

## No. 1994-49

## AN ACT

## HB 1392

Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An act to consolidate, editorially revise, and codify the public welfare laws of the Commonwealth," further providing for State participation in cooperative Federal programs, for legislative intent, for uniformity in administration of assistance and for the community work program; providing for responsibilities of the Department of Public Welfare and assistance recipients, for a job creation task force, for education savings accounts and for a recipient identification program; further providing for eligibility, for identification and proof of residence and for determination of medically needy eligibility; providing for additional services to the medically needy; further providing for medical assistance reimbursement and for employment incentive payments; providing for minimum school attendance requirements; further providing for business enterprises, for special recipient participation, for penalties and for third-party liability; providing for repayment from probate estates; conferring powers and duties on the Department of Public Welfare; making appropriations; and making repeals.

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

Section 1. Section 201 of the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, amended April 8, 1982 (P.L.231, No.75), is amended to read:

Section 201. State Participation in Cooperative Federal Programs.—The department shall have the power *and its duties shall be*:

(1) With the approval of the Governor, to act as the sole agency of the State when applying for, receiving and using Federal funds for the financing in whole or in part of programs in fields in which the department has responsibility.

(2) With the approval of the Governor, to develop and submit State plans or other proposals to the Federal government, to promulgate regulations, establish and enforce standards and to take such other measures as may be necessary to render the Commonwealth eligible for available Federal funds or other assistance. Notwithstanding anything to the contrary in the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law, the department may omit notice of proposed rulemaking and promulgate regulations as final when a delay of thirty days or less in the final adoption of regulations will result in the loss of Federal funds or when a delay of thirty days or less in adoption would require the replacement of Federal funds with State funds.

(3) To make surveys and inventories of existing facilities and services as required in connection with such State plans, and to assess the need for construction, modernization or additional services and to determine priorities with respect thereto.

(4) To conduct investigations of [all] activities related to fraud, misuse or theft of public assistance moneys, medical assistance moneys or benefits, or Federal food stamps, committed by any person who is or has been participating in or administering programs of the department, or by persons who aid or abet others in the commission of fraudulent acts affecting welfare programs.

(5) *To collect data on its programs and services, including efforts aimed at preventative health care, to provide the General Assembly with adequate information to determine the most cost-effective allocation of resources in the medical assistance program.*

(6) *To submit on a biannual basis a report to the General Assembly regarding the medical assistance population, which shall include aggregate figures, delineated on a monthly basis, for the number of individuals to whom services were provided, the type and incidence of services provided by procedure and the cost per service as well as total expenditures by service.*

Section 2. Section 401 of the act is amended to read:

Section 401. Legislative Intent.—(a) It is hereby declared to be the legislative intent to promote the welfare and happiness of all the people of the Commonwealth, by providing public assistance to all of its needy and distressed; that assistance shall be administered promptly and humanely with due regard for the preservation of family life, and without discrimination on account of race, religion or political affiliation; and that assistance shall be administered in such a way and manner as to encourage self-respect, self-dependency and the desire to be a good citizen and useful to society.

(b) *It is further declared to be the legislative intent that no recipient of cash or medical benefits shall be entitled to indefinite government support unless it can be established that:*

(1) *the person is permanently disabled and unable to work; or*

(2) *the person is required to be in the home full time to care for a dependent adult or child who requires constant attention and supervision.*

Section 3. Sections 403(b) and 405.2(a) and (b) of the act, amended or added April 8, 1982 (P.L.231, No.75), are amended and the sections are amended by adding subsections to read:

Section 403. Uniformity in Administration of Assistance; Regulations as to Assistance.—\* \* \*

(b) The department shall establish rules, regulations and standards, consistent with the law, as to eligibility for assistance and as to its nature and extent. Whenever possible, *except for residency requirements for general assistance*, and consistent with State law, the department shall establish rules, regulations and standards for general assistance consistent with those established for aid to families with dependent children. In no instance shall the rules, regulations and standards established for general assistance provide for benefits greater than those benefits provided for aid to families with dependent children. *If three or more general assistance recipients reside*

*together in the same household, their income eligibility and cash benefits shall be no greater than income eligibility and cash benefits from aid to families with dependent children for a household of the same size. The secretary or his designee in writing is the only person authorized to adopt regulations, orders, or standards of general application to implement, interpret, or make specific the law administered by the department. The secretary shall issue interim regulations whenever changes in Federal laws and regulations supersede existing statutes. In adopting regulations, orders, or standards of general application, the secretary shall strive for clarity of language which may be readily understood by those administering aid and by those who apply for or receive aid. For the purpose of this subsection, the term "household" does not include single-room occupancy residences, rooming houses, nonprofit residential programs or personal care facilities receiving charitable funding or Federal, State or local government funding.*

\* \* \*

*(f) No general assistance shall be paid to initial applicants who voluntarily terminate their employment until thirty days after the date of termination.*

Section 405.2. Community Work Program.—(a) The department shall coordinate the establishment of community work projects by departments, agencies or institutions of the Commonwealth or any political subdivision located within the Commonwealth or any agency of the Federal Government *or department-approved nonprofit organizations that receive State or county funds* and shall assign to these work projects cash assistance recipients for whom the Office of Employment Security has been unable to secure employment. In instances when community work projects are not available for all able-bodied cash assistance recipients, priority shall be given to general assistance recipients for referral to available projects.

(b) Every individual who has not received a bona fide offer of training or employment under section 405.1 shall, as a condition of continuing eligibility for cash assistance, report to and work in a community work project established under this section unless such individual [is over the age of forty-five or] is exempt from the registration requirements of section 405.1. Such individual shall be required to work that number of hours which when multiplied by the applicable minimum wage equals the amount of cash assistance such person receives: Provided, however, That the parent or other caretaker of a child between the ages of six and fourteen who is personally providing care for the child with only very brief and infrequent absences from the child shall not be required to participate in community work projects except on days and at times when the child is in school or when there are adequate day-care arrangements available for the child at no cost to the recipient. [No lien shall be imposed against the real property of the individual under the act of June 24, 1937 (P.L.2045, No.397), known as "The Support Law," to recover cash assistance payments paid to that

individual for the period that the individual actually works in community work projects.]

