. Hazardous Material Response Fund (Reserved).

22 Section 1709-G. Milk Marketing Fund (Reserved).

23 Section 1710-G. HOME Investment Trust Fund (Reserved).

24 Section 1711-G. Tuition Payment Fund (Reserved).

25 Section 1712-G. Banking Department Fund (Reserved)

26 Section 1713-G. Firearm Records Check Fund (Reserved).

27 Section 1714-G. Ben Franklin Technology Development Authority
28 Fund (Reserved).

29 Section 1715-G. Tobacco Settlement Fund.

30 (a) Deposits.--

31 (1) Notwithstanding sections 303(b)(2), (3) and (4) and
32 306 of the act of June 26, 2001 (P.L.755, No.77), known as
33 the Tobacco Settlement Act, the following shall apply:

34 (i) For fiscal year 2012-2013, the strategic
35 contribution payments received in fiscal year 2011-2012
36 under the Master Settlement Agreement shall remain in the
37 Tobacco Settlement Fund.

38 (ii) For fiscal year 2012-2013, the funds
39 appropriated under section 306(b)(1)(i) of the Tobacco
40 Settlement Act shall remain in the Tobacco Settlement
41 Fund.

42 (iii) For fiscal year 2012-2013, 62.5% of the money
43 appropriated under section 306(b)(1)(iii) of the Tobacco
44 Settlement Act may not be expended, transferred or lapsed
45 but shall remain in the Tobacco Settlement Fund.

46 (iv) For fiscal year 2012-2013, 30% of the money
47 appropriated under section 306(b)(1)(iv) of the Tobacco
48 Settlement Act for health-related research under section
49 906(2) and (3) of the Tobacco Settlement Act may not be
50 expended, transferred or lapsed but shall remain in the
51 Tobacco Settlement Fund.

1 (v) For fiscal year 2012-2013, 18.2% of the money
2 appropriated under section 306(b)(1)(v) of the Tobacco
3 Settlement Act may not be expended, transferred or lapsed
4 but shall remain in the Tobacco Settlement Fund.

5 (vi) For fiscal year 2012-2013, 33.3% of the money
6 appropriated under section 306(b)(1)(vi) of the Tobacco
7 Settlement Act may not be expended, transferred or lapsed
8 but shall remain in the Tobacco Settlement Fund.

9 (2) Money deposited into the fund under paragraph (1)
10 shall be appropriated for health-related purposes. If
11 applicable, the amount appropriated under this paragraph
12 shall be matched by appropriated Federal augmenting funds.

13 (b) Use of funds.--Funds deposited in the Tobacco Settlement
14 Fund from payments received in April 2012 and April 2013 shall
15 be used to make appropriations under this section and section
16 306 of the Tobacco Settlement Act.

17 (c) Allocation.--Funding for local programs under section
18 708(b) of the Tobacco Settlement Act, shall be allocated as
19 follows:

20 (1) Thirty percent of grant funding to primary
21 contractors for local programs shall be allocated equally
22 among each of the 67 counties.

23 (2) The remaining 70% of grant funding to primary
24 contractors for local programs shall be allocated on a per
25 capita basis of each county with a population greater than
26 60,000. The per capita formula shall be applied only to that
27 portion of the population that is greater than 60,000 for
28 each county.

29 (3) Budgets shall be developed by each primary
30 contractor to reflect service planning and expenditures in
31 each county. Each primary contractor shall ensure that
32 services are available to residents of each county and must
33 expend the allocated funds on a per-county basis pursuant to
34 paragraphs (1) and (2).

35 (4) The Department of Health shall compile a detailed
36 annual report of expenditures per county and the specific
37 programs offered in each region. This report shall be made
38 available on the department's publicly available Internet
39 website within 60 days following the close of each fiscal
40 year.

41 (5) During the third quarter of the fiscal year, funds
42 which have not been spent within a service area may be
43 reallocated to support programming in the same region.

44 (d) Use of money for lobbying prohibited.--No money derived
45 from an appropriation by the General Assembly from the Tobacco
46 Settlement Fund may be used for the lobbying of a State public
47 official.

48 (e) Health Venture Investment Account investments.--
49 Notwithstanding Chapter 3 of the Tobacco Settlement Act, all
50 assets, nonliquid investments, contractually obligated money,
51 return on investments and any other money or assets in the

1 Health Venture Investment Account shall be retained in the
2 Health Venture Investment Account for continued investment by
3 the Tobacco Settlement Investment Board in health care,
4 biotechnology or any other health-related businesses which are
5 expected to grow substantially in the future. The requirements
6 for venture capital investments outlined in section 305(f) of
7 the Tobacco Settlement Act shall be maintained.

