



**2017/18 Fiscal Code Summary**  
**House Bill 674 Printer's Number 2624**  
**October 24, 2017**

[Lottery Winnings Intercept](#)

Section 215 Requires the Department of Revenue to make reasonable efforts to determine if a lottery prizewinner has an outstanding state tax liability prior to paying the lottery prize. If the prizewinner has outstanding child support due, that would be deducted from the prize first, and any outstanding tax liabilities paid second.

This provision also would require the Department of Human Services to make a reasonable effort to determine if the prizewinner is currently a recipient of public assistance benefits and, if so, determine if the eligibility for assistance can continue after winning a lottery prize.

The Administrative Office of the Pennsylvania Courts must also make a reasonable effort to determine if a prizewinner owes any court-ordered obligations for crimes. This deduction would be made after the prior two deductions.

The Department of Revenue shall set a fee to reflect actual administrative costs incurred with respect to a specific prizewinner if they make a deduction for state tax liability or court-ordered obligations. The Department shall submit a report annually to the Senate and House Finance Committees stating the amount of taxes and court-ordered obligations collected under this section.

[Ambulatory Surgical Center Data Collection](#)

Section 201-C requires an ambulatory surgical center that is in operation, or a facility that becomes an ambulatory surgical center, on or after July 1, 2017, to submit annual financial data reports to the Health Care Cost Containment Council.

This is new language that was pulled over from the Human Services Code (HB 59) vetoed by Governor Wolf.

[Payment to General Fund from Joint Underwriting Association \(JUA\):](#)

Article II-D would provide for a \$200 million payment from the Pennsylvania Professional Liability Joint Underwriting Association, or JUA, to the state's General Fund on or before December 1, 2017.

The JUA, established under Act 111 of 1975, is a nonprofit entity acting as an insurer of last resort for individuals and providers unable to obtain medical professional liability insurance through standard channels.

The subsequent sections would stipulate that the current surplus held by the JUA is in excess of the amount reasonably needed to execute its statutory mandate, largely due to a significant reduction in medical malpractice policies and claims

carried by the JUA. It proposes that the JUA is an instrumentality of the commonwealth and funds derived from premiums and investments held by the JUA do not belong to its members or policyholders but rather the commonwealth.

**Notably, updated language is included that directs all funds deposited from the JUA to the General Fund to be directed to appropriations in the Department of Human Services for expenditures related to Medical Assistance Capitation payments. This language was requested by the JUA.**

The bill would remove liability for any staff or board members who proceed with making the payment, and it would provide exclusive jurisdiction to the Supreme Court to hear potential challenges to render a declaratory judgement regarding constitutionality.

Finally, the bill includes a sunset provision that would dissolve the JUA should the payment not be made by Dec. 1, 2017. If that happened, assets held by the JUA would be transferred to the Insurance Commissioner and deposited in a special account. The Insurance Department would then transfer the \$200 million payment to the General Fund and use the balance to administer JUA's remaining funds.

The 2016/17 budget included a transfer of \$200 million in the form of loan from the JUA surplus to the state's General Fund. However, this did not occur and has since resulted in litigation. As of Dec. 31, 2016, the JUA held an unappropriated surplus of \$265.1 million.

## General Assembly Short-Term Borrowing

Section 311 provides that if the General Assembly borrows money through a short-term agreement or other instrument, the funds shall be considered augmenting revenues available to House or Senate to pay for salaries, wages and other expenses to operate the chamber. This language would likely apply in a budget impasse. This is new language.

## Auditor General

Section 403 imposes additional responsibilities on the Auditor General with respect to associations, agencies, and public entities which receive state funds. The Auditor General is directed to post all responses to its audit recommendations on its website. If any such entity fails to respond in a timely fashion to any recommendations made by the Auditor General, then the Auditor General is required to notify the General Assembly and the Governor of that failure.

Section 410 authorizes the Auditor General to act as an officer of the commonwealth for the purposes of examining and auditing both the Susquehanna River Basin Commission and the Delaware River Basin Commission.