\* \* \*

*(g) An independent performance evaluation shall be performed on the community work experience program. A report on the evaluation shall be submitted to the Governor and the General Assembly no later than March 31, 1995, and shall include, but not be limited to, the following information:*

*(1) The number of persons eligible for and actively participating in the program.*

*(2) A review of the program implementation process, including the number and type of community work projects approved by the department, designated by county.*

*(3) Problems with achieving broader participation in the program.*

*(4) Program adjustments and resulting program activity.*

*(5) An examination of the extent to which public assistance recipients become employed, especially at the point of program enrollment and during program participation.*

*(6) An examination of the extent to which the existence of a program requirement appears to discourage employables from remaining on public assistance.*

*(7) The number of persons who have been disqualified from cash assistance for noncompliance with the program.*

Section 4. The act is amended by adding sections to read:

*Section 405.3. Responsibilities and Obligations of Department and Recipients.—(a) Subject to Federal approval, only where necessary, all applicants for cash or medical benefits shall be required to enter into an agreement with the department that will establish the responsibilities and obligations of the department under this act and the responsibilities and obligations of the cash or medical benefit recipient. Those obligations shall include, but not be limited to:*

*(1) Cooperation with the department in providing timely and accurate information required under section 432.2.*

*(2) Cooperation with the department in assisting in determination of paternity and enforcement of support obligations as required under section 432.7.*

*(3) Agreement to participate in an educational program, job training program or community work experience program whenever assigned.*

*(4) Agreement to seek and accept employment as a condition for receiving cash assistance benefits.*

*(b) One year after the effective date of this section, the department shall require all recipients who have been receiving cash benefits for a continuous period of three or more years to participate in a department-approved educational program, job training program, grant diversion program or community work experience program. Satisfactory participation*

*in an approved program that is designed to encourage self-respect and self-dependency shall be a condition of the continuation of cash benefits.*

*(c) The department shall not reduce or eliminate cash benefits for recipients under the provisions of subsection (b) if adequate funds have not been appropriated for education, training or community work experience programs.*

*(d) Nothing in this section shall be interpreted as requiring the department to develop or offer education, training or community work experience programs.*

*Section 405.4. Task Force on Job Creation.—(a) There is established within the department the Job Creation Task Force for the review and development of job creation efforts for assistance recipients within this Commonwealth. The following shall apply:*

*(1) The secretary shall appoint as members of the task force:*

*(i) two members who have experience in administering State economic development efforts;*

*(ii) two members who have experience in administering State employment and training programs;*

*(iii) one member who has successfully completed the State employment and training program;*

*(iv) one member who has successfully bid on a State capital construction contract; and*

*(v) two members who are advocates for employment and training programs, one from an urban area and one from a rural area, with geographical representation from the eastern and western portions of this Commonwealth.*

*(2) The majority and minority chairmen, or their designees, of the Public Health and Welfare Committee of the Senate and the Health and Welfare Committee of the House of Representatives shall serve as members of the task force.*

*(3) The Secretary of Commerce shall serve as ex officio chair of the task force.*

*(4) Each member of the task force shall serve without compensation for the performance of official duties as directed by the chairman. Members shall, however, be entitled to reimbursement for all reasonable and necessary expenses. The department shall provide sufficient staff and support services to assist the task force in carrying out its duties.*

*(b) The task force shall develop a detailed list of all current economic development, State tax credits and tax subsidization efforts which are designed to create jobs and the public and private beneficiaries of such efforts. This list is to serve as a starting point for developing recommendations that promote the hiring of job-ready general assistance recipients, as defined by department regulations.*

*(c) The task force shall develop job placement priorities that promote the hiring of job-ready general assistance recipients, as defined by*

*department regulations, on all new capital construction projects, new federally funded highway and housing projects and other State and local capital projects. To this end, the task force shall consult with business and labor organizations to determine the feasibility and effectiveness of these priorities.*

*(d) The task force may not make any recommendations which would cause the involuntary displacement of a person currently employed.*

*(e) The task force shall issue a report to the Governor and to the General Assembly within six months of its organizational meeting. The report shall include specific findings and recommendations for job creation within this Commonwealth.*

*(f) This section shall expire June 30, 1995.*

*Section 408.2. Education Savings Accounts.—(a) Any individual or family receiving assistance under this act may establish an interest-bearing savings account at a bank or other financial institution for the purpose of paying for tuition, books and incidental expenses at any vocational school or any community college, college or university. Any funds deposited in this account and any interest earned thereon shall be exempt from consideration, subject to Federal approval, in any calculations under any assistance program administered by the department for as long as the funds and interest remain on deposit in the account.*

*(b) Subject to Federal approval, any amounts withdrawn from the account for the purpose stated in subsection (a) shall be exempt from consideration in any calculations under any assistance program administered by the department. The department shall promulgate regulations to establish penalties for any amounts withdrawn from any accounts for any other purpose.*

*(c) Any tuition account established and any college savings bond purchased under the provisions of the act of April 3, 1992 (P.L.28, No.11), known as the "Tuition Account Program and College Savings Bond Act," shall be deemed to meet the requirements of this section.*

*Section 414. Assistance Recipient Identification Program.—(a) Subject to Federal approval, only where necessary, there is hereby created a pilot program within the department to be known as the Assistance Recipient Identification Program.*

*(b) The purpose of the program is to eliminate duplication of assistance to recipients.*

*(c) The department shall select three geographic areas in this Commonwealth representing rural, suburban and urban areas to participate in this program.*

*(d) A person currently receiving or applying for assistance shall participate in the program. The person shall be identified using available technological means that may include, but are not limited to, two-digit fingerprinting.*

*(e) The department, wherever feasible, shall work with neighboring states to execute agreements between each of those states and the Commonwealth to implement compatible computer cross-matching identification systems.*

*(f) It is a violation for a person in the program to acquire or attempt to acquire duplication of assistance.*

*(g) Absent a court order, only the department and the designated officials of neighboring states with whom the department executes agreements under subsection (e) shall have access to records under this program.*

*(h) The department shall make a report to the General Assembly one year after the effective date of this act. The report shall include:*

*(1) Caseload data before implementation of this section as well as after one year for comparison purposes to judge the program's effectiveness at fraud deterrence.*

*(2) Attempts at and instances of multiple enrollment by persons.*

*(3) Analysis of the cost-effectiveness of the project.*

*(4) Recommendations regarding whether the program should be discontinued, expanded or otherwise modified.*

*(i) This section shall expire two years after the effective date of this act unless extended by the General Assembly.*

*(j) As used in this section, the term "program" means the Assistance Recipient Identification Program.*

Section 5. Section 432(3) of the act, amended April 8, 1982 (P.L.231, No.75), is amended and the section is amended by adding a clause to read:

Section 432. Eligibility.—Except as hereinafter otherwise provided, and subject to the rules, regulations, and standards established by the department, both as to eligibility for assistance and as to its nature and extent, needy persons of the classes defined in clauses (1), (2), and (3) shall be eligible for assistance:

\* \* \*

(3) Other persons who are citizens of the United States, or [legally] lawfully admitted aliens and who are chronically needy or transitionally needy persons.