8 Section 1716-G. (Reserved).

9 Section 1717-G. Restricted receipt accounts.

10 (a) General provisions.--The secretary may create restricted
11 receipt accounts for the purpose of administering Federal grants
12 only for the purposes designated in this section.

13 (b) Department of Community and Economic Development.--The
14 following restricted receipt accounts may be established for the
15 Department of Community and Economic Development:

16 (1) ARC Housing Revolving Loan Program.

17 (2) (Reserved).

18 (c) Department of Conservation and Natural Resources.--The
19 following restricted receipt accounts may be established for the
20 Department of Conservation and Natural Resources:

21 (1) Federal Aid to Volunteer Fire Companies.

22 (2) Federal Land and Water Conservation Fund Act.

23 (3) National Forest Reserve Allotment.

24 (4) Federal Land and Water Conservation Fund Act -
25 Conservation and Natural Resources.

26 (d) Department of Education.--The following restricted
27 receipt accounts may be established for the Department of
28 Education:

29 (1) Education of the Disabled - Part C.

30 (2) LSTA - Library Grants.

31 (3) The Pennsylvania State University Federal Aid.

32 (4) Emergency Immigration Education Assistance.

33 (5) Education of the Disabled - Part D.

34 (6) Homeless Adult Assistance Program.

35 (7) Severely Handicapped.

36 (8) Medical Assistance Reimbursements to Local Education
37 Agencies.

38 (e) Department of Environmental Protection.--The following
39 restricted receipt accounts may be established for the
40 Department of Environmental Protection:

41 (1) Federal Water Resources Planning Act.

42 (2) Flood Control Payments.

43 (3) Soil and Water Conservation Act - Inventory of
44 Programs.

45 (f) Department of Health.--The following restricted receipt
46 accounts may be established for the Department of Health:

47 (1) Share Loan Program.

48 (2) (Reserved).

49 (g) Department of Transportation.--The following restricted
50 receipt accounts may be established for the Department of
51 Transportation:

1 (1) Capital Assistance Elderly and Handicapped Programs.

2 (2) Railroad Rehabilitation and Improvement Assistance.

3 (3) Ridesharing/Van Pool Program - Acquisition.

4 (h) Pennsylvania Emergency Management Agency.--The following
5 restricted receipt accounts may be established for the
6 Pennsylvania Emergency Management Agency:

7 (1) Receipts from Federal Government - Disaster Relief -
8 Disaster Relief Assistance to State and Political
9 Subdivisions.

10 (2) (Reserved).

11 (i) Pennsylvania Historical and Museum Commission.--The
12 following restricted receipt accounts may be established for the
13 Pennsylvania Historical and Museum Commission:

14 (1) Federal Grant - National Historic Preservation Act.

15 (2) (Reserved).

16 (j) Executive Offices.--The following restricted receipt
17 accounts may be established for the Executive Offices:

18 (1) Retired Employees Medicare Part D.

19 (2) Justice Assistance.

20 (3) Juvenile Accountability Incentive.

21 (4) Early Retiree Reinsurance Program.

22 Section 1718-G. State Gaming Fund (Reserved).

23 Section 1719-G. Veterans' Trust Fund.

24 There is established a Veterans' Trust Fund in the State
25 Treasury. Upon the sale of lands, buildings or other real estate
26 used for veterans services or programs under the jurisdiction of
27 the Department of Military and Veterans Affairs, \$1,700,000
28 shall be transferred from the General Fund and deposited into
29 the Veterans' Trust Fund for veterans' services. The sum of
30 \$700,000 is appropriated to the Department of Military and
31 Veterans Affairs for veterans' service organizations.

32 Section 1720-G. State Farm Products Show Fund.

33 From money transferred to the State Farm Products Show Fund,
34 \$2,000,000 shall be distributed to county fairs.

35 Section 1721-G. Pennsylvania Race Horse Development Fund.

36 The transfer in the act of _____, 2012 (P.L. No. A), known
37 as the General Appropriation Act of 2012, from the Pennsylvania
38 Race Horse Development Fund to the State Farm Products Show Fund
39 shall occur in four equal quarterly payments for the fiscal year
40 2012-2013.

41 Section 18. Section 1701-O of the act, added June 30, 2011
42 (P.L.159, No.26), is amended to read:

43 Section 1701-O. Audits of Race Horse Development Funds.

44 The following shall apply:

45 (1) By December 31, 2011, and each December 31
46 thereafter, the [Department of Agriculture, in conjunction
47 with the] Office of the Budget[,] shall conduct a financial
48 audit of all funds distributed under 4 Pa.C.S. § [1406(a)]
49 1406 (relating to distributions from Pennsylvania Race Horse
50 Development Fund) for the prior fiscal year. The audit shall
51 include recommendations for changes relating to the

1 maintenance, use or administration of these funds.