It empowers the Auditor General as a duly authorized officer on behalf of the Commonwealth as a signatory party to both the Susquehanna River Basin Commission and the Delaware River Basin Commission

Section 1715-F directs the Auditor General to audit the Susquehanna River Basin Commission and the Delaware River Basin Commission. The audit is to determine the following:

- The cost of all compensation provided to officers and employees of the commissions.
- The cost of expense reimbursements provided to officers and employees of the commissions
- Other fixed and variable costs of the commissions.
- Potential for improved efficiencies and cost reductions, as well as identifying duplication of efforts.
- Contributions made by Pennsylvania to the commission, compared with other signatory parties.
- The impact of fees and penalties levied by the commissions on public and private entities.

Section 1723-F restricts the expenditure of funds appropriated for the support of both commissions. Specifically, the fiscal code bill would require DEP to reimburse the Auditor General for the cost of these audits from funds appropriated to support the commissions.

## Settlement Disbursements

Section 1507.1 requires that \$30,409,055 received by the Office of the Attorney General for the Volkswagen settlement finalized in the 2017-18 fiscal year be deposited in the General Fund.

## Payroll Tax

Section 1603-D.1. Allows Scranton to adjust the payroll tax to produce revenues equivalent to what was previously collected from the mercantile or business privilege tax. The change of tax types occurred as a result of being under the Municipalities Financial Recovery Act.

## Oil and Gas Lease Fund Transfers

Section 1601.2-E requires that all money expended from the Oil and Gas Lease Fund be appropriated by the General Assembly, after consideration of the Commonwealth's trustee duties under Article I, Section 27 of the Pennsylvania Constitution.

The bill makes permanent the **reduced transfers** from the Oil and Gas Lease Fund to the Marcellus Legacy Fund, which were authorized under the previous two years' fiscal code bills:

- \$20 million annually for the Environmental Stewardship Fund (same as prior year)
- \$15 million annually for the Hazardous Sites Cleanup Fund (new amount)

Act 13 of 2012 called for an annual \$35 million transfer to the Environmental Stewardship Fund from the Oil and Gas Lease Fund.

## Extension of oil and gas exploration in the South Newark Basin

Section 1607-E acknowledges a U.S. Geological Survey report finding 876 billion cubic feet of natural gas resources in the South Newark Basin, located in southeastern Pennsylvania. However, the unique geological and geochemical characteristics of the basin convinced the General Assembly to prohibit DEP from issuing well permits in the basin until a full study could be conducted by DCNR and legislative authority was granted to impacted counties to levy an impact fee.

Under current law, this section of the fiscal code is scheduled to expire on January 1, 2018.

As of the time of this writing, a full study has not been conducted. This extension could provide additional time needed to assess economic viability of this resource.

This is new language.

## Temporary Cessation of Oil and Gas Wells

Section 1610-E establishes a new, general rule defining temporary cessation of an oil or gas well. The language reads that if, before a lease is claimed to expire, a landowner/lessor accepts a royalty payment, or if a company restarts production on a previously non-producing well, then the landowner waives the right to terminate the lease. The period of non-production is considered temporary.

This section does not waive lease requirements relating to the primary term of the lease, or language expressly providing for a lease termination following a fixed period of non-production.

## Transportation Network Companies

Section 1603-M clarifies that all taxicab medallion owners in the City of Philadelphia will pay assessments to the Philadelphia Parking Authority equal to 1 per cent of the gross receipts from all fares charged on passengers. This is new language.

Section 1604-M allows the Philadelphia Parking Authority to suspect or revoke the license of a TNC for failure to comply with any applicable regulations.

Section 1605-M increases the maximum allowable age for vehicles used in the provision of service for Transportation Network Companies (e.g. Uber) to 15 years.

## Water and Sewer Projects

Section 1774.1-A (3) makes \$15 million available, for the 2017/18 fiscal year, for water and sewer projects from the Pennsylvania Gaming Economic Development and Tourism Fund through the Commonwealth Finance Authority.

The bill also transfers \$10 million from the Building Pennsylvania Program to the CFA for additional water and sewer projects. Projects eligible for these funds must have a cost between \$30,000 and \$500,000 unless the application is for one portion of a project with a cost exceeding \$500,000.

This is new language.