(i) Chronically needy persons are those persons chronically in need who may be eligible for an indeterminate period as a result of medical, social or related circumstances and shall be limited to:

(A) A child who is under age eighteen or who is *eighteen through twenty years of age and* attending a secondary or equivalent vocational or technical school full-time and may reasonably be expected to complete the program before reaching [age nineteen] *twenty-one years of age.*

(B) [A person who is over forty-five years of age.] *Persons who are parents residing in two-parent households with their child who is under eighteen years of age. Every possible effort shall be made by the department to place these persons in the AFDC program.*

(C) A person who has a serious physical or mental handicap which prevents him or her from working in any substantial gainful activity as determined in accordance with standards established by the department. The department may require that documentation of disability be submitted from a physician or psychologist. The department may also *require further medical documentation of disability and may also* order at the department's expense a person to submit to an independent examination as a condition of receiving assistance under this clause. **[The department shall determine eligibility within thirty days from the date of application. Persons discharged from mental institutions shall be classified as chronically needy in accordance with department regulations.]**

(D) A person who is a *nonparental caretaker of a child under eighteen years of age or a caretaker of another person because of illness or disability*. **[This category of persons shall include persons] *Such child or other person must be a member of the household and the caretaker must be a person*** whose presence is required in the home to care for another person as determined in accordance with department regulations.

(E) A person **[suffering from drug or alcohol abuse]** who is currently undergoing active treatment **[in an approved program.]** *for substance abuse in a drug and alcohol program licensed or approved by the Department of Health or administered by an agency of the Federal Government*. No individual shall qualify as chronically needy under this clause for more than nine months *in a lifetime*.

(F) **[A person who is employed full-time and who does not have earnings in excess of current grant levels.]** *A pregnant woman whose pregnancy has been medically verified*.

(G) **[Any person who is ineligible for unemployment compensation and whose income falls below the assistance allowance level as a result of a natural disaster as determined by the department]**.

(H) Any person who has previously been employed full time for at least forty-eight months out of the previous eight years and has exhausted his or her unemployment compensation benefits prior to applying for assistance.

(I) Any person who does not otherwise qualify as chronically needy, and who is receiving general assistance on the date this section is enacted into law and who has not refused a bona fide job offer or otherwise failed to comply with all employment requirements of this act and regulations promulgated thereunder. Such person must comply with all employment requirements of this act and regulations promulgated thereunder. If after the date this section is enacted into law a person's general assistance grants are terminated, then that person may not subsequently qualify for general assistance under this clause except when such person has been terminated from employment through no fault of his own and has not met the minimum credit week qualifications of the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as



the "Unemployment Compensation Law." If it is determined that the classification of persons according to their status on the date of enactment as provided in this clause is invalid, then the remainder of this act shall be given full force and effect as if this clause had been omitted from this act, and individuals defined in this clause shall be considered transitionally needy if otherwise eligible. No person shall qualify for general assistance under this clause after December 31, 1982.] *A person who is a victim of domestic violence and who is receiving protective services as defined by the department. No individual shall qualify as chronically needy under this provision for more than nine months in his lifetime.*

(ii) Assistance for chronically needy persons shall continue as long as the person remains eligible. Redeterminations shall be conducted on at least an annual basis and persons capable of work, even though otherwise eligible for assistance to the chronically needy, would be required to register for employment and accept employment if offered as a condition of eligibility except as otherwise exempt under section 405.1.

(iii) Transitionally needy persons are those persons who are otherwise eligible for general assistance but do not qualify as chronically needy. Assistance for transitionally needy persons shall be authorized [only once in any twelve-month period in an amount not to exceed the amount of ninety days' assistance.] *for not more than sixty days in any twenty-four month period. Any transitionally needy benefits received in the twelve-month period prior to the effective date of this subclause shall be applied toward the total period of benefits an individual is eligible for, beginning with the receipt of the first cash assistance check in the previous twelve-month period.*

\* \* \*

(8) *A person who does not meet a definitive condition for aid to families with dependent children solely because of the person's refusal to cooperate in establishing eligibility for aid to families with dependent children shall also be ineligible for general assistance.*

Section 6. Sections 432.4 and 442.1 of the act, amended April 8, 1982 (P.L.231, No.75), are amended to read:

Section 432.4. Identification and Proof of Residence.—(a) All persons applying for assistance shall provide acceptable identification and proof of residence; the department shall by regulations specify what constitutes acceptable identification and proof of residence. A person shall be deemed to be a resident when he or she documents his or her residency and that residency is verified by the department. Verification may include, but is not limited to the production of rent receipts, mortgage payment receipts, utility receipts, bank accounts or enrollment of children in local schools. *General assistance applicants must establish that they have been residents of the Commonwealth for at least sixty days immediately preceding their application. The provisions of this subsection shall not apply to General Assistance applicants who can establish that they moved to this*

***Commonwealth to escape an abusive living situation. The department shall adopt rules governing the proof required to establish that the applicant has moved to this Commonwealth to escape an abusive living situation.***

(b) For the purpose of determining eligibility for assistance, the continued absence of a recipient from the Commonwealth for a period of thirty days or longer shall be prima facie evidence of the intent of the recipient to have changed his residence to a place outside the Commonwealth.

(c) If a recipient is prevented by illness or other good cause from returning to the Commonwealth at the end of thirty days, and has not acted to establish residence elsewhere, he shall not be deemed to have lost his residence in the Commonwealth.

(d) When a recipient of aid to families with dependent children or general assistance is absent from the United States for a period in excess of thirty days, his aid shall thereafter be suspended whenever need cannot be determined for the ensuing period of his absence.