2 (2) The audits and audited financial statements required
3 under this section [and 4 Pa.C.S. § 1406(e) for fiscal years
4 ending prior to June 30, 2011,] shall be open [for] to the
5 public [inspection and provided, within 60 days of the
6 effective date of this section, to the persons listed in
7 paragraph (5)].

8 (3) The following apply:

9 (i) [Notwithstanding 4 Pa.C.S. § 1406(e), each] Each
10 horsemen's organization shall, within 90 days after the
11 end of the organization's fiscal year, prepare annual
12 financial statements in accordance with generally
13 accepted accounting principles for the horsemen's
14 organization and all of its affiliates.

15 (ii) The financial statements required under
16 subparagraph (i) shall be prepared beginning in the
17 horsemen's organization fiscal year ending prior to June
18 30, 2011, and for each fiscal year thereafter.

19 (iii) The financial statements required under
20 subparagraph (i) shall include additional information as
21 necessary to reconcile the information in the financial
22 statement to the amounts received by the horsemen's
23 organization during the same fiscal year and as otherwise
24 directed by the Office of the Budget.

25 (4) The [department may] office shall engage independent
26 certified public accountants or actuaries to conduct the
27 audit under paragraph (1) and to audit the annual financial
28 statements and accompanying additional information filed
29 under paragraph (3) for each fiscal year. The [department]
30 office shall provide copies of each audit to the persons
31 listed in paragraph (5)(ii), (iii), (iv) and (v).

32 (5) [The] Within ten days of completion of the audits
33 under paragraphs (1) and (4), the horsemen's organization
34 shall provide all financial statements, reports and
35 additional information required under paragraph (3) to all of
36 the following within 90 days of the end of the organization's
37 fiscal year:

38 (i) The [department] Department of Agriculture.

39 (ii) The chairman and minority chairman of the
40 Community, Economic and Recreational Development
41 Committee of the Senate and the chairman and minority
42 chairman of the Gaming Oversight Committee of the House
43 of Representatives.

44 (iii) The chairman and minority chairman of the
45 Agriculture and Rural Affairs Committee of the Senate and
46 the chairman and minority chairmen of the Agriculture and
47 Rural Affairs Committee of the House of Representatives.

48 (iv) The Pennsylvania Gaming Control Board.

49 (v) The State Horse Racing Commission and the State
50 Harness Racing Commission.

51 (6) All distributions under 4 Pa.C.S. § 1406 shall be

1 suspended for any horsemen's organization that the
2 [department] office certifies is out of compliance with the
3 requirements of this section.

4 (7) Each horsemen's organization shall cooperate fully
5 with all audits under this section and shall reimburse the
6 [department] office for all fees and costs to administer this
7 section.

8 (8) For the purposes of this section, the term
9 "horsemen's organization" shall have the same meaning as
10 defined under 4 Pa.C.S. § 1103 (relating to definitions).
11 Section 19. The addition of section 1606-E of the act shall
12 apply retroactively to April 16, 2012.

13 Section 20. Repeals are as follows:

14 (1) The General Assembly declares the repeal under
15 paragraph (2) is necessary to effectuate the amendment of
16 section 1701-O of the act.

17 (2) The provisions of 4 Pa.C.S. § 1406(e) are repealed.
18 Section 21. This act shall take effect immediately.

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE CHIEF CLERK

Committee Roll Call

June 29, 2012

Committee APPROPRIATIONS Date & Time June 29, 2012 at 5:30PM

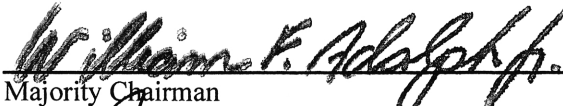
Bill or Resolution No. A12851 to SENATE BILL 1263 PN1627 Type of Motion Adopt Amendment


Maker of Motion Representative Costa Seconded by Representative Sabatina

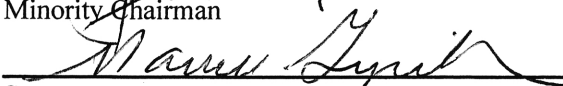
Brief Description Amend Bill, page 1, line 31, by inserting after "Industry"; providing for 2012-2013 restrictions on appropriations for funds and accounts