## Tobacco Settlement Fund

Section 1713-A.1 provides the following distribution of Tobacco Settlement Fund payments for 2017/18:

- 13 percent for home and community-based services;
- 4.5 percent for tobacco use prevention and cessation programs;
- 12.6 percent for health and related research under Section 906 of the Tobacco Settlement Act;
- 1 percent for health related research for section 909 of the Tobacco Settlement Act;
- 8.18 percent for the uncompensated care payment program;
- 30 percent for the purchase of Medicaid benefits for workers with disabilities; and
- 30.72 percent shall remain in the fund and be separately appropriated for health-related purposes.

These are the same percentages as the prior year.

## Race Horse Development Fund

Section 1723-A.1 authorizes the transfer of \$19.659 million for FY 2017/18 from the PA Racehorse Development Fund for disbursement to the Animal Health Commission, the Pennsylvania Veterinary Laboratory System, Pennsylvania Fairs, and the State Farm Products Show Fund. This is new language.

For FY 2017/18, \$10,066,000 will be transferred from the PA Racehorse Development Fund to the State Racing Fund to cover the costs of equine drug testing. This is new language.

## State Stores Fund Transfer to Drug and Alcohol Programs

Section 1733-A.1 provides the regular transfer of \$2.5 million made from proceeds from the sale of wine and spirits by the PLCB to DDAP. These funds are intended for educational activities and prevention of alcohol abuse. This language is the same as the prior year.

## Workers' Compensation Security Fund

Section 1734-A.1 provides that the loan to the General Fund from the Workers' Compensation Security Fund shall be repaid by July 1, 2019. Act 16A of 2016 (the General Appropriations Act) authorized the loan and required repayment 90 days after the transfer.

## [Transfer of Funds in Commonwealth Financing Authority](#)

Section 1743-A.1 provides for the transfer of \$6 million from the Building Pennsylvania Program to the Commonwealth Financing Authority to use at the discretion of the CFA. This is new language.

## [First Chance Trust Fund](#)

Sections 1751-A.1 through 1755-A.1 establish the First Chance Trust Fund as a restricted account in the General Fund with revenues from contributions by selected contractors (as specified), grants, gifts, or donations, and any money appropriated into the fund.

Money in the fund is continually appropriated to the Pennsylvania Commission on Crime and Delinquency (PCCD) to establish and operate a scholarship program for eligible students, and to provide grants to programs benefiting eligible children, in regions of Pennsylvania that have statistically higher high school dropout rates or incarceration rates. Eligible children must be under 18 years of age and reside in the commonwealth; eligible students must be 24 years of age or younger, reside in the commonwealth and attend an educational or vocational training institution in the commonwealth.

PCCD shall adopt policies to be published in the PA Bulletin, and must do so before payments may be made from the fund. Annual reports to the House and Senate Majority and Minority Appropriations and Judiciary Chairs and an audit by the Auditor General within 3 years are required.

Within six months of the effective date of this section, the Department of Corrections must add a requirement in all solicitations for new contracts that the selected contractor must contribute the equivalent value of 1% of the annual contract amount to the fund if the contract is expected to exceed \$5 million annually. The secretary of the department may waive this requirement. Any executive agency, independent agency, or state-affiliated entity of the commonwealth may institute the same requirement.

## [PA Malt Brewed Beverages Industry Promotion Board](#)

Section 1718-E entitles members of the Pennsylvania Malt and Brewed Beverages Industry Promotion Board to be reimbursed by the Department of Agriculture for 'reasonable and necessary expenses incurred in connection with the performance of their duties as members of the board.'

## [Transparency Exemptions for Certain Media Advertisements](#)

Section 1719-E exempts certain media advertisements by the Department of Community and Economic Development from requirements set forth by the Taxpayer-Funded Advertising Transparency Act.

## [Water and Sewer](#)

Section 1719-E (C) allows municipal authorities to use public funds, employees, and resources to repair or remediate private water and sewer lateral lines deemed to be a risk to public health. The repair or remediation of private water and sewer laterals shall not impose future obligations on the authority. The use of public resources to repair and remediate private water and sewer laterals shall only occur after the consideration of total resources available to the authority and the other potential uses of those resources.

## [Department of Education](#)

Section 1722-E stipulates that the amount of 2017/18 Education Access Program funding received by a school district in financial watch status shall be included as part of the school district's base allocation for basic education funding.