(e) ***Beginning no later than September 1, 1994, the department shall collect information on all general assistance applicants to determine how long they have been residents of this Commonwealth. The department shall report its findings to the Governor and the General Assembly no later than December 31, 1995. Based on its findings, the department may make recommendations to the Governor and the General Assembly on changes to the residency requirement for general assistance recipients.***

Section 442.1. The Medically Needy; Determination of Eligibility.—(a) A person shall be considered medically needy if he:

(1) Resides in Pennsylvania, regardless of the duration of his residence or his absence therefrom; [and]

(2) Meets the standards of financial eligibility established by the department with the approval of the Governor. In establishing these standards the department shall take into account (i) the funds certified by the Budget Secretary as available for medical assistance for the medically needy; (ii) pertinent Federal legislation and regulations; and (iii) the cost of living[. **Transitionally needy persons who are not eligible for cash assistance by reason of section 432(3)(iii) shall be considered medically needy if otherwise eligible.]; and**

(3) ***Is twenty-one years of age or older and receives or is eligible to receive general assistance benefits.***

(b) ***Transitionally needy persons who are not eligible for cash assistance by reason of section 432(3)(iii) shall be considered medically needy.***

Section 7. The act is amended by adding a section to read:

***Section 442.2. Additional Services for Certain Medically Needy Recipients.—In addition to other services provided to the medically needy:***

(1) ***Persons who receive or are eligible for chronically needy general assistance pursuant to section 432(3)(i) shall receive coverage for prescribed medications.***

**(2) *Recipients in general assistance-related categories whose benefits are funded at least in part by the Federal Government may receive such additional medical benefits as are federally funded. The department shall publish notice of such additional services in the Pennsylvania Bulletin.***

Section 8. Section 443.6 of the act, amended or added September 26, 1978 (P.L.769, No.146) and April 8, 1982 (P.L.231, No.75), is amended to read:

Section 443.6. Reimbursement for Certain Medical Assistance Items and Services.—(a) In order to receive reimbursement for items or services enumerated in subsection (b), the provider must secure authorization prior to actually providing the items or services. The request for prior authorization must justify to the reasonable satisfaction of the department the need for an item or service.

(b) Payment for the following medical assistance items and services shall be made only after prior authorization has been secured:

(1) Prostheses and orthoses.

(2) Purchase of appliances or equipment if the appliance or equipment costs more than one hundred dollars (\$100).

(3) Rental of medical appliances or equipment for a period in excess of three months.

(4) Oxygen and related equipment in the home unless a physician states that the physical surroundings in the home are suitable for the use of oxygen and that the recipient is adequately prepared and able to use the equipment.

(5) Dental services as the department may provide, including but not necessarily limited to, dental prostheses and appliances, extractions related to dental prostheses and appliances, and other extractions as may be provided by department regulations.

(6) Orthopedic shoes or other supportive devices for the feet when such shoes or devices are prescribed by a physician for the purpose of correcting or otherwise treating abnormalities of the feet or legs which cause serious detrimental medical effects.

**(7) *Other items or services as the department may authorize by publication of notice in the Pennsylvania Bulletin.***

(c) The prior authorization requirements set forth in this section shall be applicable only to the extent that the items and services enumerated in subsection (b) are provided under the Pennsylvania Medical Assistance Plan. This section shall not be construed as mandating the provision of any item or service enumerated in this section.

(d) The requirements of this section shall not apply in an emergency situation.

(e) The department shall promulgate regulations to implement this section and shall establish a procedure for prior authorization. Such regulations may establish procedures for issuing prior authorization at whatever administrative level the department through the secretary deems appropriate. Appropriateness shall be determined by the secretary after hearings have been held and public

input is received. Procedures adopted in accordance with this section shall provide authorization when appropriate, without undue delay. When no decision is made on a request to the department for covered services within twenty-one days of the date that the request is received by the department, the authorization shall be deemed approved. The department shall keep a record of those cases in which no decision is made within twenty-one days. The requirements of this section shall not apply in a medical emergency situation as defined by the department.

*(f) Under no circumstances shall the department reimburse a provider for any medical services, procedures or drugs related to infertility therapy.*

Section 9. Article IV of the act is amended by adding a subarticle to read:

ARTICLE IV  
PUBLIC ASSISTANCE

\* \* \*

*(g.1) Minimum School Attendance Requirements*

*Section 461. Legislative Intent.—(a) The General Assembly finds and declares that:*

*(1) As a result of continuing changes in the economy and therefore the types of jobs available in today's economic climate, education and knowledge skills, including a high school diploma or its equivalent as a minimum educational attainment, are becoming more and more critical to both short-term and long-term prospects for economic independence through employment.*

*(2) A large percentage of AFDC recipients drop out of secondary school and fail to obtain a high school diploma or its equivalent prior to twenty-one years of age. These include many teenage parents who receive cash assistance through the AFDC program.*

*(3) Present welfare policy fails to provide any incentive to welfare families to keep their children in school until they receive a high school diploma. In fact, existing policy provides continuing financial support for high school dropouts with no responsibilities for educational attainment by AFDC recipients.*

*(b) The Commonwealth intends to review and evaluate whether requiring school attendance as a condition for the receipt of cash assistance under AFDC for members of AFDC families increases the future employability and economic independence of Pennsylvania children presently on the welfare rolls.*

*Section 462. Definitions.—As used in this subarticle:*

*"AFDC" is an acronym for the program which provides aid to families with dependent children under this act.*

*"Attendance problem" means a situation which arises when a qualified individual has been reported as illegally absent under section 1354 of the act of March 10, 1949 (P.L.30, No.14), known as the "Public School Code of 1949."*

**“Demonstration program” means the School Attendance Improvement Program established in section 463.**

**“Full day” means the entire school day as defined by the school board.**

**“Qualified individual” means an individual from an area participating in the demonstration program who receives AFDC payments or a child whose parent or guardian receives AFDC payments, who is eight to eighteen years of age and who has not graduated from school or obtained a certificate of satisfactory completion of a general educational development test.**

**“School” means any public or private school operated pursuant to the act of March 10, 1949 (P.L.30, No.14), known as the “Public School Code of 1949”; any vocational, technical or college-affiliated program which satisfies requirements for completion of a high school education program; any program which leads to a certificate of satisfactory completion of a general educational development test; or any home educational program approved by the Department of Education.**

**Section 463. Establishment of Program.—(a) Subject to Federal approval, there is established a demonstration program within the department to be known as the School Attendance Improvement Program. The demonstration program shall expire three years from the date of its implementation.**

**(b) The department shall select seven geographic areas in this Commonwealth representing rural, suburban and urban areas to participate in the demonstration program.**

**Section 464. Required School Attendance.—(a) An individual who is an AFDC recipient or is a dependent child of an AFDC recipient from an area participating in the demonstration program shall be required to attend school without any attendance problems as a requirement for continuing eligibility for such AFDC assistance if all of the following apply:**

**(1) The individual is eight through eighteen years of age.**

**(2) The individual has not graduated from a public or private high school or obtained a certificate of satisfactory completion of a general educational development test.**

**(3) The individual is not enrolled in a home school program under section 1327.1 of the act of March 10, 1949 (P.L.30, No.14), known as the “Public School Code of 1949.”**