Yeas 8 Nays 27 Not Voting 0 Passed _____ Failed X

MAJORITY MEMBERS	AYE	NAY	NV	MINORITY MEMBERS	AYE	NAY	NV
Adolph, William F. - Chairman		X		Markosek, Joseph F. - Chairman		X	
Bear, John C.		X		Bradford, Matthew D.		X	
Boback, Karen		X		Brownlee, Michelle F.	X		
Causar, Martin T.		X		Conklin, H. S.	X		
Christiana, Jim		X		Costa, Paul	X		
Day, Gary		X		Kula, Deberah		X	
Denlinger, Gordon		X		Mahoney, Tim	X		
Ellis, Brian L.		X		O'Brien, Michael H.		X	
Gingrich, Mauree		X		Parker, Cherelle L.		X	
Grell, Glen R.		X		Sabatina, John P.	X		
Killion, Thomas H.		X		Samuelson, Steve	X		
Millard, David R.		X		Smith, Matthew	X		
Mustio, T. M.		X		Vitali, Greg		X	
O'Neill, Bernie		X		Waters, Ronald G.	X		
Peifer, Michael		X					
Perry, Scott		X					
Petri, Scott A.		X					
Pyle, Jeffrey P.		X					
Quigley, Thomas J.		X					
Scavello, Mario M.		X					
Sonney, Curtis G.		X					



 Majority Chairman


 Minority Chairman


 Secretary

LEGISLATIVE REFERENCE BUREAU

AMENDMENTS TO SENATE BILL NO. 1263

Sponsor:

Printer's No. 1627

1 Amend Bill, page 1, line 31, by inserting after "Industry"
2 ; providing for 2012-2013 restrictions on appropriations
3 for funds and accounts

4 Amend Bill, page 2, by inserting between lines 9 and 10

5 Section 2. The act is amended by adding an article to read:

6 Article XVII-P
7 2012-2013 Restrictions on Appropriations
8 for Funds and Accounts

9 Section 1701-P. Applicability of article.

10 Except as specifically provided in this article, this article
11 applies to the General Appropriation Act of 2012 and all other
12 appropriation acts of 2012.

13 Section 1702-P. Public Transportation Assistance Fund.

14 In the event a transit authority serving a city of the first
15 class hires a contractor or subcontractor who has violated any
16 of the following statutes within the preceding ten years, the
17 transit authority shall be ineligible to receive moneys from the
18 Public Transportation Assistance Fund:

19 (1) The act of May 13, 1915 (P.L.286, No.177), known as
20 the Child Labor Law.

21 (2) The act of June 2, 1915 (P.L.736, No.338), known as
22 the Workers' Compensation Act.

23 (3) The act of December 5, 1936 (2nd Sp.Sess., 1937
24 P.L.2897, No.1), known as the Unemployment Compensation Law.

25 (4) The act of October 27, 1955 (P.L.744, No.222), known
26 as the Pennsylvania Human Relations Act.

27 (5) The act of July 14, 1961 (P.L.637, No.329), known as
28 the Wage Payment and Collection Law.

29 (6) The act of August 15, 1961 (P.L.987, No.442), known
30 as the Pennsylvania Prevailing Wage Act.

31 (7) The act of January 17, 1968 (P.L.11, No.5), known as
32 The Minimum Wage Act of 1968.

33 (8) The act of March 3, 1978 (P.L.6, No.3), known as the
34 Steel Products Procurement Act.

35 Amend Bill, page 2, line 10, by striking out "2" and

36 inserting

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE CHIEF CLERK

Committee Roll Call

June 29, 2012

Committee	APPROPRIATIONS	Date & Time	June 29, 2012 at 5:30PM
Bill or Resolution No.	SENATE BILL 1263 PN1627	Type of Motion	Re-report Bill As Amended
Maker of Motion	Representative Petri	Seconded by	Representative Killion
Brief Description	Amends the Fiscal Code to add the 2012-13 budget implementation language and making related repeals.		

Yeas 22 Nays 13 Not Voting 0 Passed X Failed _____

MAJORITY MEMBERS	AYE	NAY	NV	MINORITY MEMBERS	AYE	NAY	NV
Adolph, William F. - Chairman	X			Markosek, Joseph F. - Chairman		X	
Bear, John C.	X			Bradford, Matthew D.		X	
Boback, Karen	X			Brownlee, Michelle F.		X	
Causser, Martin T.	X			Conklin, H. S.		X	
Christiana, Jim	X			Costa, Paul		X	
Day, Gary	X			Kula, Deberah		X	
Denlinger, Gordon	X			Mahoney, Tim		X	
Ellis, Brian L.	X			O'Brien, Michael H.		X	
Gingrich, Mauree	X			Parker, Cherelle L.		X	
Grell, Glen R.	X			Sabatina, John P.		X	
Killion, Thomas H.	X			Samuelson, Steve	X		
Millard, David R.	X			Smith, Matthew		X	
Mustio, T. M.	X			Vitali, Greg		X	
O'Neill, Bernie	X			Waters, Ronald G.		X	
Peifer, Michael	X						
Perry, Scott	X						
Petri, Scott A.	X						
Pyle, Jeffrey P.	X						
Quigley, Thomas J.	X						
Scavello, Mario M.	X						
Sonney, Curtis G.	X						

William F. Adolph

 Majority Chairman

Joe Markosek

 Minority Chairman

Mauree Gingrich

 Secretary