



## **BILL ANALYSIS -- FISCAL CODE**

**HB 1421 PN 3375**

**July 7, 2022**

**Prepared by the staff of the House Appropriations Committee**

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**BRIEF SUMMARY**

HB 1421 amends the Fiscal Code with substantive language implementing the General Appropriation Act of 2022, and it makes other amendments to the Fiscal Code.

**Analysis of the Bill**

**THE FOLLOWING PARAGRAPHS CHANGE, ADD, OR REPEAL PERMANENT SECTIONS OF THE FISCAL CODE**

**TRANSFER OF FEDERAL FUNDS**

Section 111-C deletes all current law provisions that required unspent amounts from the American Rescue Plan Act (ARPA) State Fiscal Recovery Fund to be deposited into the General Fund in accordance with the revenue replacement provisions available under federal guidance.

All of the State Fiscal Recovery Funds will only be spent when appropriated by the General Assembly by deleting this section.

**ARPA FUNDING FOR THE UNEMPLOYMENT COMPENSATION TRUST FUND LOAN REPAYMENT**

Section 115-C requires the Secretary of Labor and Industry to certify certain financial projections and data concerning the state’s Unemployment Compensation Trust Fund on September 1, 2022, November 1, 2022, December 15, 2022, and February 1, 2023.

The data will include the fund balance, estimated revenues and expenditures, federal loan balances and whether the federal loan balance will cause the commonwealth to have Federal Unemployment Tax Act (FUTA) credit reduction. The FUTA credit reductions are the automatic federal loan repayment mechanisms imposed on a state if they carry a loan balance for their unemployment programs.

After certification, the Secretary of the Budget will transfer amounts appropriated from federal ARPA funds to the UC Trust Fund to repay the federal loans that would trigger FUTA credit reductions for employers for either 2022, or 2023.

Excess money can be used to pay off any outstanding loans, or to pay benefits if not needed to forestall any additional loans from the federal unemployment account.



## LOCAL LAW ENFORCEMENT SUPPORT GRANT PROGRAM (NEW)

Section 116-C establishes the grant program within the Pennsylvania Commission on Crime and Delinquency. The purpose of the grant program is to provide a law enforcement agency with the necessary resources to allow the law enforcement agency to implement information technology improvements, purchase or upgrade equipment, cover nontraditional law enforcement personnel costs, support retention and recruitment efforts, provide necessary training, and cover related expenses.

Uses for the grants include, but are not limited to:

- Technology and Information Technology improvements
- Hardware and software equipment
- Nonsworn personnel costs
- Nonrecurring personnel costs related to sworn officers
- Policy development, evidence-based practices, and training

The grant program will be funded using Federal ARPA money.

Eligible applicants for the program are municipal and local police agencies, campus or university police departments, railroad or street railroad departments, airport authority police departments, and county park police. The commission will prioritize grants for areas with high rates of violence or to law enforcement agencies with low clearance rates.

The following limitations are placed on grant awards:

- A grant to a city of the first class shall not exceed \$25 million
- A grant to a city of the second class shall not exceed \$20 million
- A grant to a municipality with a population of 55,000 or greater, not including a city of the first or second class, shall not exceed \$10 million
- A grant to a municipality with a population between 18,000 and 55,000, not including a city of the first or second class, shall not exceed \$5 million
- A grant to a municipality with a population less than 18,000, not including a city of the first or second class, shall not exceed \$1 million
- A grant to a transit agency or campus police force shall not exceed \$5 million
- A grant to an airport authority police department or a county park police force shall not exceed \$500,000

## GUN VIOLENCE INVESTIGATION AND PROSECUTION GRANT PROGRAM (NEW)

Section 117-C establishes the program within the Pennsylvania Commission on Crime and Delinquency. The purpose of the grant program is to make grants to county district attorneys' offices and local law enforcement agencies to investigate and prosecute firearms offenses and gun violence.

The grant program will be funded using Federal ARPA money.

Specific uses for grants applied for under this program include, but are not limited to:

- Improving and enhancing coordination of Federal, State and local law enforcement investigations and prosecutions
- Supporting personnel costs related to the prosecution and investigation of firearms crimes
- The purchase of technological solutions to improve investigations, prosecutions, and clearance rates
- Initiatives that support the tracing of firearms used to commit crimes or delinquent acts and the identification of illegal firearms traffickers
- Any other efforts that aid in the investigation, arrest, and prosecution of a crime involving firearms

## VIOLENCE INTERVENTION AND PREVENTION (NEW)

Section 118-C requires funds appropriated for COVID Relief – ARPA – Violence Intervention and Prevention shall be used for Community Violence reduction programs. Community Violence Prevention Grants allow



organizations like YMCAs and Boys and Girls Clubs, as well as municipalities and businesses to address the gun and school violence epidemics happening in neighborhoods across our commonwealth.

### WHOLE-HOME REPAIRS PROGRAM (NEW)

Section 135-C establishes the program in the Department of Community and Economic Development. This program is supported by ARPA funds and funding is distributed by either grants or forgivable loans, conditional on adherence to guidelines. Funding for this program must address habitability concerns, energy or water efficiency improvements, or accessibility for individuals with disabilities.

The following provisions apply to the Whole-Home Repairs Program:

- An applicant can include either a nonprofit or governmental entity serving one or more county
- A single grant or loan may not exceed \$50,000 per owner-occupied or rental unit
- Eligible grant recipients include homeowners with household incomes not exceeding 80% of AMI
- Eligible loan recipients include landlords with an ownership stake in no more than five properties and no more than 15 rental units.
- Loan forgiveness is contingent upon adherence to the following:
  - The landlord extending a three-year lease extension upon receipt of funds
  - Annual rent increases not exceeding 3% of the base rent or the unit has been occupied by a tenant participating in the Housing Choice Voucher Program for no less than 15 years
  - The landlord has not committed a serious violation relating to the rental property
- DCED can award funds to no more than one applicant per county
- An applicant that receives funds can subgrant to other approved entities
- The applicant can use funds to invest in workforce development programs that will connect trainees to jobs through committed employer partnerships in the home repair industry
- DCED and grantees may each retain up to 4% for administrative costs

### ARTS AND CULTURE RECOVERY GRANTS

Section 136-C transfers \$15 million in ARPA funds to the Commonwealth Financing Authority to award grants not to exceed \$500,000 to the following entities located in Pennsylvania:

- Nonprofit arts and culture organizations
- Local arts and culture districts
- Arts and culture professionals

The Commonwealth Financing Authority will determine eligibility requirements, allowable uses of grant funds, and the minimum grant award amount permitted.

### MODIFICATION TO COVID FEDERAL FUNDS FOR EDUCATION

Section 141-C reallocates \$1.4 million from the 2020/21 federal appropriation for Emergency Education Relief to Nonpublic Schools to the federal appropriation for COVID Relief GEER (Governor's Emergency Education Relief). The funds must still be used to support nonpublic schools.

Section 145-C allows nonpublic schools who received a grant from federal Emergency Assistance to Nonpublic Schools (EANS) funds to select any educational service provider provided through an intermediate unit to administer the program. Nonpublic schools had to apply through these entities to receive funding.

The intermediate units who are administering the programs will report by February 14, 2023 on how much money remains unexpended from this program.

Section 146-C allows the state librarian to determine the distribution of any unexpended, uncommitted or unencumbered federal American Rescue Plan (ARPA) funds for libraries.