**(4) The individual is not legally excused from attending school.**

**(5) The individual is not prohibited from attending school while an expulsion is pending.**

**(6) If the individual was expelled from a school, there is another school available which the individual can attend.**

**(7) The individual does not have good cause for failing to attend school, as set forth in section 465.**

**(b) An individual who fails to meet the requirements of subsection (a) shall be subject to the sanctions specified in section 466.**

(c) *The department may require consent to the release of school attendance records as a condition of eligibility.*

(d) *If an individual required to attend school under subsection (a) is enrolled in a public school, communications between the school district and the department or a county agency concerning the individual's school attendance may only be made by the district's attendance officer as designated under section 1341 of the "Public School Code of 1949."*

**Section 465. Qualified Reasons for Nonattendance.**—*An AFDC recipient from an area participating in the demonstration program shall not be subject to any sanctions for nonattendance for any one of the following reasons:*

(1) *The qualified individual is a caretaker for a child who is less than ninety days old.*

(2) *The qualified individual requires the use of child care services which are unavailable or unaffordable.*

(3) *Public or private transportation is necessary but is neither available nor affordable.*

(4) *The reasons defined in sections 1329, 1330 and 1417 of the "Public School Code of 1949" and 22 Pa. Code Ch. 11 (relating to pupil attendance).*

**Section 466. Sanctions for Failure to Comply with Mandatory Attendance.**—(a) *The County Board of Assistance from an area participating in the demonstration program shall review the school attendance of, and maintain attendance records for, every qualified individual subject to its jurisdiction. When the total number of unexcused absences in any one school month exceeds three full days, the County Board of Assistance shall notify the qualified individual of the existence of an attendance problem for that school year and the possible imposition of sanctions under subsection (b). This notification shall be sent by certified mail to the last known address of the qualified individual or the individual's parent or legal guardian, whoever is the primary AFDC recipient, within ten days of the review.*

(b) *If, after notification under subsection (a), the County Board of Assistance determines in any subsequent month within the school year that the qualified individual continues to have an attendance problem, the County Board of Assistance shall reduce the monthly family size allowance by sixty-five dollars (\$65) for each individual who fails to meet the attendance requirements set forth in this subarticle.*

(c) *The sanction provided by subsection (b) shall be effective for one payment month for each month that the qualified individual failed to meet the attendance requirement.*

(d) *In the case of a dropout, the sanction shall remain in effect until the qualified individual provides written proof from the school district that he or she has reenrolled and has met the attendance requirement for one month. Any month in which school is "in session" as defined by the school*

*board may be used to meet the attendance requirement. The sanction shall be removed in the next possible payment month.*

*Section 467. Powers and Duties of Department.—(a) Within ninety days of the effective date of this subarticle, the secretary shall submit to the appropriate Federal agency a request for any and all waivers of Federal law and regulations and for any other approvals by the Federal Government necessary for the implementation of this subarticle for an initial demonstration period of three years. It shall be the obligation of the secretary to enter into good faith negotiations with the appropriate Federal officials and to make every effort to obtain the necessary Federal waivers and approvals.*

*(b) The department and the County Board of Assistance from an area participating in the demonstration program shall be responsible for making the AFDC eligibility determinations and budget computations necessary for the implementation of the provisions of section 464.*

*(c) The department shall obtain the necessary school attendance information at the initial eligibility determination and shall review the school attendance information at all subsequent eligibility determination reviews.*

*(d) The department shall disqualify for AFDC benefits any parent, guardian or otherwise qualified individual who fails to cooperate with or hinders the department in obtaining or reviewing school attendance enrollment information.*

*(e) The department shall provide to each participating school district, on a monthly basis, a list of all AFDC recipients under nineteen years of age who are residing in that school district.*

*(f) The department shall establish procedures to provide hearings for persons aggrieved by the provisions of this subarticle. These hearings shall be conducted under the provisions of 2 Pa.C.S. (relating to administrative law and procedure).*

*(g) On or before September 15 following the first school year of the implementation of this subarticle and on or before that date in each succeeding year of the demonstration program, the department shall provide a report covering the preceding school and fiscal year to the Secretary of the Senate and the Chief Clerk of the House of Representatives for distribution to members of the General Assembly. The report shall provide an evaluation of the effectiveness of the demonstration program in meeting its stated purposes. The annual report shall contain, but not be limited to, the following information, provided for each geographic area participating in the demonstration program, with the relevant school districts delineated:*

*(1) The number of AFDC recipients affected by the demonstration program who receive a high school diploma or a general equivalency diploma, beginning with the school year preceding the implementation of this subarticle and every year thereafter.*

(2) *The number of AFDC recipients who continue to receive public assistance as a result of their participation in the demonstration program under section 464, beginning with the first school year of the implementation of this subarticle and every year thereafter.*

(3) *The number of AFDC recipients who become ineligible for AFDC assistance as a result of section 464 during the first year of implementation of this subarticle and each year thereafter, together with the average length of time of their ineligibility and the amounts of Federal and State funds that would have been spent had these persons remained otherwise eligible for participation in AFDC, and the amount of State funds for general assistance spent to provide cash assistance to such persons during each fiscal year.*

(4) *An overall statement of the progress of the demonstration program during the preceding year, along with recommendations for improvement.*

(h) *Within sixty days after any necessary Federal waiver approval, the department shall promulgate regulations necessary to effectuate the provisions of this subarticle, except for the provisions of sections 468 and 469.*

(i) *The department shall conduct a three-year comprehensive review of the demonstration program.*

*Section 468. Powers and Duties of Department of Education.—(a) The Department of Education, with the approval of the State Board of Education, shall promulgate rules and regulations to define minimum standards of attendance required by section 464, to be implemented by all school districts from areas participating in the demonstration program to ensure meaningful participation in educational programming leading towards the attainment of a high school diploma or its equivalent by the AFDC recipients affected by the demonstration program.*

(b) *In cooperation with the department, the Department of Education shall provide guidance to local school districts from areas participating in the demonstration program relating to procedures for the efficient reporting of information to participating county assistance offices as required by section 469.*

(c) *The Secretary of Education shall be responsible for providing information and technical assistance to school districts from areas participating in the demonstration program concerning the implementation of model alternative educational programs with proven effectiveness in meeting the educational needs of AFDC recipients affected by the demonstration program.*

*Section 469. Powers and Duties of School Districts.—School districts from areas participating in the demonstration program shall be responsible for reporting monthly to the appropriate county assistance office of the department the names and other appropriate identifying information of any AFDC recipient who fails to meet the school attendance requirement of section 464. In reporting attendance, the participating school district from*



