

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2537 Session of
2020

INTRODUCED BY GROVE, WARNER, RYAN, EMRICK, KAUFFMAN, KEEFER,
GLEIM, DeLUCA, B. MILLER, THOMAS, ZIMMERMAN AND MOUL,
MAY 21, 2020

REFERRED TO COMMITTEE ON FINANCE, MAY 21, 2020

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled
2 "An act relating to the finances of the State government;
3 providing for cancer control, prevention and research, for
4 ambulatory surgical center data collection, for the Joint
5 Underwriting Association, for entertainment business
6 financial management firms, for private dam financial
7 assurance and for reinstatement of item vetoes; providing for
8 the settlement, assessment, collection, and lien of taxes,
9 bonus, and all other accounts due the Commonwealth, the
10 collection and recovery of fees and other money or property
11 due or belonging to the Commonwealth, or any agency thereof,
12 including escheated property and the proceeds of its sale,
13 the custody and disbursement or other disposition of funds
14 and securities belonging to or in the possession of the
15 Commonwealth, and the settlement of claims against the
16 Commonwealth, the resettlement of accounts and appeals to the
17 courts, refunds of moneys erroneously paid to the
18 Commonwealth, auditing the accounts of the Commonwealth and
19 all agencies thereof, of all public officers collecting
20 moneys payable to the Commonwealth, or any agency thereof,
21 and all receipts of appropriations from the Commonwealth,
22 authorizing the Commonwealth to issue tax anticipation notes
23 to defray current expenses, implementing the provisions of
24 section 7(a) of Article VIII of the Constitution of
25 Pennsylvania authorizing and restricting the incurring of
26 certain debt and imposing penalties; affecting every
27 department, board, commission, and officer of the State
28 government, every political subdivision of the State, and
29 certain officers of such subdivisions, every person,
30 association, and corporation required to pay, assess, or
31 collect taxes, or to make returns or reports under the laws
32 imposing taxes for State purposes, or to pay license fees or
33 other moneys to the Commonwealth, or any agency thereof,

1 every State depository and every debtor or creditor of the
2 Commonwealth," providing for coronavirus aid, relief and
3 emergency response; and establishing the Coronavirus Aid,
4 Relief and Emergency Response Fund.

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

7 Section 1. The act of April 9, 1929 (P.L.343, No.176), known
8 as The Fiscal Code, is amended to read:

9 ARTICLE I-B

10 CORONAVIRUS AID, RELIEF AND EMERGENCY RESPONSE

11 Section 101-B. Definitions.

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

15 "CARES Act." The Coronavirus Aid, Relief, and Economic
16 Security Act (Public Law 116-136, 134 Stat. 281).

17 "Commonwealth agency." An agency or department of the
18 executive branch.

19 "COVID-19 pandemic." The novel coronavirus as identified in
20 the proclamation of disaster emergency issued by the Governor on
21 March 6, 2020, published at 50 Pa.B. 1644 (March 21, 2020), and
22 any renewal of the state of disaster emergency.

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

24 "Eligible entity." A Commonwealth agency, municipal
25 government, licensed nursing home, health care system or
26 hospital seeking reimbursement from the Coronavirus Aid, Relief
27 and Emergency Response Fund under section 103-B(a).

28 "Eligible expense." A non-budgeted cost incurred by a
29 Commonwealth agency or municipal government as a result of the
30 COVID-19 pandemic.

31 "Eligible period." The period beginning March 6, 2020, and
32 ending December 31, 2020.

1 "Fund." The Coronavirus Aid, Relief and Emergency Response
2 Fund established under section 102-B(a).

3 "Health care system." An organized system of health care in
4 which multiple health care providers participate and the health
5 care providers satisfy all of the following:

6 (1) The health care providers provide health care
7 services in a manner so that the public is aware that the
8 health care providers participate in a joint arrangement.

9 (2) The health care providers participate in any of the
10 following joint activities:

11 (i) A utilization review that involves the review of
12 health care decisions of participating covered entities
13 by other participating covered entities or a third party
14 on behalf of the participating covered entities.

15 (ii) Quality assessment and improvement activities
16 that include the assessment of the treatment provided by
17 participating covered entities by other participating
18 covered entities or a third party on behalf of the
19 participating covered entities.

20 (iii) Payment activities if all of the following
21 apply:

22 (A) The financial risk for delivering health
23 care is partially or wholly shared by participating
24 covered entities through the joint arrangement.

25 (B) Protected health care information created or
26 received by the participating covered entities is
27 reviewed by other participating covered entities or a
28 third party on behalf of the participating covered
29 entities.

30 "Municipal government." The governing body of a county,

1 city, township or borough in this Commonwealth.

2 "Small business." Any of the following which employs less
3 than 500 individuals:

4 (1) A limited liability company.

5 (2) A sole proprietorship.

6 (3) A joint-stock company or association.

7 (4) A corporation for profit as defined in 15 Pa.C.S. §
8 102 (relating to definitions).

9 (5) Corporation not-for-profit as defined in 15 Pa.C.S.
10 § 102.

11 Section 102-B. Establishment of fund.

12 (a) Establishment.--The Coronavirus Aid, Relief and
13 Emergency Response Fund is established as a restricted account
14 in the State Treasury.

15 (b) Transfers.--The State Treasurer shall transfer any money
16 appropriated from the Federal Government to the Commonwealth
17 for expenses incurred as a result of the COVID-19 pandemic to
18 the fund.

19 Section 103-B. Disbursement.

20 (a) Allocation.--Money from the fund shall be allocated as
21 follows:

22 (1) An amount of \$500,000,000 shall be allocated to
23 reimburse hospitals and health care systems for eligible
24 expenses.