### ARPA FUNDING FOR BIOTECHNOLOGY RESEARCH

Section 151-C requires the Department of Health (DOH) to award grants from ARPA funds appropriated for Biotechnology Research. The grants can support biotechnology, pharmaceutical, life science or health fields in several ways:



- *Research and Development:* Attract, grow and expand research and development capacity in the industries, including partnerships between industry and institutions of higher education
- *Manufacturing Capacity:* increase manufacturing capacity located in the commonwealth
- *Innovation:* promote growth or development of new and innovative technologies
- *Commercialization:* Support the commercialization of research, including research developed or conducted in the commonwealth.

DOH shall issue guidelines to implement the grant program.

### ARPA FUNDING FOR LONG-TERM LIVING SERVICES

Section 161-C allocates \$250 million for long-term living services.

To nonpublic and county nursing facilities are allocated \$131.157 million, with \$104.926 million being distributed based on Medical Assistance (MA) days of care provided in third quarter of calendar year 2021 and \$26.231 million being distributed based on the number of licensed beds at each facility as of July 1, 2022.

For personal assistance services, \$74.946 million is allocated to home health care agencies, home care agencies, and participant directed workers, with \$59.957 million being provided to home health care agencies and home care agencies as well as \$14.989 million being provided to participant directed workers. For all providers, funds are to be distributed based on MA units invoiced in the third quarter of calendar year 2021, excluding overtime units.

For assisted living residences and personal care homes, \$26.767 million is allocated with \$24.090 million to be distributed to both facility types based on occupancy from the most recent inspection on or before July 1, 2022. In addition, \$2.677 million is to be allocated just to personal care homes based on the receipt of Social Security Income state supplement payments received from the Department of Human Services (DHS) in March 2022.

For adult day care providers, \$6.959 million is allocated and is to be distributed based on MA payments for the third quarter of calendar year 2021.

For residential habilitation providers, \$535,000 is allocated and is to be distributed based on MA payments for the third quarter of calendar year 2021.

For nonpublic and county nursing facilities providing ventilator and tracheostomy care to more than 10 MA recipients and more than 17% of MA recipients being served are receiving ventilator or tracheostomy care as of the quarter ending March 31, 2022, \$4.283 million is allocated to qualifying providers and shall be distributed based on the pro rata supplemental ventilator and tracheostomy care payment for the same quarter.

For Living Independence for the Elderly (LIFE) providers, \$5.353 million is allocated and is to be distributed based on program payments in the third quarter of calendar year 2021.

For all payments made from the \$250 million for long-term living services, the person or entity receiving payment:

- Must be in operation as of July 1, 2022
- Shall provide documentation to DHS in a format prescribed by the department for purpose of audit review
- May not otherwise be reimbursed by federal, state, or other source of funding

### LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

Section 161-C also outlines that newly appropriated ARPA funds for the Low-Income Home Energy Assistance Program (LIHEAP) may only be expended provided that all other federal funds received for LIHEAP are used first, except funds permitted to be carried over to the following fiscal year under federal law. The funds also may not be used prior to notification from the Budget Secretary to the majority and minority Senate and House appropriations chairs and the state treasurer that all non-ARPA LIHEAP funds have been committed or expended.





## CHILD CARE STABILIZATION PROGRAM

Section 162-C creates the program in the Department of Human Services to provide funding to qualified childcare providers for the recruitment and retention of qualified staff.

Qualified providers are those licensed under state regulations as child day care centers, group child day care homes, or family childcare homes as well as relative providers exempt from licensing requirements. Qualified staff include those involved in direct supervision of children or environmental services – specifically excluded are executives, contracted staff, administrators, administrative support staff, and owners.

The department must begin accepting applications no later than January 1, 2023 and must continue accepting applications until all funds are exhausted or the deadline to spend ARPA funds has been reached. The department has 30 days to adjudicate applications.

Conditions attached to funding include:

- May not supplant existing wages and may not be otherwise reimbursable by state or federal funds;
- Qualified staff may only receive either a retention or recruitment payment;
- Payments per staff member may not exceed \$2,500;
- Qualified providers must have been in operation on June 30, 2022, and must remain open until at least December 31, 2022;
- Retention payments by providers must be made to staff within 90 days of receipt of funds and recruitment payments must be made within 180 days; and,
- Providers must submit reporting by June 30, 2023, on staff retention payments and by September 30, 2023, on staff recruitment payments.

DHS may recover a payment for non-compliance with any conditions and must prepare a report within 90 days of provider reporting deadlines to the general assembly and post the report on their website.

## BEHAVIORAL HEALTH COMMISSION FOR ADULT MENTAL HEALTH

Section 163-C establishes a new Commission for Adult Mental Health in DHS. The commission is to be comprised of 24 individuals from various state agencies or areas of specialty, as well as legislative appointees. The commission is to issue, and make available on the DHS website, a report of recommended funding allocations to the following areas:

- Delivery of services by telemedicine
- Behavioral health rates, network adequacy, and mental health payment parity
- Workforce development and retention
- Expansion of certified peer support specialist services and peer-run services
- Development and provision of crisis services
- Integration of behavioral health and substance use disorder treatment
- Cultural competencies when providing behavioral health care
- Impact of social determinants of health on behavioral health
- Intersection of behavioral health and the criminal justice system
- Integrating care that can deliver timely psychiatric care in a primary care setting

The commission is to hold their first meeting no later than 60 days from the effective date and shall hold at least two meetings to review the provisions of behavioral health care and identify recommendations for improvements in coordination of care. One meeting shall be held with rural entities and one meeting shall be held with either urban or suburban entities. Entities to be consulted include county mental health organizations, county commissioners, managed care organizations, behavioral health managed care organizations, single county authorities, hospitals, law enforcement, district attorneys, county child welfare agencies and county jails.

The commission shall terminate upon the issuance of the report.



## ARPA FUNDING FOR PROPERTY TAX RENT REBATE

Section 185-C provides an additional amount of property tax or rent rebate in an amount equal to 70% of the amount received by the claimant for calendar year 2021.

The Department of Revenue will begin making payments no later than Aug. 31, 2022. Payments will be made in the same manner that regular PTRR payments were made for this year. No additional application is required.

## ARPA ALLOCATIONS TO THE PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION (PASSHE)

Section 192.1-C allocates \$125 million of ARPA funds appropriated to the Pennsylvania State System of Higher Education.

*Integrated Universities:* The recently integrated universities (Commonwealth University of Pennsylvania, formed from Mansfield, Lock Have and Bloomsburg Universities, and Penn West University, formed from Clarion, California and Edinboro Universities) will share \$34.3 million, split as determined by the Board of Governors in consultation with the Chancellor.

*Cheyney University:* Cheyney University will receive \$7.4 million, to be directed by the university president in consultation with the Cheyney Council of Trustees

*Other Universities:* The remaining universities will split \$83.3 million, allocated proportionally based on the average of 2020 and 2021 fall full-time equivalent enrollment at each of the remaining universities, based of 15 credits for undergraduate students and 12 credits for graduate students. These funds will be used as directed by the presidents of the universities in consultation with their councils of trustees.

Payments will be made no later than Aug 1, 2022, and the chancellor shall provide interim and final reports on how the universities use the funds to the Appropriations Committees. The reports will also be posted on PASSHE's website.

