

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 187 Session of 2013

INTRODUCED BY CORMAN, SCARNATI, PILEGGI, YUDICHAK, FONTANA, TEPLITZ, WASHINGTON, MENSCH, YAW, GREENLEAF, ARGALL, ROBBINS, VULAKOVICH, HUGHES, GORDNER, ALLOWAY, RAFFERTY, HUTCHINSON, ERICKSON, BAKER, TOMLINSON, SCHWANK, WAUGH, D. WHITE AND COSTA, JANUARY 16, 2013

SENATOR CORMAN, APPROPRIATIONS, REPORTED AS AMENDED, JANUARY 28, 2013

AN ACT

1 Requiring certain institutions of higher education that enter
2 into ~~consent decrees~~ AGREEMENTS WITH GOVERNING BODIES which <--
3 impose ~~finer~~ MONETARY PENALTIES to pay the ~~finer~~ MONETARY <--
4 PENALTIES into endowments under certain circumstances; and
5 providing for duties of the Pennsylvania Commission on Crime
6 and Delinquency.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the Institution
11 of Higher Education ~~Consent-Decree~~ MONETARY PENALTY Endowment <--
12 Act.

13 Section 2. Definitions.

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

17 "Commission." The Pennsylvania Commission on Crime and
18 Delinquency.

1 "Governing body." ~~The body of an~~ AN organization or legal <--
2 entity with which an institution of higher education is
3 associated and which body may impose a ~~fine or~~ MONETARY penalty <--
4 against the institution of higher education.

5 "Institution of higher education." A postsecondary
6 educational institution in this Commonwealth that receives a <--
7 ~~direct~~ AN ANNUAL appropriation from an act of the General <--
8 Assembly.

9 Section 3. ~~Consent decree fine~~ MONETARY PENALTY endowments. <--

10 (a) General rule.--If an institution of higher education
11 ~~enters into a consent decree with a governing body and the~~ <--
12 ~~consent decree:~~

13 ~~(1) requires the institution of higher education to pay~~
14 ~~a fine of~~ PAYS A MONETARY PENALTY PURSUANT TO AN AGREEMENT <--
15 ENTERED INTO WITH A GOVERNING BODY AND:

16 (1) THE MONETARY PENALTY IS at least \$10,000,000 in
17 installments over a time period in excess of one year; and

18 (2) THE AGREEMENT provides that the ~~fine~~ MONETARY <--
19 PENALTY will be used for a specific purpose,
20 ~~then the institution of higher education shall pay the fine to~~ <--
21 MONETARY PENALTY SHALL BE DEPOSITED INTO an endowment that <--
22 complies with the provisions of subsection (b).

23 (b) Requirements of endowment.--An endowment under
24 subsection (a) shall satisfy the following requirements:

25 (1) The endowment shall be ESTABLISHED AS a separate <--
26 trust fund in the State Treasury and the State Treasurer
27 shall be custodian thereof. The State Treasurer shall invest
28 the money in the endowment subject to the prudent investor
29 provisions of 20 Pa.C.S. § 7203 (relating to prudent investor
30 rule). The moneys of the separate trust fund are appropriated

1 to the commission on a continuing basis to carry out the
2 provisions of this act.

3 (2) ~~The~~ IN ADDITION TO THE MONETARY PENALTY DEPOSITED <--
4 INTO THE ENDOWMENT, THE endowment shall be authorized to
5 accept donations from any source.

6 (3) The commission shall expend the money of the
7 endowment in accordance with the purposes enumerated in the
8 ~~consent-decree~~ AGREEMENT BETWEEN THE INSTITUTION OF HIGHER <--
9 EDUCATION AND THE GOVERNING BODY and subject to the
10 provisions of paragraph (4).

11 (4) Unless otherwise expressly stated in the ~~consent-~~ <--
12 ~~decree~~ AGREEMENT, the funds may only be used within this <--
13 Commonwealth for the ~~exclusive~~ benefit of the residents of <--
14 this Commonwealth and on any of the following:

15 (i) Programs or projects preventing child sexual
16 abuse and or assisting the victims of child sexual abuse.

