
SUMMARY OF AMENDMENT TO SENATE BILL 1042

Printer's No. 1331

Synopsis:

Amends the Fiscal Code to provide budget implementation language for the 2009-2010 General Appropriations Act. Adds other provisions not directly related to the budget.

Summary:

ELECTRONIC FILING

Allows Revenue to require electronic filing from those who prepare 50 or more returns per year. Requires publication of the requirement in the Bulletin.

CIGARETTES

Adds "little cigars" to the definition of "cigarettes" for stamping purposes.

INDEPENDENT FISCAL OFFICE

Establishes the Independent Fiscal Office. The committee to organize shall meet by May 30, 2010. The committee makes a recommendation by July 30, 2010. The remainder of the provisions are effective September 30, 2010. This guarantees no involvement in the 2010-2011 budget but allows the office to begin work on the 2011-2012 budget. Agencies begin submitting their budget requests in October.

STATE TREASURER

Relieves the Treasurer of publishing unclaimed property valued at less than \$250.

ALLENTOWN ARENA

Creates a TIF-style program to fund the Allentown ice arena. All tax proceeds from the arena and arena complex would be used to pay for the arena debt service.

OIL AND GAS LEASING

In FY 2009-2010 and 2010-2011, DCNR must lease adequate acres to receive \$240 million in lease revenues. Includes a minimum lease payment of \$2,500 per acre. Appropriates \$60 million in 2009-2010 and \$180 million in 2010-2011 to the General Fund. In 2012-2013, 15% of funds from royalties, up to \$50 million, is set aside for a local share. All royalties, except for a \$30 million set aside for DCNR, shall be appropriated by the General Assembly.

H2OPA

Includes the bond fix language requested by the Budget Office.

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Makes \$15 million formerly reserved for flood control project available for high hazard unsafe dams. Money available for dams is increased to \$50 million. Makes a not-for-profit organization that owns a high hazard unsafe dam that filed an application prior to the effective date of this section eligible for an H2O award. Prohibits contingency fee lobbying for H2O grants. Allows contingency fees for grant preparers to aid small municipalities.

WATER AND SEWER BOND FUND

Adopts bond implementation language for the \$400 million in Penn VEST bonds recently approved by referendum.

GENERAL BUDGET IMPLEMENTATION

Permanent provisions:

1. Requires the Department of Corrections to consider minimum relief factor values to determine staffing levels.
2. Provides additional transitional funding for the Scranton School for the Deaf.
3. Requires State Police to hold a public hearing before it closes a barracks.
4. Requires PEMA to report on grants awarded from Federal disaster and other funds.

2009-2010 provisions:

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

Transfers \$12,000,000 from Small Business First Fund to the Machinery and Equipment Loan Fund.

DEPARTMENT OF EDUCATION

ARRA

Funds received under ARRA shall be spent in accordance with Federal rules.

School budgets

Allows schools to reopen budgets to reflect allocations.

Hearing-impaired students

Payments for sight or hearing-impaired students shall not exceed \$500 per student.

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Community college

If less money is available than last year, payments shall be made on a pro rata basis.

Special education payments

Distributed in an amount equal to prior year or on a pro rata basis. Includes Educational Assistance Program.

Accountability grants

Distributions in an amount equal to prior year or on pro rata basis.

Scranton and Scotland Schools

Requires the creation of a pool for each school for 3 years following suspension of employees. Employees in the pool shall be offered employment when there is a vacancy in a designated school district. No vacancy may be filled unless it was offered to the teacher in the pool. Impacted school districts include:

1. A school within 17 miles of Scranton or Scotland School
2. A district with a membership of 8,000 that is 45 miles or less from the administration building and which receives at least 50% of its budget from the Commonwealth (Hazleton and Harrisburg).

Provides transitional funding for the Scranton State School for the Deaf.

Juvenile justice reporting

Requires the Department of Education to submit a report on the costs to provide educational services to children adjudicated delinquent and committed to nonpublic residential facilities.

Safety committee

Requires districts to maintain a certified safety committee under the Workers' Compensation Act. The requirement does not apply to a district that cannot receive a premium discount because of self-insurance.

Libraries

Includes funding formula for libraries

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Empowerment districts

Allows up to \$4,500,000 in undistributed funds to be used to assist school districts certified as an education empowerment district. Establishes a restricted account from which payments will be made.

Social security

Technical budget provision to allow social security payments by the State for wages paid out of ARRA money to be treated as state dollars.

Home bound children

Provides payments for homebound children to the extent they are appropriated.

Basic education

Sets forth the basic education spending formula for 2009-2010.

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Funds for the Water Resources Technical Assistance Center shall be determined in cooperation with the Water Conservation subcommittee of the Statewide Water Resources Committee.

Suspends the appropriation for the Consumer Energy Program for this year.

Authorizes the department to spend application fees it collected from the \$100 m. solar program under special session House Bill 1, the Alternative Energy Investment Act. Caps fees at \$100 for residential and \$150 for commercial.

DEPARTMENT OF HEALTH

Lupus

Funds for lupus are distributed in the same proportion as last year.

Arthritis

Funds for arthritis outreach shall be equitably distributed among central, western and eastern regional based on ratio of population served in each region to the total population served in the Commonwealth.