## DEVELOPMENT COST RELIEF PROGRAM (NEW)

Section 195-C establishes the program under the Pennsylvania Housing Finance Agency. This program supports already applied for or currently underway Low-Income Housing Tax Credit (LIHTC) construction projects. The Development Cost Relief Program addresses increased costs from supply chain challenges as well as losses in equity investments resulting from the COVID-19 pandemic.

To be eligible for the program, an applicant needs to demonstrate increased expenses and the necessity of supplemental funding to complete the development project. Projects that received funds from the Construction Costs Relief Program are not precluded from also receiving funds from this program. Any funds remaining from the Construction Costs Relief Program (194-C) can be allocated by PHFA through the Development Cost Relief Program.

## HOUSING OPTIONS GRANT PROGRAM (NEW)

Section 196-C creates the program within the Pennsylvania Housing Finance Agency. This program makes grants available for the development of affordable housing units, including but not limited to building new units, rehabbing existing properties to make them affordable housing units, or preserving existing affordable units.

The following provisions apply to this grant program:

- Eligible recipients include developers and nonprofit organizations
- A project must meet the requirements for an award under the Federal Low Income Housing Tax Credit
- There is a 25% match component by the developer or nonprofit organization
- All grants must be awarded by December 31, 2024
- PHFA must ensure that the grant awards are geographically diverse across Pennsylvania





## STATE PARKS AND OUTDOOR RECREATION PROGRAM (NEW)

Section 198-C establishes the program under Department of Conservation and Natural Resources (DCNR). The program will support rehabilitation, repair and development of park and forest areas in the commonwealth.

*Program/Project eligibility* includes State Park or forest land rehabilitation repair, or development; acquisition of lands for State Parks or State Forests; grants to local entities to plan, educate, acquire, develop, or rehabilitate the following: Greenways, Recreational trails or trail connections, Open spaces, Watersheds, Community Parks and recreational facilities, and Heritage Areas.

An eligible entity includes a county, municipality, council of governments, conservation districts or authorized organization. The allocation of funds will be 75% for state park and forest rehabilitation and acquisition of lands and 25% for grants to eligible projects/entities. Award amounts shall not be less than \$50,000 and shall not be more than \$5,000,000. DCNR will determine application information.

DCNR may require matching funds for grant awards for eligible entities. DCNR shall provide a report to the General Assembly which includes the following: Total number of projects receiving awards; List of eligible entities receiving awards; and Amounts received by an eligible entity for each project

## REALLOCATION OF EMERGENCY RENTAL ASSISTANCE GRANTS

Section 105-D adds the ability for DHS to consider a county's ability to utilize additional Emergency Rental Assistance Program (ERAP) round one funds by the federal spending deadline in their reallocation methodologies.

Section 103-E adds the ability for DHS to recoup and reallocate ERAP round two funds in a manner to ensure utilization of funds by the federal spending deadline and allows DHS to consider a county's ability to utilize additional funds in their reallocation methodologies.

## TREASURY ELECTRONIC PAYMENT SECURITY STANDARDS (NEW)

Section 301.5 creates new provisions regarding commonwealth payment security which will be overseen by the state Treasurer. The Treasurer is empowered to set and require security standards to detect and prevent fraud and financial losses on all disbursements for departments, agencies, boards and commissions of the executive branch. The Treasurer is required to provide a list of qualified payment security vendors within ninety days.

Within eighteen months after the effective date, each commonwealth entity for which Treasury makes payment disbursements shall select and contract for electronic payment security services from a list of providers established by Treasury. The Treasurer is required update the list of approved vendors every two years.

## OIL & GAS LEASE FUND TRANSFER TO MARCELLUS LEGACY FUND

Section 1601.2-E eliminates the Oil & Gas Lease Fund transfer to Marcellus Legacy Fund and then to Environmental Stewardship Fund for 2022/23.

## TRANSPORTATION NETWORK COMPANY EXTENSION

Section 1606-M extends the 1.4% assessment on all rides by transportation network companies such as Uber and Lyft which originate in Philadelphia. The assessment was set to expire on 12/31/2022 but will now expire on 12/31/2027.

## AGRICULTURE CONSERVATION ASSISTANCE PROGRAM (NEW)

Article XVI-R establishes the program in the State Conservation Commission.

The goal of the program is to reduce nutrient and sediment pollution and improve watersheds. The program will provide financial support to conservation districts to help farmers and landowners implement best management practices, provide training, education and technical assistance, and ensure that projects are properly carried out.



Up to 4% of the funds allocated for the program can be used for administration. The Commission may delegate its powers and duties to the Pennsylvania State University, or other entity determined appropriate by the Commission, for the execution of administrative tasks and activities

*Powers and Duties of the State Conservation Commission include:* adoption of program performance standards; provide program evaluation and quality control; develop training, education, and technical assistance program; and create a system for collecting/reporting of data on funded practices

*Program funds shall be apportioned to participating Conservation Districts, based on the following:* agriculturally impaired stream miles; number of cropland acres; number of farms; number of livestock and poultry; and other criteria established by the Commission

Program guidance includes that, unused apportioned funds shall not lapse for two years, after two years unused funds shall be reapportioned to participating Conservation Districts

*Powers and Duties of participating Conservation Districts:*

- In participating in the program, each district shall enter into an agreement with the Commission, to establish administrative responsibilities and activities to be performed
- Participating Districts shall utilize funds to:
  - Approve/provide financial assistance to install and implement Best Management Practices (BMPs)
  - Technical training, education, and technical assistance in project administration
  - Establishment of procedures for submission and approval of applications for BMPs that minimize procedural tasks and obligations
  - Establish written criteria for ranking of applications
  - Enter into written agreements with recipients
  - Adoption, development, and administration of procedures
- Conservation District may dedicate up to 6% of their annually allocated funds, for administration and may appoint an Advisory Committee to identify local priorities
- *Application* (shall include or be reviewed):
  - Location, description, and planned BMPs of the project
  - Amount and sources of available funding, including total cost
  - Project relevance as it relates to implementation of manure or nutrient management, conservation, or agricultural erosion and sediment control plans
  - 90-day review timeframe to notify applicant, of project: approval/denial; project funds approval
- *Criteria for evaluation of applications:*
  - Project meets goals of any applicable watershed implementation plan
  - If applicable to agricultural operation, the applicant/project has conservation, agricultural erosion and sediment control, or manure/nutrient management plans
  - Project implements BMPs included in conservation agricultural erosion and sediment control, or manure/nutrient management plans
  - Agricultural operation w/ animal concentration area shall have BMPs to abate storm water runoff, loss of sediment/nutrients and runoff
  - Proximity to surface waters, public drinking water, or karst geology
  - Design and construction standards set by the Commission
- State Conservation Commission shall provide an annual report to the General Assembly

### CLEAN WATER PROCUREMENT PROGRAM (NEW)

Article XVI-S establishes the program to purchase nutrient or sediment reduction, through a competitive bidding process as part of the Commonwealth's Procurement Code. The program aims to reduce pollution and improve stream and wetland conditions by meeting the goals of the Chesapeake Bay Phase 3 Water Implementation Plan (WIP), with a targeted focus on the Chesapeake Bay watershed area, however it could be applied to or eligible for projects statewide.



The program is to be administered by Pennsylvania Infrastructure Investment Authority (PennVEST) in conjunction with the Department of Environmental Protection (DEP) and the State Conservation Commission. No more than 4% of program funds may be used by DEP for administrative costs.

