

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2226 Session of 2024

INTRODUCED BY FRIEL, BURGOS, HILL-EVANS, MARCELL, SANCHEZ, VENKAT, NEILSON, SCHLOSSBERG, POWELL, SCHWEYER, KENYATTA, SIEGEL, KIM, CERRATO, CEPEDA-FREYTIZ AND McANDREW, APRIL 17, 2024

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 12, 2024

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," in corporate net income tax, establishing the Net
11 Operating Loss Transfer Program; imposing a penalty; and
12 making editorial changes.

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

15 Section 1. Sections 410, 411 and 412 of the act of March 4,
16 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, are
17 renumbered to read:

18 Section [410] 480. Penalties.--(a) Any person violating any
19 of the provisions of section 409 shall be guilty of a
20 misdemeanor, and shall, upon conviction thereof, be sentenced to
21 pay a fine not exceeding one thousand dollars (\$1,000) and costs

1 of prosecution, or to undergo imprisonment for not more than six  
2 months, or both.

3 (b) Any person who shall wilfully make a false and  
4 fraudulent return of taxable income made taxable by this  
5 article, shall be guilty of wilful and corrupt perjury, and,  
6 upon conviction thereof, shall be subject to punishment as  
7 provided by law. Such penalty shall be in addition to any other  
8 penalties imposed by this article.

9 (c) Any person, who wilfully fails, neglects, or refuses to  
10 make a report or to pay the tax as herein prescribed, or who  
11 shall refuse to permit the department to examine the books,  
12 papers, and records of any corporation liable to pay tax under  
13 this article, shall be guilty of a misdemeanor, and, upon  
14 conviction thereof, shall be sentenced to pay a fine not  
15 exceeding one thousand dollars (\$1,000) and costs of  
16 prosecution, or to undergo imprisonment not exceeding six  
17 months, or both. Such penalty shall be in addition to any other  
18 penalties imposed by this article.

19 Section [411] 498. Repeal.--The act of May 16, 1935  
20 (P.L.208), known as the "Corporate Net Income Tax Act," is  
21 repealed.

22 Section [412] 499. Effective Date.--This article shall take  
23 effect immediately, and the tax imposed shall apply to taxable  
24 years beginning January 1, 1971 and thereafter.

25 Section 2. Article IV of the act is amended by adding a part  
26 to read:

27 PART VI-A

28 NET OPERATING LOSS TRANSFER PROGRAM

29 Section 421. Definitions.

30 The following words and phrases when used in this part shall

1 have the meanings given to them in this section unless the  
2 context clearly indicates otherwise:

3 "Allowable expenditures." Costs incurred in connection with  
4 the operation of the new or expanding biotechnology business or  
5 technology business located in this Commonwealth, including the  
6 expenses of fixed assets, such as the construction, acquisition  
7 and development of real estate, materials, start-up, tenant fit-  
8 out, working capital, salaries and research and development  
9 expenditures.

10 "Biotechnology." The continually expanding body of  
11 fundamental knowledge about the functioning of biological  
12 systems from the macro level to the molecular and subatomic  
13 levels, including novel products, services, technologies and  
14 subtechnologies developed as a result of insights gained from  
15 research advances, which add to that body of fundamental  
16 knowledge.

17 "Biotechnology business." Any of the following:

18 (1) A person, whose headquarters or base of operations  
19 is located in this Commonwealth, engaged in the research,  
20 development, production or provision of biotechnology for the  
21 purpose of developing or providing products or processes for  
22 specific commercial or public purposes, including medical,  
23 pharmaceutical, nutritional and other health-related  
24 purposes, agricultural purposes and environmental purposes.

25 (2) A person, whose headquarters or base of operations  
26 is located in this Commonwealth, engaged in providing  
27 services or products necessary for research, development,  
28 production or provision of a technology/biotechnology  
29 business.

30 "Cost." The expenses incurred in connection with the

1 operation of a new or expanding biotechnology business or  
2 technology business in this Commonwealth, including the expenses  
3 of fixed assets, such as the construction, acquisition and  
4 development of real estate, materials, start-up, tenant fit-out,  
5 working capital and any other expenses determined by the  
6 department to be necessary to carry out the purposes of this  
7 article.

8 "Financial institution." An individual or organization  
9 deemed eligible by the department for participation in the  
10 program, including State-chartered or federally chartered banks,  
11 savings banks or savings and loan associations, banks organized  
12 under the laws of a foreign government, private individuals,  
13 insurance companies, landlords, finance companies and venture  
14 capitalists.

15 "Fixed assets." Real property, interests in real property,  
16 plants, equipment and any other assets commonly accepted as  
17 fixed assets.