*an area participating in the demonstration program may not add partial days together to constitute a full day.*

Section 10. Section 491 of the act, added April 8, 1982 (P.L.231, No.75), is reenacted and amended to read:

Section 491. Employment Incentive Payments.—(a) Any corporation, bank, savings institution, company, insurance company, or mutual thrift institution employing persons, who prior to their employment were cash assistance recipients, shall be entitled to employment incentive payments to be provided as a credit against taxes imposed by Article IV, VII, VIII or IX of the act of March 4, 1971 (P.L.6, No.2), known as the “Tax Reform Code of 1971,” or by the act of June 22, 1964 (P.L.16, No.2), known as “The Mutual Thrift Institutions Tax Act,” and any person, partnership or proprietorship employing such persons shall be entitled to payments to be provided as a credit against taxes imposed by Article III of the “Tax Reform Code of 1971.” For the purposes of computing any tax liabilities against which the credit may be applied, deductions from taxable income shall be reduced by employment incentive payments. Employment incentive payments unused as a tax credit in any taxable year may be carried over against tax liabilities of the employer in the three immediately subsequent taxable years.

(b) An employment incentive payment may be claimed by an employer who hires any person who is receiving aid to families with dependent children or who is classified as chronically or transitionally needy at the time of employment except that payments shall not be provided for:

(1) The employment of any person who displaces any other individual from employment, except persons discharged for cause as certified by the Office of Employment Security.

(2) The employment of any person closely related, as defined by paragraphs (1) through (8) of section 152(a) of the Internal Revenue Code, to the taxpayer, or, if the taxpayer is a corporation, to an individual who owns, directly or indirectly more than fifty percent of the outstanding stock of the corporation, bank, savings institution, company, insurance company, or mutual thrift institution.

(3) The employment of an individual for whom the employer is simultaneously receiving Federally or State funded job training payments.

(c) (1) The employment incentive payment shall be the sum of thirty percent of the first six thousand dollars (\$6,000) of qualified first-year wages for such year, twenty percent of the first six thousand dollars (\$6,000) of qualified second year wages for such year and ten percent of the first six thousand dollars (\$6,000) of the qualified third year wages for such year.

(2) If the employer provides or pays for day care services for the children of the employe, the employer shall be eligible to receive an additional employment incentive payment of six hundred dollars (\$600) during the first year of employment, five hundred dollars (\$500) during the second year of employment, and four hundred dollars (\$400) during the third year of employment.

(3) Total employment incentive payments shall not exceed ninety percent of total taxes paid by the employer against which the incentive payments may be claimed as a credit. Qualified wages must be cash remuneration to the employe, including any amounts deducted or withheld.

(d) To be eligible for employment incentive payments, the employment must continue for at least one year unless the employe voluntarily leaves the employment of the employer, becomes disabled or is terminated for cause. If the employe leaves his position voluntarily, becomes disabled, or is terminated for cause in less than one year, the employment incentive payment shall be reduced by the proportion of the year not worked. Employment initiated during the year may be claimed as an employment incentive payment in the subsequent year.

(e) The Department of Revenue, in cooperation with the **[Department of Public Welfare] department** and the Department of Labor and Industry, shall administer the provisions of this section, promulgate appropriate rules, regulations and forms for that purpose and make such determinations as may be required. Determinations made with respect to the employment incentive payment provided in this section may be reviewed and appealed in the manner provided by law for other corporate or personal tax credits.

(f) The total amount of employment incentive payments authorized by this section shall not exceed twenty-five million dollars (\$25,000,000) in any fiscal year. To insure that credits are not claimed in excess of this amount, an employer may claim the incentive payments only upon presentation of an authorizing certificate. Certificates will be issued to the employe by the **[Department of Public Welfare] department** upon presentation to the **[Department of Public Welfare] department** of evidence of a qualifying offer of employment. The Department of Revenue shall advise the **[Department of Public Welfare] department** of the total number of certificates which may be issued in each calendar quarter consistent with the limitation on total incentive payments. If an employe does not accept the job for which the certificate is authorized, the certificate shall be returned by the employe to the **[Department of Public Welfare] department**. If an employe terminates employment for any reason prior to the expiration of three years, the employer shall return the certificate, noting the date of the employe's hiring and termination, to the Department of Revenue. The **[Department of Public Welfare] department** may issue certificates through the Office of Employment Security and may promulgate regulations to allocate certificates.

(g) Employment incentive payments shall not be available for employes hired after December 31, **[1985] 1999**, unless reenacted by the General Assembly. Not later than July 1, **[1985] 1999**, the **[Department of Public Welfare] department** shall report to the General Assembly on the effectiveness of incentive payments to encourage the employment of cash assistance recipients and recommend whether the program should be continued. Credits may be claimed against taxes payable for tax years

beginning January 1, [1982] 1994, and thereafter, and may be claimed for employees hired after the effective date of this section.

Section 11. Section 803 of the act, amended July 27, 1967 (P.L.187, No.59), is amended to read:

Section 803. Business Enterprises; Equipment; Leases; Repayment.—(a) The department is hereby authorized to purchase, own, install, maintain, license and lease equipment, accessories and vending machines to be used for suitable business enterprises for or on behalf of the blind and to advance to deserving blind persons out of moneys in the employment fund for the blind, such reasonable amounts as may be considered proper to enable such blind persons to purchase the merchandise, equipment, stock and accessories necessary to put into operation a vending or refreshment stand or other suitable business enterprises in some suitable location to be leased or arranged for by the department. Pennsylvania blind veterans of the world wars shall be given first preference for locations established, in accordance with the provisions of the Federal Randolph-Sheppard Act (20 U. S. C. A. Sec. 107, et seq.), and the rules and regulations pursuant thereto.

(b) Such business enterprises shall be approved by the department and supervised periodically by the department.

(c) The leases or permits for the installation and operation of any such stands or other suitable business enterprises shall be secured by the department in its own name.

(d) Any moneys advanced to a blind person under the authority of this act shall be repaid by such person in monthly installments, which shall in no case be less than two percent of the gross monthly sales made at the stand or business in question.

(e) Equipment and accessories purchased, owned, installed and maintained by the department may be leased to deserving blind persons for an amount not to exceed four percent of the gross monthly sales, except in those locations in which the gross monthly sales do not exceed one thousand dollars (\$1,000). Such rental in these locations shall not exceed one percent of the gross monthly sales. The department shall periodically regulate the rental fees charged to such blind persons in accordance with the regulations to be adopted by it, in such a manner as to achieve approximate equality of opportunity to such blind persons[, and to assure that the fund shall at no time exceed one hundred fifty thousand dollars (\$150,000)]. The department shall transmit all such repayments and rental fees into the State Treasury, where they shall be credited to the Employment Fund for the Blind.