For the purposes of determining market value as used in the aid ratio calculations, the maximum market value for a school district is set at \$47 billion beginning in FY 2017/18. In each subsequent year, the maximum value increases by the percentage increase in market value for all districts.

## Casino License Fees

Section 1724.1-E requires the table game authorization fee of \$24.75 million to be paid by June 30, 2018 for any slot machine license issued in 2017/18. This provision changes the timeline for payment of fees but does not change the amount due. A previous year's Fiscal Code required all slot machine license fees to be deposited into the General Fund for any license fee received by the Board after June 30, 2014.

## Department of Human Services

Section 1729-E adjusts the nursing facility assessment so that it is implemented each calendar year. The assessment is currently implemented on a fiscal year basis and this change would align the assessment with Community Health Choices rate-setting which begins January.

Additionally, this section includes new language which clarifies that a facility satisfying all of the following criteria shall be eligible to participate in the intergovernmental transfer program:

1. The facility is governed by a board of directors established by an act of the General Assembly;
2. A majority of the board of directors consists of the county commissioners of a county of the sixth class;
3. The facility is a county nursing facility;
4. The facility provides services associated with a nursing facility, a personal care home, adult day care, child day care and outpatient therapy; and
5. The facility has been reimbursed for Medicaid purposes by the department.

## Commonwealth Financing Authority (CFA)

Section 1753.1-E creates a new reporting requirement pertaining to the restricted revenue account for the Commonwealth Financing Authority (CFA). Specifically, the bill requires that the Secretary of the Budget, within 10 days of the end of each quarter, furnish a report on this account to the majority and minority chairs of both the House and Senate Appropriations Committee, respectively. The report is to include the following:

- Listing of transfers from general state revenues to the restricted revenue account in the previous quarter;
- Listing of projected transfers anticipated to be made from general state revenues to the restricted revenue account over the next four quarters;
- Listing of principal and interest payments made from the restricted revenue account in the previous quarter;
- Listing of principal and interest payments to be made from the restricted revenue account over the next four quarters;
- Estimate of the total outstanding debt to be paid from the restricted revenue account.

## Surcharges and Fees

Section 1795.1-E would establish two new surcharges of \$10 and \$2, respectively, to be collected on filings before the various courts of the Unified Judicial System and used for the general operations of the judiciary. These fees will expire on December 31, 2020. These surcharges are in addition to fees and surcharges that were reauthorized in the Administrative Code. This is new language.

## Multimodal Transportation Fund

Section 1798.3-E permits PennDOT and the CFA to waive any required local match from a municipality for financial assistance grants from the Multimodal Transportation Fund through the end of 2018.

## Unallocated Grant Money

Section 1799.1-E. allows unallocated grant money under the PA Malt Beverage and Brewed Beverages Industry Promotion Board to be made available for grants in subsequent years.

## Sales by Distilleries

Section 1799.5-E. Distilleries and limited distilleries may sell to persons not licensed, to licensees or the Pennsylvania Liquor Control Board. This provision prohibits limited distilleries from selling directly to restaurant and hotel licensees in quantities more than 50,000 gallons per year. Licensees that would like to purchase more than 50,000 gallons from a distillery would have to obtain products from the Board if it is available from the Board. This would be consistent with the practice for limited wineries.

## “Stop-and-Go” Inspections

If the Pennsylvania Liquor Control Board finds that a licensee does not meet a requirement under the Liquor Code for seating, square footage, food, health, etc. it may suspend the license immediately.

## SERS/PSERS Startup Funding

Section 1799.7-E provides \$5.3 million in start-up funding to the State Employees’ Retirement System (SERS) for personnel and operations needed to implement the provisions of Act 5 of 2017 for the defined contribution components of the plan design only.

Section 1799.8-E provides \$6.8 million in start-up funding to the Public School Employees’ Retirement System (PSERS) for personnel and operations needed to implement the provisions of Act 5 of 2017 for the defined contribution components of the plan design only.

## PlanCon

Section 1706-E.2 provides that in order to receive funding under the current PlanCon program, applicants had to apply for Part A by May 15, 2016 and award bids on their construction contracts by July 1, 2019. New language extends the second of these deadlines – the awarded bids for construction contracts – to July 1, 2021.

Section 1708-E.2 extends the date that the report to the General Assembly from the PlanCon Advisory Committee is due from May 15, 2017 to January 31, 2018.