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Biotechnology

Funds for biotechnology research include \$1,100,000 for a regenerative medicine centers in a county of the second class and \$1,500,000 for an institution for hepatitis and virus research in a second class-A county.

LABOR AND INDUSTRY

Blind services

Allocates \$2,154,000 for a Statewide professional service provider association and \$421,000 for services in cities of the first class.

"Reed Act"

Amounts obligated shall not exceed limits in Social Security Act.

PUBLIC WELFARE

Child care

1. TANFBTG Cash Grants may be transferred to CCDFBG child care for additional low-income families if no deficit results.

2. CCDFBG Cash Grants may be transferred to CCDFBG Child Care Services for additional low-income families if no deficit results.

Medical assistance

1. No physician referral for chiropractic.

2. No capitation funds for provider who fails to supply information to facilitate claim.

3. For FY 2009-2010, payments to Community Access shall be distributed under same formulas as last fiscal year or pro rata.

4. Academic medical centers held harmless at 2004-2005 levels if Federal funding not available.

5. If Federal funds for physician practice plans not available in FY 2009-2010, qualifying universities and affiliated plans shall receive no less than in FY 2007-2008.

6. Funds for medical assistance transportation shall only be utilized as payment of last resort for transportation for eligible medical assistance recipients.

7. Prohibits carve out.

8. Funds not used to make payments to Level III trauma centers shall be distributed to Level I and II's.

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Breast cancer screening

Allows funds to be used for noninvasive contraception supplies.

Women's service programs

1. Alternative to abortion funds shall be expended until childbirth and 12 months thereafter. Allows agencies to subcontract with nonprofits. Prohibits referral for abortion.

2. Funds appropriation for women's service programs may be used for noninvasive contraceptives.

3. Federal funds for alternatives to abortion shall be utilized solely for women whose gross family income is below 185% of Federal poverty guidelines.

County children and youth

1. No more than 50% of funds shall be expended until each county submits data for prior year on caseloads.

2. Reimbursement for children and youth shall not exceed State funds appropriated. General Assembly intends that counties do not experience adverse impact due to maximization efforts.

Community based family centers

Funds may not be considered part of the base for calculation of the county child welfare needs-based budget for a fiscal year.

PHEAA

Requires funds to be used for matching payments to maximize receipt of Federal funds. No college or university receiving a direct appropriation from the Commonwealth may participate in the institutional assistance grant program. Requires the agency to give preference to renewal applicants when distribution funds for agricultural loan forgiveness.

STATE SYSTEM OF HIGHER EDUCATION/STATE-RELATED INSTITUTIONS

Expands Articulation Agreements for SSHE, Community Colleges and State-related Universities.

HEALTH CARE COST CONTAINMENT COUNCIL

Requires reporting of proceeds from the sale of data. Allows the council to utilize 25% of the proceeds. The remainder is

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deposited into the General Fund. Transfers \$2,300,000 in unspent, uncommitted funds from the council to the General fund.

PENGUINS

Provides an additional \$5 million from the Pennsylvania Gaming Economic Development and Tourism Fund for the Pittsburgh Penguins.

FUNDS AND ACCOUNTS

LOTTERY FUND

Funds for PENNCARE may not be used for administrative costs by Department of Aging.

JUDICIAL COMPUTER SYSTEM AUGMENTATION ACCOUNT

Prohibit augmenting amounts in the account by billing other appropriations to the judicial branch for the computer system.

TOBACCO

Reenacts current distribution formula for prevention and cessation.

Changes distribution of funds under the Tobacco Settlement Act for FY 2009-2010 for use for other health related purposes as follows:

1. Deposits strategic contribution payment received in 2008-2009 into the Tobacco Settlement Fund.
2. \$15,000,000 from investment of the endowment account shall be deposited into the Tobacco Settlement Fund.
3. \$10,000,000 of earnings from investment in the Health Account shall be deposited into the Tobacco Settlement Fund.
4. 25% of money for prevention shall remain in the Settlement Fund.
5. 33.3% of money for health investment insurance shall remain in the Settlement Fund.

Money in the Settlement Fund shall be appropriated for health related purposes.

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For FY 2009-2010, 37.5% of money in the Settlement Fund is transferred to the General Fund. The same amount is transferred in FY 2010-2011. For FY 2009-2010, 100% of the funds received in FY 2008-2009 shall be transferred from the endowment account to the Settlement Fund. Transfers \$150,000,000 from the endowment account to the General Fund in 2009-2010 and \$250,000,000 in 2010-2011.

COMMUNITY HEALTH REINVESTMENT RESTRICTED ACCOUNT

Maintains the account to receive funds from the BLUES under the 2005 contract between the Commonwealth and Highmark/Blue Cross and distributes to Insurance Department.

TRANSFERS TO GENERAL FUND

Health Care Provider Retention Account	-	\$708,000,000
MCARE	-	\$100,000,000
Catastrophic Loss Benefits Continuation Fund	-	All surcharges
Budget Stabilization Reserve Fund	-	\$755,000,000
Next year		All surplus

STATE GAMING FUND

Implements the loan of operating expenses of the State Gaming Fund from the Property Tax Relief Reserve Fund. Provides for repayment of the loan when 11 gaming venues are operational.

Effective immediately.

Eakin 10/5/09