(f) The department is authorized to receive and transmit to the State Treasury for credit to the Employment Fund for the Blind, all moneys heretofore or hereafter received by the Commonwealth on account of contracts between the Commonwealth, acting through the Department of [Property and Supplies] *General Services* and vending machine owners, whereby the Commonwealth is to receive a percentage of the profits from

vending machines operated in State buildings, except for those vending machines in State buildings wherein a restaurant or cafeteria is operated by the Department of **[Property and Supplies] General Services**.

Section 12. Section 1404(b) of the act, added July 10, 1980 (P.L.493, No.105), is amended to read:

Section 1404. Special Recipient Participation Requirements.—\* \* \*

(b) **[Any person applying for medical assistance benefits shall as a condition to eligibility, give the department the right of subrogation to any other private or public health insurance benefits to which such person is or may become entitled.] *The acceptance of medical assistance benefits shall operate as an assignment to the department, by operation of law, of the assistance recipient's rights to recover support, specified by a court as support for the payment of medical care, and to payment for medical care from any third party.***

\* \* \*

Section 13. Section 1408 of the act, added July 10, 1980 (P.L.493, No.105) and repealed in part December 20, 1982 (P.L.1409, No.326), is amended to read:

Section 1408. **[Recipient] Other Prohibited Acts, Criminal Penalties and Civil Remedies.**—(a) It shall be unlawful for any person to:

(1) knowingly or intentionally make or cause to be made *a false statement or [representation of a material fact in any application for any benefit or payment;] misrepresentation or to wilfully fail to disclose a material fact regarding eligibility, including, but not limited to, facts regarding income, resources or potential third-party liability, for either themselves or any other individual, either prior to or at the time of or subsequent to the application for any medical assistance benefits or payments;*

(2) having knowledge of the occurrence of any event affecting his initial or continued right to any such benefit or payment or the initial or continued right to any such benefit or payment of any other individual in whose behalf he has applied for or is receiving such benefit or payment, conceal or fail to disclose such event with an intent fraudulently to secure such benefit or payment either in a greater amount or quantity than is due or when no such benefit or payment is authorized;

(3) having made application to receive any such benefit or payment for the use and benefit of himself or another and having received it, knowingly or intentionally converts such benefit or any part thereof to a use other than for the use and benefit of himself or such other person; or

(4) knowingly or intentionally visit more than three practitioners or providers, who specialize in the same field, in the course of one month for the purpose of obtaining excessive services or benefits beyond what is reasonably needed (as determined by medical professionals engaged by the department) for the treatment of a diagnosed condition of the recipient.

(5) borrow or use a medical assistance identification card for which he is not entitled or otherwise gain or attempt to gain medical services covered

under the medical assistance program if he has not been determined eligible for the program.

(b) (1) [A] Any person [who commits a violation of] violating subsection (a)(1), (2) or (3) [is guilty of a felony of the third degree for each violation thereof with a maximum penalty thereof of fifteen thousand dollars (\$15,000) and seven years imprisonment.] commits the grade of crime determined from the following schedule:

<i>Amount of Benefit</i>	<i>Degree of Crime</i>
<i>\$3,000 or more</i>	<i>Felony of the third degree</i>
<i>\$1,500 to \$2,999</i>	<i>Misdemeanor of the first degree</i>
<i>\$1,000 to \$1,499</i>	<i>Misdemeanor of the second degree</i>
<i>\$999 and under or an attempt to commit any act prohibited in subsection (a)(1), (2) or (3)</i>	<i>Misdemeanor of the third degree</i>

(1.1) Pursuant to 42 Pa.C.S. § 1515(a)(7) (relating to jurisdiction and venue), jurisdiction over cases graded a misdemeanor of the third degree under this section shall be vested in district justices.

(1.2) Any person committing a crime enumerated in subsection (a)(1), (2), (3), (4) or (5) shall be ordered to pay restitution of any medical assistance benefits or payments made on behalf of either themselves or another individual. A restitution order under this subsection may be paid in a lump sum or by monthly installments or according to such other schedule as is deemed just by the sentencing court. Notwithstanding the provisions of 18 Pa.C.S. § 1106(c)(2) (relating to restitution for injuries to person or property) to the contrary, the period of time during which the offender is ordered to make restitution may exceed the maximum term of imprisonment to which the offender could have been sentenced for the crime of which he was convicted if the sentencing court determines such period to be reasonable and in the interest of justice.

(1.3) There shall be a five-year statute of limitations on all crimes enumerated in subsection (a).

(2) A person who commits a violation of subsection (a)(4) or (5) is guilty of a misdemeanor of the first degree for each violation thereof with a maximum penalty thereof of ten thousand dollars (\$10,000) and five years imprisonment.

(c) (1) Anyone who is convicted of a violation of subsection (a)(1), (2), (3), (4) or (5) shall, upon notification by the department, forfeit any and all rights to medical assistance benefits for any period of incarceration.

(2) If the department determines that a recipient misuses or overutilizes medical assistance benefits, the department is authorized to restrict a recipient

to a provider of his choice for each medical specialty or type of provider covered under the medical assistance program.

(3) If the department determines that a general assistance eligible person who is also a medical assistance recipient has violated the provisions of subsection (a)(3), (4) or (5), the department shall have the authority to terminate such recipient's rights to any and all medical assistance benefits for a period up to one year.

(4) If the department determines that a **[recipient] person** has violated the provisions of subsection (a)(1), (3), (4) or (5), the department shall have the authority to institute a civil suit against such **[recipient] person** for the amount of the benefits obtained by the **[recipient] person** in violation of subsection **[(a)(3)] (a)(1), (3), (4) or (5)**, plus legal interest from the date the violation or violations occurred.

*(5) The department shall also have the authority to administratively impose a one thousand dollar (\$1,000) penalty against a person for each violation of subsection (a).*

**[(5)] (6) (i)** If it is found that a recipient or a member of his family or household, who would have been ineligible for medical assistance, possessed unreported real or personal property in excess of the amount permitted by law, the amount collectible shall be limited to an amount equal to the market value of such **[excess] unreported** property or the amount of medical assistance granted during the period **[the excess property] it was held up to the date the unreported excess real or personal property is identified**, whichever is less. **[Reimbursement] Repayment** of the overpayment shall be sought from the recipient, **[or person acting on the recipient's behalf] the person receiving or holding such property, the recipient's estate** and/or survivors benefiting from receiving such property. Proof of date of acquisition of such property must be provided by the recipient or person acting on his behalf.