**THE FOLLOWING PARAGRAPHS RELATE TO IMPLEMENTATION OF THE GENERAL APPROPRIATION ACT OF 2017:**

## Undoing References to Consolidation of DOC and PBPP in the GAA of 2017

Section 1703-F provides that any reference to the consolidated Department of Criminal Justice in the General Appropriation Act of 2017 shall be deemed a reference to the Department of Corrections and Pennsylvania Board of Probation and Parole respectively or both as appropriate. This is new language.

## Emergency Response

Section 1711-F doubles from \$15 million to \$30 million the amount of unused funds the governor can transfer for disaster response under Emergency Management Assistance Compact contained in Title 35, Chapter 76. The compact provides for mutual assistance between states in event of a disaster. The commonwealth has provided assistance to other states in

recent natural disasters this year, and the increased authorization will provide additional flexibility should further disasters arrive later this year.

## Executive Offices

Section 1712-F provides that funds appropriated to the Pennsylvania Commission on Crime and Delinquency (PCCD) for county intermediate punishment (CIP) treatment programs must be distributed competitively to counties for offenders sentenced to those programs. A portion of CIP funds must be allocated to drug and alcohol and mental health treatment programs. The percent must be based on national statistics that identify the percentage of incarcerated individuals that are in need of treatment for substance abuse and cannot be less than 80 percent. This language is the same as 2016/17 and prior years but adds mental health treatment as an acceptable use within portion of funding designated for treatment programs.

From funds appropriated, PCCD must provide no less than the amount used in 2014/15 for each: the Statewide Automated Victim Information and Notification System (SAVIN), and a residential treatment facility for at-risk youth in a county of the fifth class. From funds appropriated, PCCD must provide \$100,000 for a police data sharing program and \$200,000 for a diversion program for first-time, nonviolent offenders facing prison sentences. From funds appropriated for violence and delinquency prevention programs, PCCD must provide no less than the amount used in 2014/15 for each: violence prevention programs in a city of the second class and blueprint mentoring programs to reduce youth violence in cities of the first, second and third class. This language is the same as 2016/17.

## Attorney General

Section 1714-F requires that \$100,000 of funds available to the Attorney General will be used for training and for the purchase of radio transmitting devices for police departments in Lehigh County.

## Auditor General

Section 1715-F requires the Auditor General to audit the Susquehanna River Basin Commission and the Delaware River Basin Commission. This is new language.

## Department of Agriculture

Section 1718-F directs money appropriated for General Government Operations shall be transferred to the Dog Law Restricted Account at no less than 2014/15 spending levels.

This is the same language as the prior year.

From General Government Operations, at least \$250,000 will be used to create the Commission of Agricultural Education Excellence to develop and implement agricultural education programming.

This is new language.

From Agricultural Research, \$300,000 will be used for an agricultural resource center, and \$100,000 will be used for agricultural law research programs in conjunction with a land grant university.

This is the same language as the prior year.

From Hardwoods Research and Promotion, at least 80 percent will be equally distributed among hardwood utilization groups.

This is the same language as the prior year.

The department is authorized to use up to \$165,000 from the Agricultural Conservation Easement Purchase Fund to fund succession planning grants. Individual grants cannot exceed \$3,000.

This is the same language as the prior year.

## Department of Community and Economic Development

Section 1719-F contains a number of provisions related to the implementation of the Department's FY 2017/18 appropriations.

From funds appropriated for General Government Operations, \$150,000 is provided to support an engineering study for an industrial development area in Perry County. This is new language.

From funds appropriated for Marketing to Attract Tourists, \$4,067,000 is provided to support activities of the department's tourism office. The remaining funds include an allocation to plan and market a biennial arts and cultural activity, allocations to promote annual arts and cultural activities and an allocation of \$500,000 to support a statewide Special Olympics competition in a county of the fourth class. This is similar to prior year language.

From funds appropriated for Keystone Communities, \$6,357,000 is provided to support departmental programs including Main Street, Elm Street and Enterprise Zone programs. Funding for the Main Street and Elm Street programs is to be distributed proportionally to FY 2012/13. The remaining funds include \$500,000 for an antiviolence task force in Delaware County, \$600,000 for a community development and remediation project in a city of the third class, and economic and community development projects throughout the state. This language is similar to the prior year, with some additions.