18 "Full-time employee." The following apply:

19 (1) Any of the following:

20 (i) a person employed by a new or expanding  
21 biotechnology business or technology business for  
22 consideration for at least 35 hours a week;

23 (ii) a person who renders any other standard of  
24 service generally accepted by custom or practice as full-  
25 time employment and whose wages are subject to  
26 withholding as provided under 26 U.S.C. § 1400Z-2(c)  
27 (relating to special rules for capital gains invested in  
28 opportunity zones), as amended; or

29 (iii) a person who renders any other standard of  
30 service generally accepted by custom or practice as full-

1 time employment, and whose distributive share of income,  
2 gain, loss or deduction, or whose guaranteed payments, or  
3 any combination thereof, is subject to tax under this  
4 article.

5 (2) The term does not include a person who works as an  
6 independent contractor or on a consulting basis for the new  
7 or expanding biotechnology business or technology business.

8 ~~"Net operating loss carryover." The amount of the deduction~~ <--  
9 ~~from taxable income of net losses allowable for taxpayers under~~  
10 ~~section 401(3).~~

11 "New or expanding biotechnology business or technology  
12 business." A biotechnology business or technology business  
13 that, as of June 30 of the year in which the business files an  
14 application for the program:

15 (1) has been in operation in this Commonwealth for no  
16 more than five years; and

17 (2) has at least 15% of its total United States  
18 employees working in this Commonwealth.

19 "Program." The Net Operating Loss Transfer Program  
20 established under section 422.

21 "Purchasing taxpayer." A taxpayer who purchases tax benefits  
22 under this part.

23 "Selling taxpayer." A taxpayer who is a new or expanding  
24 biotechnology business or technology business that sells tax  
25 benefits under this part.

26 ~~"Tax benefit." The amount of an unused but otherwise~~ <--  
27 ~~allowable net operating loss carryover accrued by a selling~~  
28 ~~taxpayer.~~

29 ~~"Technology business." A business that:~~

30 ~~(1) has its headquarters or base of operations in this~~

1 Commonwealth;

2 ~~(2) owns, has filed for or has a valid license to use~~  
3 ~~protected, proprietary intellectual property; and~~

4 ~~(3) employs a combination of highly educated or trained~~  
5 ~~managers and workers, or both, employed in this Commonwealth~~  
6 ~~who use sophisticated scientific research service or~~  
7 ~~production equipment, processes or knowledge to discover,~~  
8 ~~develop, test, transfer or manufacture a product or service.~~

9 "TAX BENEFIT." THE AMOUNT OF NET LOSS ACCRUED BY A SELLING <--  
10 TAXPAYER THAT WOULD OTHERWISE BE ALLOWABLE AS A DEDUCTION FROM  
11 TAXABLE INCOME UNDER SECTION 401(3).

12 "TAX BENEFIT VALUE." THE VALUE OF THE TAX BENEFIT BEING SOLD  
13 UNDER THIS PART, CALCULATED BY MULTIPLYING THE AMOUNT OF THE TAX  
14 BENEFIT BY THE CORPORATE NET INCOME TAX RATE UNDER SECTION 401  
15 THAT IS IN EFFECT DURING THE TAXABLE YEAR IN WHICH THE TAX  
16 BENEFIT IS BEING SOLD.

17 "TECHNOLOGY BUSINESS." A BUSINESS THAT HAS ITS HEADQUARTERS  
18 OR BASE OF OPERATIONS IN THIS COMMONWEALTH AND EITHER:

19 (1) MEETS ALL OF THE FOLLOWING:

20 (I) OWNS, HAS FILED FOR OR HAS A VALID LICENSE TO  
21 USE PROTECTED, PROPRIETARY INTELLECTUAL PROPERTY; AND

22 (II) EMPLOYS A COMBINATION OF HIGHLY EDUCATED OR  
23 TRAINED MANAGERS AND WORKERS, OR BOTH, EMPLOYED IN THIS  
24 COMMONWEALTH WHO USE SOPHISTICATED SCIENTIFIC RESEARCH  
25 SERVICE OR PRODUCTION EQUIPMENT, PROCESSES OR KNOWLEDGE  
26 TO DISCOVER, DEVELOP, TEST, TRANSFER OR MANUFACTURE A  
27 PRODUCT OR SERVICE.