Section 1602-S defines Qualified Bidder, eligible to bid on Request for Proposal (RFP) or engage in bidding process, under Section 1606-S, as:

- Person or entity that facilitates or coordinates implementation of Best Management Practices (BMP)
- Acts on behalf of farmers
- Administers a program for BMP implementation for reduction of nutrient or sediment pollution

Section 1606-S provides for the duties of the Pennsylvania Infrastructure Investment Authority (PennVEST), including:

- Issue Request for Proposal (RFP) or initiate bidding process, which is to include:
  - Legal name, address, and contact information of qualified bidder submitting proposal
  - Project description or practices to be used
  - Project/practice location
  - Expected life of nutrient or sediment reduction
  - Description of ownership/ownership agreement of each parcel used in implementing the project
  - Description of the measures to be used to quantify reductions of nutrients or sediment
  - Suggested payment schedule
  - Qualified bidder's qualifications/experience/resources and a statement of bidder's proposed surety and other financial assurances
- Evaluate responses to RFP/bidding process in consultation with DEP and State Conservation Commission
- Contract execution:
  - May not be longer than 10 years
  - Shall require periodic submissions in accordance with a verification plan developed/approved by DEP
  - Require payments be conditioned on achievement of specific outcomes in accordance with a verification plan developed/approved by DEP
  - Shall specify a measure that PennVEST will take in the event of failure
  - After DEP has verified the proposed nutrient or sediment reduction, a contract may be executed by PennVEST
- Publicly funded reductions:
  - A nutrient or sediment reduction funded entirely by public funding, shall not be eligible to be purchased under the program
  - If a percentage of the nutrient or sediment reduction is funded by public funds, the remaining percentage of the project shall be eligible for purchase if the percentage reduction is proportional between the public and non-public components
- Criteria evaluation for Request for Proposal (RFP):
  - To be determined by PennVEST in consultation with DEP and State Conservation Commission
  - Further include:
    - Verified nutrient or sediment reduction in a locally impaired watershed
    - Verified nutrient or sediment reduction in a County designated by DEP as a Tier 1 Chesapeake Bay County
    - Dollar cost per pound of nutrient or sediment reduction
    - Extent to which a project includes small farms
    - Quantity of nutrient or sediment loads reduced
    - Project's community and environmental benefits
- PennVEST shall publish an annual report on the program detailing: total program cost; implemented best management practices; verified nutrient or sediment reductions; cost of each nutrient or sediment reduction; program participation by small farms

Section 1610-S provides for the duties of Department of Environmental Protection (DEP), including:



- Review and approve plans for nutrient or sediment reduction part of RFP responses and advise PennVEST as to their acceptability
- Evaluate RFP criteria submissions and advise PennVEST on the acceptability of such responses
- Inspect and conduct audits of qualified bidders to ensure contract compliance
  - DEP may choose to enter into an agreement with a third party to perform this duty

The duties of the State Conservation Commission include advising PennVEST in the establishment of criteria for Request for Proposal (RFP) and reviewing RFP responses and advise PennVEST accordingly.

DEP may promulgate regulations related to this article; lack of regulations, shall not bar DEP, PennVEST, or the State Conservation Commission from administering and implementing the program.

This article shall expire 10 years after the effective date.

## RAINY DAY FUND

Section 1702-A requires \$2.1 billion to be deposited into the Rainy Day Fund. The deposit will be carried out by the end of the next succeeding quarter after the close of 2021/22.

## UNDERGROUND STORAGE TANK FUND - LOAN REPAYMENT NOTICE

Section 1711-A requires the Secretary of the Budget to transmit a notice to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin when loans to the General Fund from the Underground Storage Tank Indemnification Fund have been repaid. All language related to the transfer and its repayment expires upon publication of the notice.

## H2O PA

Section 1772.1-A transfers \$214.4 million in ARPA funds to the Commonwealth Financing Authority for water and sewer projects within the H2O PA Program. All grants must be made in accordance with applicable federal law.

## OTHER GRANTS - WATER AND SEWER

Section 1774.1-A transfers \$105.6 million to the Commonwealth Financing Authority for distribution or reimbursement for water and sewer projects. This section allows for grant awards between \$30,000 to \$500,000. Grants shall not include matching funds in the cost of the project and all grants must be made in accordance with applicable federal law.

## TOBACCO SETTLEMENT FUND (TSF)

Section 1712-A.1 requires that Master Settlement Agreement (MSA) revenues sufficient to make annual debt service payments must be deposited into the debt service account established by Act 43. Subsection 2(ii) requires that for 2022/23, revenues equal to the debt service amount will be transferred from cigarette tax revenues and deposited into the TSF.

Section 1713-A.1 specifies how MSA revenues are to be distributed each fiscal year. TSF allocations for 2021/22 are maintained in 2022/23:

- Tobacco Use Prevention and Cessation – 4.5%
- Health and Related Research – 12.6%
  - 70% to National Institute of Health grantees, formula-based
  - 30% remainder
    - \$1 million for spinal cord injury research
    - Remainder
      - 75% for pediatric cancer research
      - 25% for capital and equipment grants to entities engaging in biotechnology research
- Health and Related Research (National Cancer Institute grantees, formula-based) - 1%
- Uncompensated Care – 8.18%
- Medical Assistance for Workers with Disabilities (MAWD) – 30%



- Other Health-Related Purposes – 43.72%

### RACE HORSE DEVELOPMENT FUND

Section 1723-A.1 authorizes the transfer of \$14.659 million from the PA Racehorse Development Fund (RHDF) for disbursement to the Animal Health Commission, the Pennsylvania Veterinary Laboratory System, Pennsylvania Fairs, and the State Farm Products Show Fund for 2022/23. (New reduced amount)

For 2022/23, \$10.066 million will be transferred from the PA Racehorse Development Fund to the State Racing Fund to cover costs of enforcement of equine medication rules testing.

The bill extends current law provisions and procedures authorizing a transfer from RHDF to the State Racing Fund for medication testing and related costs until June 30, 2025. (New)

### WORKERS' COMPENSATION SECURITY FUND - LOAN REPAYMENTS

Section 1738-A.1 requires the Secretary of the Budget to transmit a notice to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin when loans to the General Fund from the Workers' Compensation Security Fund have been repaid. All language related to the transfer and repayment expires upon publication of the notice.

### OPIOID SETTLEMENT RESTRICTED ACCOUNT

Section 1792-A.1 expands the required deposits into the account to include court-ordered distributions through bankruptcy proceedings and clarifies deposits include claims by the Commonwealth related to marketing, manufacturing, sale, promotion, distribution, prescribing, or dispensing of opioids.

### FEDERAL INFRASTRUCTURE PROJECT ACCOUNT

Section 1702-A.2 continues the Federal Infrastructure Project Account, which was established under the 2021/22 General Appropriations Act, as a restricted account within the General Fund. The section provides that funds in the account may only be used upon an appropriation by the General Assembly. This provision aligns with existing law under the General Appropriations Act.