25 (2) An amount of \$300,000,000 shall be allocated to
26 reimburse licensed nursing homes for eligible expenses.

27 (3) An amount of \$400,000,000 shall be allocated to
28 reimburse municipal governments for eligible expenses that
29 are not eligible for reimbursement from the Federal
30 Government for eligible expenses under the CARES Act as

1 follows:

2 (i) An amount of \$200,000,000 shall be allocated to
3 reimburse county governments for eligible expenses.

4 (ii) An amount of \$200,000,000 shall be allocated to
5 reimburse cities, townships and boroughs for eligible
6 expenses.

7 (4) An amount of \$100,000,000 shall be allocated to
8 reimburse Commonwealth agencies for eligible expenses.

9 (5) An amount of \$300,000,000 shall be allocated to
10 reimburse all of the following for eligible expenses:

11 (i) Volunteer ambulance corporations.

12 (ii) Volunteer rescue organizations.

13 (iii) Regional police and fire departments.

14 (iv) Police departments providing law enforcement
15 services to a city, township or borough.

16 (v) Fire departments, including volunteer fire
17 companies, providing services to a city, township or
18 borough.

19 (6) An amount of \$400,000,000 shall be allocated to the
20 Department of Community and Economic Development to assist
21 small businesses impacted by the COVID-19 pandemic as
22 follows:

23 (i) An amount of \$200,000,000 shall be allocated for
24 the COVID-19 Working Capital Access Program. The
25 Department of Community and Economic Development shall
26 ensure that funds allocated under the paragraph are
27 distributed in a manner that prioritizes eligible small
28 businesses who have not received a loan from the
29 Commonwealth or the United States Small Business
30 Administration in relation to the COVID-19 pandemic.

1 (ii) An amount of \$200,000,000 shall be allocated to
2 cover 75% of the expenses and losses incurred by small
3 businesses as a result of complying with the Department
4 of Health and the Centers for Disease Control and
5 Prevention guidelines for sanitation and reopening in
6 relation to the COVID-19 pandemic.

7 (7) An amount of \$500,000 shall be allocated to
8 reimburse the department for the costs incurred to implement
9 this article.

10 (b) Documentation.--

11 (1) In order to receive a reimbursement from the fund
12 under subsection (a), an eligible entity shall submit all of
13 the following to the department:

14 (i) A list of the eligible entity's eligible
15 expenses for the current calendar or fiscal year and the
16 eligible entity's original projected budget for the
17 current calendar or fiscal year.

18 (ii) The eligible entity's eligible expenses
19 incurred during the preceding month.

20 (iii) Any other document required by the department
21 that is necessary to ensure that the eligible entity is
22 in compliance with Federal law and guidance.

23 (2) Upon the review and approval of the documentation
24 submitted by an eligible entity under paragraph (1), the
25 State Treasurer shall allocate money from the fund in
26 accordance with subsection (a) to the eligible entity for
27 eligible expenses incurred during the preceding month.

28 (c) Remaining money.--Any money not allocated under
29 subsection (a) shall remain in the fund until appropriated by
30 the General Assembly for the contingency costs of eligible

1 entities until the eligible period has expired.

2 Section 104-B. Transparency portal.

3 (a) Establishment.--The department shall establish a
4 transparency portal on the department's publicly accessible
5 Internet website. The transparency portal shall provide current
6 information about the fund that is updated from the close of the
7 prior business day.

8 (b) Contents.--The transparency portal shall include all of
9 the following information:

10 (1) Each eligible entity that received money from the
11 fund.

12 (2) The amount of money each eligible entity received
13 from the fund.

14 (3) The total amount of money disbursed from the fund.

15 (4) The available remaining balance in the fund.

16 (c) Submission.--All contact documents submitted to the
17 department by eligible entities pertaining to the fund shall be
18 posted on the department's publicly accessible Internet website
19 under section 1702 of the act of February 14, 2008 (P.L.6,
20 No.3), known as the Right-to-Know Law.

21 Section 105-B. Report.

22 After the final disposition of money in the fund, the
23 department shall submit a report to the General Assembly and the
24 Inspector General on all of the following:

25 (1) The final disposition of money in the fund.

26 (2) The use of the Do Not Pay Initiative Pilot Program
27 established under section 106-B(a).

28 (3) The number of entities that were ineligible to
29 receive money from fund.

30 (4) The savings to the fund as a result of the

1 identification of entities that are ineligible to receive
2 money from the fund.

3 (5) The results of any Federal or State audit of the
4 money received by the Commonwealth to address the COVID-19
5 pandemic.

6 Section 106-B. Do-Not-Pay Pilot Program.

7 (a) Establishment.--The department shall enter a memorandum
8 of understanding with the United States Department of the
9 Treasury to established the Do-Not-Pay Pilot Program.

10 (b) Use.--Before issuing a reimbursement for eligible
11 expenses under section 103-B(a) to an entity, the department
12 shall utilize the Do-Not-Pay Pilot Program to ensure the entity
13 is eligible to receive the reimbursement.

14 Section 107-B. Improper payments and misuse of funds.

15 (a) Improper payments.--An eligible entity that receives
16 money from the fund and makes improper payments shall be held
17 liable by the Commonwealth under the Improper Payments
18 Elimination and Recovery Act of 2010 (Public Law 111-204, 124
19 Stat. 2224) for the total amount of any disallowance of Federal
20 funds as result of the improper payments.

21 (b) Misuse of funds.--An eligible entity that misuses
22 Federal funds shall be subject to civil action under the False
23 Claims Act (Public Law 97-258, 31 U.S.C. § 3729-3733).

24 (c) Notice.--The department shall provide notice of the
25 penalties specified under subsections (a) and (b) to each
26 eligible entity that receives money from the fund.

27 Section 2. This act shall take effect immediately.