Funds appropriated for Local Municipal Emergency Relief are to be used to provide assistance to individuals and political subdivisions directly impacted by natural and man-made disasters or public safety emergencies. State assistance for these entities may be limited to those projects that do not qualify for federal assistance and will be made only for disaster emergency areas that lack a Presidential disaster declaration or when the department determines that a public safety emergency has occurred. This is the same language as the prior year.

## Department of Conservation and Natural Resources

Section 1720-F directs from State Parks Operations, \$2.25 million will be used for operation and maintenance of the Washington Crossing Historical Park. This is the same language as the prior year.

## Department of Corrections

Section 1721-F of HB453 provides that from funds appropriated to the department for general government operations, at least \$1.5 million must be used for a nonnarcotic medication assisted substance abuse treatment grant pilot program. This language is the same as the prior year.

## Department of Education

Section 1722-F directs allocations for adult and family literacy programs, approved private schools, and charter schools for the deaf and blind.

This section prohibits any payments from the appropriation for PSERS and school employee's social security to be made to charter schools, regional charter schools, or cyber charter schools. This prohibition is continued from last year.

This section also provides for the distribution of funds for regional community college services and for community education councils. This is similar to prior year language.

## Department of Environmental Protection

Section 1723-F requires DEP to reimburse the Auditor General for the cost of audits required under Section 410 from funds appropriated to support the commissions. This is new language.

## Department of General Services

Section 1724-F requires money appropriated for Capitol Fire Protection shall be used by the City of Harrisburg to support the provisions of fire services to the Capitol complex. This is the same language as the prior year.

## Department of Health

Section 1725-F includes a number of provisions regarding the implementation of the Department's FY 2016/17 appropriations.

From funds appropriated for General Government Operations, sufficient funds are included for the coordination of donated dental services as well as \$100,000 for outreach for Charcot-Marie-Tooth syndrome.

From funds appropriated for Adult Cystic Fibrosis and Other Chronic Respiratory Diseases, no less than the amount used in FY 2014/15 is to be used for a program promoting cystic fibrosis research in Allegheny County as well as research related to childhood cystic fibrosis in Philadelphia.

Funds appropriated for lupus programs are to be distributed in the same proportion as FY 2014/15.

Biotechnology Research includes allocations for regenerative medicine research, regenerative medicine medical technology, hepatitis and viral research, drug research and clinical trials related to cancer treatments, genetic and molecular disease research, nanotechnology, and the commercialization of applied research.

This is the same language as the prior year.

## Department of Labor and Industry

Section 1727-F directs the Department of Labor and Industry to allocate funds for the Office of Vocational Rehabilitation to provide work-based learning experiences as part of transition services for high school students with disabilities.

This section also allocates funds from industry partnerships for a workforce development program for veterans in Delaware County.

This is the same language as the prior year.

## Department of Military and Veterans' Affairs

Section 1728-F directs \$750,000 from funds appropriated to the Department of Military and Veterans Affairs for behavioral health support be allocated to the treatment of posttraumatic stress disorder. This is new language.

## Department of Human Services

Section 1729-F contains a number of provisions related to the implementation of the department's FY 2017/18 appropriations, many of which are the same as previous years. These provisions include: language regarding the transfer of federal block grant funds for child care services; the methodology for distributing Community Access Fund payments to hospitals; stipulating that medical assistance transportation funds be used as payment of last resort for medical assistance recipients; permitting breast cancer screening funds to be used for non-invasive contraception supplies; requiring separate payments to hospitals for healthy newborn care and mother's obstetrical delivery; permitting DHS (with federal approval) to adjust premiums for the Medical Assistance for Workers with Disabilities (MAWD) program; language associated with alternatives to abortion; and references to certain provisions of Federal law relating to who can receive services and reporting duties of providers in dealing with illegal aliens.

This section provides for the distribution of payments funded through the appropriations for academic medical centers and physician practice plans.