### CLEAN STREAMS FUND (NEW)

Section 1712-A.2 establishes the fund under the State Treasury. Money deposited into the fund shall be distributed as follows:

- 70% to the State Conservation Commission, to implement Agriculture Conservation Assistance Program established under Article XVI-R
- 10% to PennVEST to implement the Clean Water Procurement Program established under Article XVI-S
- 10% to the Nutrient Management Fund
- 4% to DEP for grants and reimbursements to municipalities and counties for the creation of Storm Water Management Plans, under Sec. 17 of the Storm Water Management Act
- 4% to DCNR for the Keystone Tree Restricted Account
- 2% to the Acid Mine Drainage Abatement and Treatment Fund

### SPORTS TOURISM AND MARKETING ACCOUNT

Section 1722-A.2 establishes the account in the Pennsylvania Gaming Economic Development and Tourism Fund as a restricted account. The intent of this account is to attract high quality, amateur and professional sporting, and esports events to Pennsylvania. The purposes of this initiative include promoting and advancing year-round tourism, economic impact, and quality of life through sport.

This account will be administered by the Department of Community and Economic Development. The Department will issue program guidelines, establish procedures for eligible applicants, develop application processes, and award assistance through grants, loans, or loan guarantees.

Eligible applicants can include the following entities:



- Municipality
- Local authority,
- Nonprofit organization
- Legal entity that is participating or plans to participate in a competitive selection process

The awarded funds can be utilized for the following purposes:

- Necessary preparations for conducting the event
- The costs of conducting an event, including improvement and renovation of existing facilities
- Promotion, marketing and programming costs associated with the event
- Event advertising expenses conducted in Pennsylvania
- Production and technical expenses
- Site fees and costs, such as labor, rentals, insurance, security and maintenance
- Machinery and equipment purchases
- Public infrastructure upgrades or public safety improvements
- Land acquisition directly related to the conduct of the event
- On-site hospitality during the event

This account will be financed by 5% of the sports wagering tax or \$2.5 million, whichever is greater. The maximum amount to be transferred to the account annually is \$5 million. Within nine months after the event, the IFO will complete an economic impact assessment.

### ELECTION INTEGRITY RESTRICTED ACCOUNT (NEW)

Section 1732-A.2. establishes the Election Integrity Restricted Account. Before August 1<sup>st</sup> of each year, \$45 million will be transferred to this account. The funds transferred to this account can be utilized only after legislation is enacted to provide for clarification on fund parameters and on appropriation by the General Assembly.

### **CHANGES TO 2021/22 BUDGET IMPLEMENTATION**

The bill makes three changes to budget implementation language for FY 2021/22:

- Repeals the \$250,000 transfer for the **Judicial Computer System Financial Audit Committee**.
- The **2-1-1 Communication** allocation is increased by \$4 million to be used for nonrecurring infrastructure enhancements to the system.
- The **Blind and Visual Services** allocations are increased from the required 2021/22 distributions by \$600,000.

### **CHANGES TO GENERAL BUDGET IMPLEMENTATION PROVISIONS AFFECTING ALL FISCAL YEARS**

#### RACP LOCAL MATCH REQUIREMENTS

Section 1712-E allows impact fee distributions to count as local match for the Redevelopment Assistance Capital Project program, if the RACP project is a type of project that impact fees can be used to support under existing law.

#### DEPARTMENT OF CORRECTIONS, PAROLE BOARD AND BOARD OF PARDONS APPROPRIATION REQUIREMENTS

Section 1721-E reenacts existing language from Act 59 of 2021 that requires the Parole Board and the Board of Pardons to receive separate appropriations under the Department of Corrections. The prior language in Act 59 is repealed.

#### CHARTER SCHOOL PAYMENTS FROM CERTAIN APPROPRIATIONS

Section 1722-E prohibits charter schools from receiving payments from appropriations for Basic Education Funding, School Employees' Social Security, or Public School Employees' Retirement. Charter schools are ineligible for direct state funding from these appropriations because these funds are included in the per student tuition rate paid by school districts to charter schools.





## RURAL HEALTH REDESIGN AUTHORITY

Section 1725-E requires the Department of Health (DOH) and the Rural Health Redesign Center Authority (RHRCA) to amend their existing intergovernmental agreement, within 15 days of the effective date, to require repayment of funds borrowed by RHRCA from DOH no later than June 30, 2024, and DOH may not require partial payments.

## REEMPLOYMENT FUND REAUTHORIZATION

Section 1727-E reauthorizes the Reemployment Fund under the Department of Labor and Industry until 2024, a two year extension. The fund was created by Act 60 of 2012 and subsequently reauthorized in 2018. The Reemployment Fund receives 5% of employee contributions to the Unemployment Compensation Fund.

This program provides grants for services like job search and placement, educational enhancement, job training, job readiness and workplace skills training. It can also fund research on workforce needs and demands, and improvements to the department's infrastructure and capacity to provide employment services.

## BURIAL DETAILS FOR VETERANS (UNDERLYING BILL)

Section 1728-E(b) allows the Department of Military and Veterans Affairs (DMVA) to contract with a statewide nonprofit veterans' group or groups to provide burial details for veterans being interred at Indiantown Gap National Cemetery, National Cemetery of the Alleghenies or Washington Crossing National Cemetery. The contract shall be at a cost of \$250 per day, an increase of \$100 over the current amount. (NEW)

## NATIONAL GUARD PAY

Section 1728-E(c) increases the minimum compensation for members of the Pennsylvania National Guard and Pennsylvania Guard on active duty from \$100 per day to \$180 per day. (NEW)

## HOME AND COMMUNITY-BASED SERVICES (HCBS) FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES (ID) AUGMENTATION ACCOUNT

Section 1729-E establishes a new restricted account to receive proceeds from the sale of state centers for individuals with intellectual disabilities and the amount of any year-over-year decreases to the appropriation for state centers' operations. Money in the account is appropriated to DHS to provide HCBS, including increasing workforce capacity, to provide housing supports for individuals with ID, and to serve individuals on the emergency ID waiting list, after receiving input from the Information Sharing and Advisory Committee.

## MILITARY INSTALLATION REMEDIATION PROGRAM BOARD RESTRUCTURING

Section 1730-E terminates current authority members as of Dec. 31, 2022. Beginning Jan. 1, 2023, new authority members shall be appointed by the qualified municipality including:

- Five members of the qualified municipality and
- Two members of a municipality that has a former military installation where polyfluoroalkyl water contamination occurred.

This section also gives the authority additional access to state and local tax information necessary to determine amounts of money allocated to the Transit Revitalization Investment District. (NEW)

## PENNVEST USE OF WATER AND SEWER INFRASTRUCTURE FUNDS

Section 1740-E requires implementation of federal funding for water and sewer projects to be consistent with the Infrastructure Investment and Jobs Act of 2021 or the Water Infrastructure Improvements for the Nation Act of 2016. It also exempts certain money from these two federal acts appropriated to and administered by PENNVEST from existing law provisions that direct PENNVEST to prioritize loans rather than grants to applicants, and from certain project dollar amount caps. These exemptions apply to funds appropriated for:

- Clean Water State Revolving Fund for programs to address emerging contaminants
- Drinking Water State Revolving Fund for programs to assist with costs of lead service line replacement and emerging contaminants



- Water Infrastructure Improvements for the Nation Act of 2016 programs to address emerging contaminants and small and underserved communities

## RESTRICTIONS ON STATE-RELATED UNIVERSITY APPROPRIATIONS

Section 1754-E permanently extends requirements that state-related universities use state appropriations only for instruction, student services and community outreach services, consistent with the existing laws of the commonwealth. This language previously appeared in the 2021/22 budget implementation section, affecting just that year.