17 (ii) Multidisciplinary investigative teams
18 established under 23 Pa.C.S. (relating to Domestic
19 Relations).

20 (iii) Child advocacy centers.

21 (iv) Victim service organizations that provide
22 services to children subjected to sexual abuse.

23 (v) Training of persons who are mandated by law to
24 report child sexual abuse or to treat victims of child
25 sexual abuse.

26 (5) If the endowment is established to exist for at
27 least five years:

28 (i) During the first five years, not more than 50%
29 of the ~~finer~~ MONETARY PENALTIES paid into the endowment <--
30 shall be expended annually as provided in paragraphs (3)

1 and (4).

2 (ii) Each year thereafter, all interest and earnings
3 of the endowment shall be expended as provided in
4 paragraphs (3) and (4).

5 Section 4. Duties of commission.

6 (A) GENERAL RULE.--Within 12 months of the effective date of <--
7 ~~a consent decree~~ AN AGREEMENT subject to an endowment under this <--
8 act, the commission shall:

9 (1) Develop a form for applicants to use for requesting
10 money from the endowment established by the ~~consent decree~~ <--
11 AGREEMENT. <--

12 (2) Establish a timeline for reviewing applications and
13 approving expenditures from the endowment.

14 (3) Develop methodology to equitably approve payments to
15 applicants throughout all geographic areas of this
16 Commonwealth.

17 (B) REPORTING.--FOR AN ENDOWMENT ESTABLISHED UNDER THIS ACT, <--
18 THE COMMISSION SHALL:

19 (1) PROVIDE NOTICE OF ANY PROPOSED EXPENDITURE OF MONEY
20 FROM THE ENDOWMENT TO THE PRESIDENT PRO TEMPORE OF THE
21 SENATE, THE MAJORITY AND MINORITY LEADERS OF THE SENATE AND
22 THE CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS
23 COMMITTEE OF THE SENATE, THE SPEAKER OF THE HOUSE OF
24 REPRESENTATIVES, THE MAJORITY AND MINORITY LEADERS OF THE
25 HOUSE OF REPRESENTATIVES AND CHAIRMAN AND MINORITY CHAIRMAN
26 OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
27 REPRESENTATIVES FOR REVIEW AND COMMENT. NO PROPOSED
28 EXPENDITURE OF MONEY FROM THE ENDOWMENT MAY OCCUR UNTIL 30
29 DAYS AFTER THE DATE OF THE NOTICE FOR THE PROPOSED
30 EXPENDITURE.

1 (2) PROVIDE AN ANNUAL REPORT ITEMIZING ALL APPROVED
2 EXPENDITURES OF MONEY FROM THE ENDOWMENT TO THE PRESIDENT PRO
3 TEMPORE OF THE SENATE, THE MAJORITY AND MINORITY LEADERS OF
4 THE SENATE AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
5 APPROPRIATIONS COMMITTEE OF THE SENATE, THE SPEAKER OF THE
6 HOUSE OF REPRESENTATIVES, THE MAJORITY AND MINORITY LEADERS
7 OF THE HOUSE OF REPRESENTATIVES AND CHAIRMAN AND MINORITY
8 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
9 REPRESENTATIVES. THE REPORT SHALL INCLUDE THE NAME OF EACH
10 ORGANIZATION RECEIVING AN EXPENDITURE FROM THE ENDOWMENT, THE
11 AMOUNT RECEIVED BY EACH ORGANIZATION AND SUMMARY INFORMATION
12 AGGREGATING EXPENDITURES BY EXPENDITURE CATEGORY PURSUANT TO
13 SECTION 3(B) (4) .

14 Section 5. Applicability.

15 This act shall apply to all ~~fines~~ MONETARY PENALTIES paid or <--
16 ~~due~~ PAYABLE under ~~consent decrees~~ AGREEMENTS BETWEEN <--
17 INSTITUTIONS OF HIGHER EDUCATION AND GOVERNING BODIES regardless
18 of the payment date.

19 Section 6. Effective date.

20 This act shall take effect immediately.