

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2354 Session of 2020

INTRODUCED BY OWLETT, GROVE, KAUFER, GAYDOS, SANKEY, THOMAS, JONES, MILLARD, BERNSTINE, RYAN, WHEELAND, SAYLOR, COX, MOUL, KEEFER, KLUNK, DUSH, B. MILLER AND RADER, APRIL 3, 2020

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 23, 2020

AN ACT

1 Amending Title 71 (State Government) of the Pennsylvania
2 Consolidated Statutes, providing for payments by the
3 Commonwealth; and establishing Do-Not-Pay Initiative.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 71 of the Pennsylvania Consolidated
7 Statutes is amended by adding a part to read:

8 PART IV

9 PAYMENTS BY THE COMMONWEALTH

10 Chapter

11 35. Do-Not-Pay Initiative

12 CHAPTER 35

13 DO-NOT-PAY INITIATIVE

14 Sec.

15 3501. Definitions.

16 3502. Establishment.

17 3503. Award and payment.

1 § 3501. Definitions.

2 The following words and phrases when used in this chapter
3 shall have the meanings given to them in this section unless the
4 context clearly indicates otherwise:

5 "Commonwealth agency." A department, agency or commission of
6 the Commonwealth under the policy supervision and control of the
7 Governor.

8 "Contractor." A person, including, but not limited to, a
9 bidder, offeror, loan recipient grantee or lessor, who has
10 furnished or performed or seeks to furnish or perform goods,
11 supplies, services, leased space, construction or other activity
12 with an executive agency.

13 "Department." The Treasury Department of the Commonwealth.

14 "Entity." A corporation, joint-stock association, business
15 trust, limited liability company, sole proprietorship, nonprofit
16 corporation or Subchapter S corporation.

17 "Improper payment." A payment made by a Commonwealth agency
18 that:

19 (1) exceeds the amount a recipient should have received
20 from a Commonwealth agency;

21 (2) is less than the amount a recipient should have
22 received from the Commonwealth;

23 (3) makes a payment to a recipient that was ineligible
24 to receive money from the particular program from the
25 Commonwealth;

26 (4) was ineligible;

27 (5) was duplicative or redundant;

28 (6) was for a service which was never received; or

29 (7) was for a service that does not account for or was
30 not given any of the available credits or the discounts

1 available for the service rendered.

2 "Initiative." The Do-Not-Pay Initiative established under
3 section 3502 (relating to establishment).

4 "Office." The Governor's Budget Office.

5 "Payment." Money expended by the Commonwealth as part of the
6 operating budget for the Commonwealth.

7 "Recipient." An individual, contractor or entity.

8 "Secretary." The Secretary of the Budget of the
9 Commonwealth.

10 § 3502. Establishment.

11 (a) Initiative establishment.--The Do-Not-Pay Initiative is
12 established in the department for the purpose of monitoring
13 improper payments across Commonwealth agencies. AS PART OF THE <--
14 INITIATIVE, THE DEPARTMENT SHALL ENTER INTO A MEMORANDUM OF
15 UNDERSTANDING WITH THE UNITED STATES TREASURY DEPARTMENT TO JOIN
16 THE UNITED STATES TREASURY DEPARTMENT'S DO NOT PAY PROGRAM.

17 (b) Operation and assistance.--The office shall assist the
18 department in the operation of the initiative and ensure the
19 department has the necessary information from each Commonwealth
20 agency.

21 (c) Database.--The initiative shall provide a searchable
22 database of recipients that are not eligible to receive payment
23 from the Commonwealth under section 3503 (relating to award and
24 payment).

25 (d) Agency use of database.--An agency shall, with the
26 assistance of the office, utilize the database under subsection
27 (c) in order to determine eligibility for the awarding and
28 disbursement of payments.

29 (e) Information sharing.--A Commonwealth agency shall
30 provide the department with all information necessary for the

1 operation and maintenance of the initiative.

2 (f) Prohibition.--A Commonwealth agency may not award or
3 issue payment to a recipient that is listed on the initiative's
4 database unless the payment is determined by the secretary of
5 the agency as being necessary and:

6 (1) The award or payment is for services which cannot be
7 provided or provided in a timely manner by another entity or
8 recipient.

9 (2) The award or payment is required as a condition of
10 receiving Federal money for programs jointly funded with
11 Federal and Commonwealth money.

12 § 3503. Award and payment.

13 (a) Procedural review.--A Commonwealth agency shall review
14 procedures regarding the awarding and payment of money prior to
15 the awarding or releasing of any payment to verify and determine
16 eligibility of a recipient for payment or award.

17 (b) Database review.--In order to verify eligibility under
18 this section for an award or payment, a Commonwealth agency must
19 utilize the following databases:

20 (1) Death certificates maintained by the Division of
21 Vital Records of the Department of Health and the Death <--
22 Master File of the Social Security Administration.

23 (2) THE DEATH MASTER FILE OF THE SOCIAL SECURITY <--
24 ADMINISTRATION.

25 ~~(2)~~ (3) The Debarment and Suspension List of the <--
26 Department of General Services.

27 ~~(3)~~ (4) The Credit Alert System or Credit Alert <--
28 Interactive Voice Response System under the United States
29 Department of Urban Housing and Urban Development.

30 ~~(4)~~ (5) The list of excluded individuals and entities <--

1 under the Department of Human Services Medichcek List.

2 ~~(5)~~ (6) The list of individuals or entities under the <--
3 Department of Revenue who are delinquent in payments owed to
4 the Commonwealth.

5 ~~(6)~~ (7) The central registry under 23 Pa.C.S. § 4376 <--
6 (relating to central registry).

7 ~~(7)~~ (8) Databases used by the Federal Government for the <--
8 initiative administered by the United States Department of
9 the Treasury.

10 Section 2. This act shall take effect in ~~180~~ 365 days. <--