## JUDICIAL FEES

Section 1795.1-E extends the \$10 and \$11.25 judicial surcharges used for the operation of the judicial department. The surcharges collected under this paragraph will be deposited into the Judicial Department Operations Augmentations Account.

This section moved the fees, which expired June 30, 2022, out of Title 42 Section 3733.2 and reauthorizes them until July 31, 2023

The section reestablishes the separate reserve account within the Judicial Computer System Augmentation Account as a restricted account in the General Fund called the Judicial Department Operations Augmentation Account.

## MULTIMODAL TRANSPORTATION FUND

Section 1798.3-E extends the existing multimodal local match waiver through 2023.

## **THE FOLLOWING PARAGRAPHS RELATE TO IMPLEMENTATION OF THE GENERAL APPROPRIATION ACT OF 2022:**

### REFERENCES TO CENSUS POPULATION DATA

Section 1702-F.1 defines 'Most recent Federal decennial census' as the population figures published by the Department of General Services in the most recent Pennsylvania Manual as of the effective date of the section.

Therefore, the 2010 census will be used when referenced by implementation language within the bill.

### PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY

Section 1712-F.1 makes several earmarks to appropriations made to the Pennsylvania Commission on Crime and Delinquency.

Subsection 1 requires that of funds appropriated to PCCD, no less than the amount used in 2014/15 be spent on the Statewide Automated Victim Information and Notification System (SAVIN) and for a residential treatment facility for at-risk youth in a county of the fifth class. It further requires that \$400,000 be allocated for an innovative police data sharing system (same) and that \$600,000 be allocated to a diversion program for first-time nonviolent offenders. (updated amount; prior year was \$400,000)

The subsection requires that no less than \$3 million be made available for a pilot program in Philadelphia and Allegheny County to hire additional assistant district attorneys designated as a Special United States Attorneys as part of the Project Safe Neighborhoods program to exclusively prosecute certain firearms crimes. (updated amount; prior year was \$1.5 million)

New to subsection 1 are two additional requirements. The first is that \$500,000 will be used to support a statewide child predator unit. The second is that \$500,000 will be used to support training and equipment needs for the identification, investigation, and prosecution of crimes related to the sexual abuse of children. (NEW)

The subsection further specifies that of the funds appropriated to PCCD, \$100,000 shall be used for criminal indigent defense training (NEW)

Subsection 2 stipulates that of funds appropriated for violence and delinquency prevention program, no less than the amounts in 2014/15 shall be used for programs in a city of the second class, and for blueprint mentoring



programs addressing youth violence in cities of the first, second, and third class. Cities of the second and third class will also receive a proportional share of \$200,000. (proportional share increased from \$50,000 to \$200,000)

Subsection 3 stipulates that funds appropriated for violence intervention and prevention must be used to provide grants and technical assistance to programs and organizations to reduce community-based violence. (same)

Subsection 4 specifies that funds appropriated for county intermediate punishment treatment programs shall be distributed competitively to counties. It further specifies that at least 80% will be used for drug and alcohol and mental health treatment programs. This language is unchanged from 2018/19. (same)

### ATTORNEY GENERAL

Section 1714-F.1 specifies that from the funds appropriated for a joint local-State firearm task force in a city of the first class, no more than 20% may be allocated for the district attorney. (NEW)

### AUDITOR GENERAL

Section 1715-F.1 mandates that \$500,000 of any funds appropriated to the auditor general for special financial audits – which amounts to the entire appropriation for the 2021/22 fiscal year – must be used to audit entities that receive funds from the Department of Human Services through its appropriations for:

- Medical Assistance – Capitation
- Medical Assistance – Community HealthChoices
- Medical Assistance – Long-term Living
- Mental Health Services
- Intellectual Disabilities – Community Waiver Program  
(same)

Section 1715-F.1 stipulates that appropriations for the Auditor General shall be used to conduct audits of school districts whose school boards have requested an audit within the six months prior to the effective date of this act. Audits under this section must conform to existing law and include review of a school district's finances over a five-year period if possible. (NEW)

### DEPARTMENT OF AGRICULTURE

Section 1718-F.1 directs money appropriated for General Government Operations shall be transferred to the Dog Law Restricted Account at no less than 2014/15 spending levels.

From General Government Operations, at least \$250,000 shall be used for Commission of Agricultural Education Excellence to assist in development and implementation of agricultural education programming.

From money appropriated for Agricultural Preparedness and Response:

- No less than \$25 million shall be used for grants to assist with costs associated with preparing for and responding to avian influenza outbreak, including: (NEW)
  - Income loss
  - Workforce payroll and benefits
  - Mortgage and rent obligations
  - Utility payments
  - Depopulation and re-opening of facilities
  - Other costs, not eligible or covered by insurance or other funding sources
- No less than \$6 million shall be used for costs incurred by the Animal Health and Diagnostic Laboratory System in preparing and responding to an avian influenza outbreak. (NEW)

From Agricultural Excellence Programs, no less than \$250,000 shall be allocated to the Center for Beef Excellence for grants for producer education and physical infrastructure development (NEW).

From money appropriated for Agricultural Research:



- No less than \$300,000 shall be used for agricultural research center
- No less than \$100,000 shall be used for agricultural law research in conjunction with a land-grant university

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

Money appropriated for the Animal Health & Diagnostic Commission shall be equally distributed to animal diagnostic system laboratories at Penn State University and the University of Pennsylvania School of Veterinary Medicine. (NEW)

## DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

Section 1719-F.1. contains multiple provisions related to the implementation of the department's FY 2022/23 appropriations.

For funds appropriated for general government operations, at least \$1.9 million is directed to support a manufacturing technology development effort, to assist PA small businesses with enhanced cyber security, and to test coal ash refuse extraction of rare earth metals for domestic chip manufacturing in Cambria County.

For funds appropriated for Marketing to Attract Tourists, \$4.093 million is reserved for the core mission of DCED's tourism office. The remaining funds are allocated for arts and cultural activities that generate statewide and regional economic impact. \$500,000 is included for a statewide Special Olympics competition in a county of the fourth class.

No less than \$8 million of the funding appropriated for Pennsylvania First must be reserved to support the Workforce and Economic Development Network of Pennsylvania (WEDnetPA).

DCED is instructed to reserve \$6.377 million in Keystone Communities funds to support Main Street, Elm Street, Enterprise Zone, and accessible housing programs in the same proportion as fiscal year 2012/13. The remaining funding shall be used for projects supporting economic growth community development and municipal assistance throughout the Commonwealth.

For funds appropriated for Partnerships for Regional Economic Performance, \$1 million is reserved for grants to regional networks of economic development service providers.

Up to 3% of the funds allocated from the Community Development Block Grant Entitlement Program for Nonurban Counties and Certain Other Municipalities can be used for administrative costs.

Funds appropriated for local municipal emergency relief shall provide assistance to persons or political subdivisions directly affected by disasters or public safety emergencies that do not qualify for federal assistance. Grants will be available for reimbursement when an area is not covered under the Presidential disaster declaration or DCED determines a public safety emergency has occurred.

## DEPARTMENT OF CORRECTIONS

Section 1721-F.1 requires that \$1.75 million of the funds appropriated for the general operations of the Department of Criminal Justice must be used for non-narcotic medication assisted substance use disorder treatment. (same)

## DEPARTMENT OF EDUCATION

Section 1723-F.1 applies to appropriations to the PA Department of Education (PDE).