- With respect to the appropriation for academic medical centers, the bill stipulates that qualifying academic medical centers that received funds in FY 2016/17 shall not receive any less than the state appropriation available for FY 2016/17. It also distributes an additional \$3.5 million to five entities, as specified in the bill – similar to last year.
- With respect to the appropriation for physician practice plans, the bill stipulates that qualifying university-affiliated physician practice plans that received funds for FY 2014/15 shall not receive any less than their FY 2014/15 amount. It also distributes an additional \$3.5 million to three entities, as specified in the bill – same as last year.

This section stipulates the following allocations and distributions from money appropriated for Medical Assistance long-term care:

- \$8 million is allocated for day one incentive payments to qualified nonpublic nursing facilities, the same as previous year – similar to language in last year’s Human Services Code.
- No less than \$8.85 million shall be distributed to four long term care facilities, as specified in the bill – similar to last year.
- An additional \$750,000 shall be paid to nursing facilities that qualified for supplemental ventilator care and tracheotomy care payments in FY 2014/15 – same as last year.

This section also includes the following provisions:

- \$750,000 of funds appropriated for general government operations shall be allocated to establish a statewide 2-1-1 system grant program – this is new language.
- \$580,000 of the funds appropriated for mental health services shall be used to continue the existing network for care and to expand the network to include services and resources for military veterans and their families – same as last year.
- The appropriation for Medical Assistance fee-for-service includes no less than \$8.25 million for distribution to five entities, as specified in the bill – similar to last year
- The appropriation for Medical Assistance capitation includes no less than \$150,000 to be used for the prevention and treatment of depression in older Pennsylvanians in a second class county – same as last year.
- The appropriation for autism and intervention services includes \$1.63 million that shall be distributed to five entities, as specified in the bill – same as last year.
- No less than \$235,000 of the appropriation for community-based family centers shall be allocated to a program for early literacy and school readiness, as specified in the bill – this is new language.
- The appropriation for blind and visual services includes an allocation for an entity specified in the bill in the same amount as FY 2014/15 – same as last year.

## Department of Revenue

Section 1730-F extends the existence of the Enhanced Revenue Collection Account through FY 2019/20 and authorizes the Department’s continued efforts to enhance revenue collection. Of the money deposited in the account each fiscal year, up to \$30 million shall be appropriated to the Department for its enhanced-revenue-collection costs. The remaining money in the Account shall be transferred to the General Fund each June 15. In previous years this appropriation was \$25 million.

This is the same language as the prior year; however it is increased by \$5 million.

## Department of Transportation

Section 1732-F restricts PennDOT from using money appropriated for direct mail inserts in mailings from the Department. The term direct mail inserts includes coupons for commercial services, advertising materials for a private commercial entity and departmental documents which are sponsored by a private commercial entity.

This is the same language as the prior year.

## [Pennsylvania Emergency Management Agency](#)

Section 1735-F requires funds appropriated for search and rescue programs are to be used to support programs related to training working service dogs.

This is the same language as the prior year.

## [Pennsylvania Higher Education Assistance Agency](#)

Section 1738-F requires that PHEAA shall transfer up to \$4.55 million to the Department of Health for the Primary Health Care Practitioner Loan Forgiveness program. This is new language.

It also allocates \$500,000 for the Cheyney Keystone Academy and \$500,000 for merit scholarships at Mansfield University.

## **2017-2018 Restrictions on Appropriations :**

The bill provides for several limitations on funds and restricted receipt accounts.

## [State Lottery Fund](#)

Section 1702-G stipulates that Lottery Fund revenue appropriated for PENNCARE shall not be utilized for administrative costs by the Department of Aging.

## [Justice Reinvestment Fund](#)

Section 1721-G eliminates the statutorily required transfer of Justice Reinvestment Initiative savings from the Department of Corrections to the Justice Reinvestment Fund in 2017/18. This is new language.

## [Fund Transfers](#)

Section 1726-G requires \$300 million to be transferred from special funds and restricted accounts to the General Fund. The Secretary of the Budget shall transmit a list of the amounts to be transferred to the Treasurer, who will then move the money to the General Fund.

## **Effective Dates:**

Section 215 pertaining to Lottery Winnings Intercept shall take effect in 365 days.

Subarticle F of Article XVII-A.1 pertaining to the First Chance Trust Fund shall take effect in 30 days.

Section 1729-E(4) pertaining to nursing facility assessment shall take effect in 60 days.

The remainder of HB 674 shall take effect immediately.