*(ii)* Where a person receiving medical assistance for which he would have been ineligible due to possession of such unreported property and proof of date of acquisition of such property is not provided, it shall be deemed that such **real or** personal property was held by the recipient the entire time he was on medical assistance and **[reimbursement] repayment** shall be for all medical assistance paid for the recipient or the value of such excess property, whichever is less. **[Reimbursement] Repayment** shall be sought from the recipient, the person acting on the recipient's behalf, the person receiving or holding such property, the recipient's estate and/or survivors benefiting from receiving such property.

*(d)* The department is authorized to institute a civil suit to enforce any of the rights established by this section.

Section 14. Section 1409(a)(3) and (b)(9) of the act, added July 10, 1980 (P.L.493, No.105), are amended to read:

Section 1409. Third Party Liability.—(a) \* \* \*

(3) Each publicly funded health care program that furnishes or pays for health care services to a recipient having private health care coverage shall be entitled to be subrogated to the rights that such person has against the insurer of such coverage to the extent of the health care services rendered. Such action may be brought within [three] five years from the date that service was rendered such person.

\* \* \*

(b) \* \* \*

(9) [No judgment, award, or settlement in any action or claim by a beneficiary to recover damages for injuries, where the department has an interest, shall be satisfied without first giving the department notice and an opportunity to perfect and satisfy his lien.] *Unless otherwise directed by the department, no payment or distribution shall be made to a claimant or a claimant's designee of the proceeds of any action, claim or settlement where the department has an interest without first satisfying or assuring satisfaction of the interest of the Commonwealth. Any person who, after receiving notice of the department's interest, knowingly fails to comply with the obligations established under this clause shall be liable to the department, and the department may sue to recover from the person.*

\* \* \*

Section 15. The act is amended by adding a section to read:

*Section 1412. Repayment from Probate Estates.—(a) Notwithstanding any other provision of this act or any other law, the department shall establish and implement an estate recovery program to recover medical assistance paid with respect to individuals who were fifty-five years of age or older at the time that assistance was received. Under this program, the department shall recover from the probate estate of an individual the amount of medical assistance paid for all nursing facility services, home- and community-based services and related hospital and prescription drug services. With the approval of the Governor, the department may expand the estate recovery program by regulation to include medical assistance for services other than those listed in this section and to recover against other real and personal property in which an individual had any legal title or interest at the time of death. The department's claim shall have the priority of a debt due the Commonwealth. If property subject to the department's claim is transferred without the department's claim being satisfied, then the executor or administrator transferring such property, if applicable, and the person receiving such property shall become liable to pay the department's claim.*

*(b) The executor or administrator of the estate of a decedent who attained fifty-five years of age shall ascertain whether the decedent received medical assistance during the five years preceding death and, if so, shall give notice to the department to secure from the department a statement of the department's claim for medical assistance consistent with 20 Pa.C.S. § 3392(3) and (6) (relating to classification and order of payment). The*

*department must submit its claim to the executor or administrator within thirty days of receipt of notice or the claim shall be forfeited.*

*(c) This section shall apply notwithstanding the provisions of section 447.*

Section 16. The Department of Public Welfare shall report to the General Assembly, no later than six months from the effective date of this act, on the policies and procedures instituted to implement section 201(5) of the act, as well as the nature of the information to be provided.

Section 17. (a) The following amounts are appropriated to the Department of Public Welfare for the fiscal year July 1, 1993, to June 30, 1994:

	Federal	State
(1) For New Directions. Included in this appropriation is \$4,000,000 for job training services for transitionally needy recipients to be provided by community colleges and higher education councils.		
State appropriation . . . . .		\$44,873,000

(2) The following Federal amount is appropriated to supplement the amount appropriated for New Directions:		
Food Stamp Employment and Training - New Directions		
Federal appropriation . . . . .	\$23,346,000	

(b) The following amount is appropriated to the Department of Public Welfare for the fiscal year July 1, 1994, to June 30, 1995:

	Federal	State
(1) For payments to counties for homeless services. These funds shall be distributed to the counties based on each county's proportionate share compared with the Statewide total of those persons on General Assistance whose eligibility was affected by the amendment of section 432(3) of the act, which (comparison) must be certified by the Secretary of Public Welfare by September 30, 1994.		
State appropriation . . . . .		\$5,000,000

(c) Notwithstanding any other provision of law, the appropriations made under subsection (a) shall be two-year continuing appropriations.

(d) All State and Federal amounts expended or encumbered by the Department of Public Welfare for New Directions and for Food Stamp Employment and Training - New Directions under the former provisions of section 219 of the act of May 28, 1993 (P.L.589, No.1A), known as the



General Appropriation Act of 1993, shall be credited against the appropriations made under subsection (a).

Section 18. The following acts and parts of acts are repealed to the extent specified:

Section 4(c) of the act of June 24, 1937 (P.L.2045, No.397), known as The Support Law, insofar as it is inconsistent with this act.

Section 1701-A of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, insofar as it is inconsistent with this act.

As much as relates to the State appropriation for New Directions and the Federal appropriation for Food Stamp Employment and Training - New Directions to the Department of Public Welfare in section 219 of the act of May 28, 1993 (P.L.589, No.1A), known as the General Appropriation Act of 1993.

Section 19. Nothing in this act shall be construed as limiting the authority of the Department of Public Welfare to continue the general assistance basic health care plan.

Section 20. Regulations promulgated by the Department of Public Welfare prior to December 31, 1995, for the purpose of implementing the amendment or addition of sections 432(3) and (8), 432.4, 442.1 and 442.2 of the act shall not be subject to the act of June 25, 1982 (P.L.633, No.181), known as the Regulatory Review Act. Such regulations shall be subject, however, to review for form and legality by the Attorney General and the General Counsel under sections 204(b) and 301(10) of the act of October 15, 1980 (P.L.950, No.164), known as the Commonwealth Attorneys Act.

Section 21. The amendment of section 432(3)(iii) of the act shall apply retroactively to July 1, 1994, if the amendment takes effect after that date.

Section 22. This act shall take effect as follows:

- (1) The amendment of section 432(3)(iii) of the act shall take effect July 1, 1994, or immediately, whichever is later.
- (2) The following provisions shall take effect immediately:
  - (i) Sections 16 and 17 of this act.
  - (ii) This section.
- (3) The remainder of this act shall take effect in 60 days.

APPROVED—The 16th day of June, A.D. 1994.

ROBERT P. CASEY