The general government operations appropriation includes \$1.5 million to implement an educational and professional development online course initiative. The language aligns with PDE's administrative responsibilities and related startup costs under HB1330 (Ortitay). (NEW)

The Pre-K Counts per-student grant award amount shall be increased 14.3% over the 2021/22 rate (\$8,750 in 21/22 to \$10,000 in 22/23 for a full-time slot). (NEW)

A portion of the allocation for adult and family literacy programs is directed to after-school learning programs servicing low-income students located in a county of the sixth class and a county of the third class. (same)



The appropriation for pupil transportation may not be redirected for any purpose. (same)

The balance of the Chartered Schools for the Deaf and Blind appropriation after all tuition payments have been made shall be distributed pro rata for PSERS costs. The appropriation also includes \$1 million for capital-related costs. (same, with capital funding increase)

An Approved Private School will receive a payment from the Special Education Contingency Fund in the same amount as in 2015/16. (same)

The bill implements pro-rata increases to community education councils and entities funded through the regional community college services appropriation.

## DEPARTMENT OF GENERAL SERVICES

Section 1725-F.1 requires money appropriated for capitol fire protection be used for by the City of Harrisburg to support the provisions of fire services to the Capitol complex. (same)

## DEPARTMENT OF HEALTH

Section 1726-F.1 includes a number of provisions regarding the implementation of the department's 2022/23 appropriations.

From funds appropriated for general government operations, sufficient funds are included for the coordination of donated dental services (existing)

From funds appropriated for diabetes programs, \$100,000 is to be used for Type I diabetes awareness, education and outreach (existing)

From funds appropriated for primary health care practitioner:

- No less than \$3.451 million shall be used for Primary Care Loan Repayment Grant Awards (NEW)
- No less than \$1.5 million shall be used for the PA Academy of Family Physicians Residency Program (NEW)
- Other entities that received funding in 2021/22 shall receive the same amount in 2022/23 and a pro rata portion of \$558,000 (NEW)

Funds appropriated for hemophilia, Cooley's anemia, and children with special needs are to be distributed in the same proportion as in 2019/20. (increase)

From funds appropriated for adult cystic fibrosis and other chronic respiratory diseases, \$212,000 is to be used for a program promoting cystic fibrosis research in Allegheny County and \$106,000 is to be used for research related to childhood cystic fibrosis in Philadelphia (increase)

Funds appropriated for lupus programs are to be distributed in the same proportion as 2018/19 (increase)

Funds appropriated for sickle cell anemia are to be distributed in the same proportion as in 2019/20 (existing) and \$75,000 is to be distributed to an academic medical center located in Dauphin County for expanded care of adult sickle cell disease (NEW).

From funds appropriated for Lyme disease, \$930,000 is to be used for costs related to free tick testing for residents performed in conjunction with a PASSHE school (increase)

Biotechnology research includes allocations for regenerative medicine research, regenerative medicine medical technology, hepatitis and viral research, drug research and clinical trials related to cancer, pulmonary embolism and deep vein thrombosis, vaccine immune response diagnostics, genetic and molecular disease research, nanotechnology, and the commercialization of applied research (increase)

Funds appropriated for leukemia and lymphoma shall be allocated to a branch of an eastern Pennsylvania chapter of a nonprofit organization whose mission aligns with the issue in Bethlehem. (increase)

## DEPARTMENT OF LABOR AND INDUSTRY

Section 1728-F.1 continues existing allocations to a workforce development program for veterans in Delaware County.





## DEPARTMENT OF HUMAN SERVICES

Section 1730-F.1 contains provisions related to the implementation of the department's 2022/23 budget.

From funds appropriated for mental health services (or federal funds) \$580,000 must be utilized to maintain an existing web portal that provides comprehensive referral services for mental health or substance abuse issues and to expand that portal to include resources targeting military veterans and their families. (existing)

Requires DHS to offer 2022/23 grants to each PA WorkWear grantee still in operation who operated a program in the prior year under substantially similar terms, unless both parties agree on alternate terms. (existing)

From money appropriated for medical assistance (MA) capitation:

- No less than the amount used in 2014/15 shall be used for the prevention and treatment of depression in older Pennsylvanians in Allegheny County (existing)
- Sufficient funds are provided for an ambulance rate increase effective January 1, 2023, subject to federal approval and federal matching funds (NEW)
  - Basic Life Support - \$325 per loaded trip
  - Advanced Life Support - \$400 per loaded trip
  - Ground mileage - \$4 per loaded mile beyond 20 loaded miles

From money appropriated for MA fee-for-service:

- Community Access Fund payments to hospitals shall be distributed using the 2014/15 formula - if funding is less than 2014/15, payment shall be made on a pro rata basis (existing)
- Funds allocated for SelectPlan for Women's preventative health services shall be used for women's medical services, including noninvasive contraception supplies (existing)
- Requires separate payments to hospitals for normal newborn care and a mother's obstetrical delivery (existing)
- No less than \$330,000 for cleft palates and other craniofacial anomalies (increase)
- No less than \$800,000 to a hospital in Philadelphia for clinical ophthalmologic services (existing)
- No less than \$700,000 for improvements to an acute care hospital in Philadelphia (increase)
- No less than \$5 million to a hospital in Delaware county (existing)
- No less than \$2 million to a university in Philadelphia to research the impact of trauma-informed programs on community violence prevention and health disparities (purpose changed)
- No less than \$3 million to a Pittsburgh outpatient therapy provider that provides behavioral health and medical rehabilitation pediatric outpatient services (increase)
- No less than \$2.5 million to an acute care hospital in Greensburg, Westmoreland County (existing)
- Sufficient funds are provided for an ambulance rate increase effective January 1, 2023, subject to federal approval and federal matching funds (NEW)
  - Basic Life Support - \$325 per loaded trip
  - Advanced Life Support - \$400 per loaded trip
  - Ground mileage - \$4 per loaded mile beyond 20 loaded miles

Allows the department to adjust - with federal approval - premiums for the Medical Assistance for Workers with Disabilities (MAWD) program (existing)

Qualifying physician practice plans funding is maintained at the 2017/18 levels (existing)

Funds appropriated for trauma center payments that are not used for payments to level III trauma centers shall be used for payments to hospitals qualifying as level I or II trauma centers (existing)

Qualifying academic medical centers funding is maintained at the 2017/18 levels (existing)

Funds allocated for MA transportation shall be the payment of last resort (existing)

Funds appropriated for women's service programs grants to nonprofit agencies which promote childbirth and alternatives to abortion shall be expended to provide services until childbirth and for up to 12 months thereafter and establishes family income limits for women receiving services under the Alternatives to Abortion program funded by the federal appropriation (existing)





From money appropriated for MA long-term living:

- No less than the amount distributed in 2014/15 to be distributed to a county nursing facility in Delaware County with more than 725 beds (existing)
- No less than the amount distributed in 2020/21 to a nonpublic nursing home in Philadelphia with more than 395 beds (existing)
- \$5 million shall be distributed to a nonpublic nursing home in Sullivan County with more than 119 beds (existing)
- An additional \$500,000 shall be paid to nursing facilities open on the effective date that qualified for supplemental ventilator care and tracheotomy care payments in 2014/15 with greater than 90% of MA residents requiring the higher level of care (decreased)
- \$16,000,000 is allocated for MA day-one incentive payments to qualified nonpublic nursing facilities (existing)
- No less than \$500,000 shall be allocated to a special rehabilitation facility in Allentown (NEW)
- Funding is sufficient to provide a 17.5% rate increase to county and nonpublic nursing facilities effective January 1, 2023 (NEW)

From funds appropriated for MA Community HealthChoices, sufficient funds are included to pay county and nonpublic nursing facilities at least the MA fee-for-service rate. (NEW)

From money appropriated for autism intervention and services:

- \$600,000 shall be allocated to a behavioral health facility in Lebanon County (increase)
- \$300,000 shall be allocated to an institution of higher education in Philadelphia that provides autism education and diagnostic curriculum and operates a center for autism (increase)
- \$300,000 shall be allocated to an institution of higher education in Allegheny County that provides autism education and diagnostic curriculum (increase)
- No less than the amount distributed in 2014/15 to a program that promotes health and fitness of individuals with developmental disabilities in Philadelphia (existing)
- \$500,000 for the expansion of an adult autism program in Dauphin County (existing)
- \$600,000 for alternative education services to individuals with autism and developmental disabilities in Lancaster County (increase)

From funds appropriated for childcare services, no less than \$25 million shall be allocated to support families who would otherwise lose childcare subsidies after reaching the program income limit of 235% of the federal poverty income guidelines (FPIG) so long as the household income does not exceed 300% of the FPIG. DHS shall determine copayment amounts above 235% of FPIG that support economic self-sufficiency and transmit notice of copayments to LRB for publication in the PA Bulletin. (NEW)

Permits funds allocated for breast cancer screening to be used for noninvasive contraception supplies (existing)

From funds appropriated for 2-1-1 communications, \$750,000 shall be allocated for a statewide 2-1-1 system grant program (existing)

From funds appropriated for services for the visually impaired:

- \$3.084 million for statewide professional services provider association for the blind to provide training and supportive services for individuals who are blind and preschool vision screenings (increase)
- \$618,000 to provide specialized services and prevention of blindness in Philadelphia (increase)

Applies federal provisions detailing service eligibility and provider reporting requirements relating to ineligible residents (existing)

Requires the DHS Secretary to report quarterly to the Secretary of the Budget, the chairpersons of Senate Appropriations Committee, and the chairpersons of the House Appropriations Committee on 11 state appropriations and their related federal appropriations. Reporting is to be in person and include caseload, costs, revised budget projections, and calculations of estimated supplemental funding needs. In the cases of estimated supplemental funding needs, the DHS Secretary will need to provide detailed written explanation of the reason for the change. (existing)



Prevents DHS from adding non-medically necessary services to the MA program that would require supplemental funding without the approval of the General Assembly – proposals must be outlined in the Governor’s Executive Budget or subsequent written updates (existing)

Prevents DHS from spending ARPA funds appropriated for adult mental health programs prior to enabling legislation being enacted by the General Assembly. (NEW)

### DEPARTMENT OF TRANSPORTATION

Section 1733-F.1 provides \$1.9 million for costs related to capital equipment for a rural transit service.

### PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY

Section 1735-F.1 requires that appropriations for search and rescue programs shall support training service dogs for rescue and public safety. (same)

In addition, the State Fire Commissioner will use a portion of appropriated funding to:

- Fund a statewide recruitment and retention coordinator
- Fund regional technical advisors to help implement recruitment and retention training programs
- Provide technical assistance to local fire organizations and local governments (same)

Subsection 3 stipulates that money appropriated for State disaster assistance shall be used to provide individual disaster assistance from emergencies and non-federally declared disasters. This includes critical needs assistance or to repair damage to residential properties that were not covered by insurance or other funding sources. PEMA is required to publish guidelines to implement this program. (NEW)

### STATE RELATED UNIVERSITIES

Section 1736-F.1 requires representatives from the state-related universities to appear before the appropriations committees no fewer than 3 times during the 2022/23 fiscal year.

In addition, every tuition invoice that includes a discount due to money appropriated to the state related universities shall specify that funding for the discount came from money appropriated by the General Assembly.

### PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY

Section 1738-F.1 requires PHEAA to continue to allocate \$500,000 for the Cheyney Keystone Academy from the Higher Education Assistance Fund and reserves \$1 million from the PHEAA State Grant Program appropriation for merit scholarships at Mansfield University. (same)

The bill also contains new language clarifying that the Pennsylvania Internship Program Grant appropriation can be used for internship programs and seminar programs.

### THADDEUS STEVENS COLLEGE OF TECHNOLOGY

Section 1739-F.1 requires the president of the college to prepare a report to the President Pro Tempore of the Senate, the Speaker of the House, and the Education Committee chairs outlining the use of appropriated funds and the strategies used to expand student enrollment.

### COMMONWEALTH FINANCING AUTHORITY

Section 1744-F.1 stipulates that for the Statewide Local Share Account Program, DCED may not deem an application ineligible if it is for a project where a down payment was required but occurred after the application submission date.

### 2022-2023 RESTRICTIONS ON APPROPRIATIONS

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

Section 1703-F.2 stipulates again this year that Lottery Fund revenue appropriated for PENNCARE shall not be utilized for administrative costs by the Department of Aging.



Section 1708-F.2 requires \$5 million from funds appropriated to PennDOT for Municipal Traffic Signals, be allocated for grants to municipalities to install and maintain traffic signal technologies. Language further provides that municipalities would not be required to provide matching funds to qualify.

Section 1729-F.2 requires \$1 million from the Opioid Settlement Restricted Account to be distributed to the Office of the District Attorney in Lehigh County.

Section 1731-F.2 stipulates again that the Department of Agriculture must use money deposited in the Pennsylvania Preferred Trademark Licensing Fund to promote the funding objectives of the fund through grants awarded.

Section 1732-F.2 stipulates again that the Department of Agriculture is authorized to use up to \$165,000 from the Agricultural Conservation Easement Purchase Fund to fund succession planning grants. Individual grants cannot exceed \$5,000

### RESTRICTED RECEIPT ACCOUNTS:

Section 1733-F.2 allows the Secretary to create restricted receipt accounts for the purpose of administering federal grants only for the purposes designated in the section.

### FUND TRANSFERS

The bill again transfers \$12.317 million from Personal Income Tax revenues to the Environmental Stewardship Fund.

The \$15 million transfer from Judicial Computer System Augmentation Account into the School Safety and Security Fund is suspended for 2022/23 (due to other funding sources being used for that program).

### REPEALS

The bill repeals the requirement that the appropriation for the Pennsylvania Parole Board and the Board of Pardons must each be in a separate line item under the Department of Corrections.

The bill repeals codified veteran burial contract terms to effectuate section 1728-E, which allows a statewide nonprofit veterans' group to provide burial details.

The bill repeals the current Military Installation Remediation Program Board.

### **Effective Dates:**

The following take effect retroactively to July 1, 2022:

- Repeal of the transfer of federal funds (Section 111-C(g))
- Federal Infrastructure Project Account continuation
- The prohibition of charter schools from receiving payments from appropriations for Basic Education Funding, School Employees' Social Security, or Public School Employees' Retirement
- The PENNVEST use of water and sewer infrastructure funds
- The restrictions on State-related university appropriations
- The budget implementation section and restrictions on appropriations

The remainder of HB 1421 shall take effect immediately.