28 (2) MEETS ALL OF THE FOLLOWING:

29 (I) IS MAJORITY-OWNED BY A PENNSYLVANIA RESIDENT WHO  
30 RESIDES IN A GEOGRAPHIC AREA IN WHICH THERE ARE TRIGGER

1 PROJECTS WITH PERMITS, AUTHORIZATIONS OR APPROVALS  
2 ANALYZED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION;

3 (II) IS AFFILIATED WITH ANY PUBLIC, STATE-RELATED  
4 INSTITUTION OR OTHER ENTITY THAT HAS RECEIVED STATE  
5 FUNDING WITHIN THE PRIOR TWO FISCAL YEARS THAT PROVIDES  
6 TECHNOLOGY-RELATED PROGRAMMING OR INITIATIVES; AND

7 (III) HAS ACCRUED NET LOSSES THAT WOULD OTHERWISE BE  
8 ALLOWABLE AS A DEDUCTION FROM TAXABLE INCOME UNDER  
9 SECTION 401(3) THAT ARE RELATED TO ENVIRONMENTAL  
10 REMEDICATION, ENVIRONMENTAL RESILIENCY, ENERGY EFFICIENCY,  
11 ENERGY CONSERVATION OR SOLAR, WIND OR GEOTHERMAL ENERGY  
12 PRODUCTION.

13 "Working capital." Liquid capital assets other than fixed  
14 assets.

15 Section 422. Transferable Net Operating Loss Program.

16 (a) Establishment.--

17 (1) The Transferable Net Operating Loss Program is  
18 established to allow a new or expanding biotechnology  
19 business or technology business in this Commonwealth with  
20 amounts of unused net operating loss carryover to sell the  
21 tax benefits for use by other taxpayers under this article.

22 (2) The tax benefits may be used by the purchasing  
23 taxpayer in accordance with the program. The purchasing  
24 taxpayer may apply the tax benefits to the purchasing  
25 taxpayer's tax liability for the taxable year during which  
26 the tax benefits were purchased, except that any tax benefits  
27 received by the purchasing taxpayer plus any other net loss  
28 deduction allowable under this article shall not cause the  
29 purchasing taxpayer's total net loss deduction to exceed the  
30 limits established under section 401(3).

1 (b) Approval of sale of tax benefits.--

2 (1) The department, in consultation with the Department  
3 of Community and Economic Development, shall review and  
4 approve applications by new or expanding biotechnology  
5 businesses or technology businesses in this Commonwealth with  
6 unused but otherwise allowable net operating loss carryover  
7 to sell those tax benefits in exchange for private financial  
8 assistance to be contributed by a purchasing taxpayer in an  
9 amount equal to AT LEAST 80% of the amount of the tax benefit <--  
10 being sold VALUE. <--

11 (2) A selling taxpayer's transferable tax benefits shall  
12 be limited to net operating losses that the selling taxpayer  
13 requests to transfer in its application to the department and  
14 shall not, in total, exceed the maximum amount of tax  
15 benefits that the selling taxpayer is eligible to transfer.

16 (3) The department shall establish rules for the  
17 repayment of all, or a portion of, an amount equal to the  
18 selling price of the tax benefit under section 427.

19 (c) Approval of purchase of tax benefits.--

20 (1) The department shall review and approve applications  
21 for the purchase of tax benefits in exchange for private  
22 financial assistance to be made by the purchasing taxpayer in  
23 an amount equal to AT LEAST 80% of the amount of the tax <--  
24 benefit being sold VALUE. <--

25 (2) The department shall not approve an application  
26 unless the selling taxpayer certifies that as of the date of  
27 the application that the selling taxpayer is operating as a  
28 new or expanding biotechnology business or technology  
29 business and has no current intention to cease operating as a  
30 new or expanding biotechnology business or technology



1 business.

2 (d) Private financial assistance.--The private financial  
3 assistance shall assist in funding expenses incurred in  
4 connection with the operation of the new or expanding  
5 biotechnology business or technology business in this  
6 Commonwealth, including the expenses of fixed assets, such as  
7 the construction and acquisition and development of real estate,  
8 materials, start-up, tenant fit-out, working capital, salaries,  
9 research and development expenditures and any other expenses  
10 determined by the department to be necessary to carry out the  
11 purposes of the program.

12 (e) Distribution of tax benefits and private financial  
13 assistance.--The department shall equally distribute tax  
14 benefits based on the amount of tax benefits approved for sale  
15 and the amount of private financial assistance committed by  
16 purchasing taxpayers during the taxable year.

17 Section 423. Authorization to approve certain transfers of tax  
18 benefits.

19 (a) Approval of sale of tax benefits.--The department shall  
20 approve the sale of tax benefits. A selling taxpayer shall be  
21 subject to a lifetime cap of \$20,000,000 IN TAX BENEFITS. During <--  
22 each taxable year, a selling taxpayer that meets all eligibility  
23 requirements shall be permitted to sell an amount of tax  
24 benefits that shall not exceed the lifetime cap over a period of  
25 five taxable years, except that the amount of tax benefits sold  
26 by a selling taxpayer per taxable year shall not exceed  
27 \$5,000,000.

28 (b) Approval of purchase of tax benefits.--The department  
29 shall approve the transfer of tax benefits to a purchasing  
30 taxpayer. A purchasing taxpayer shall be permitted to purchase

1 no more than \$100,000,000 in tax benefits per taxable year. If  
2 the demand from more than one purchasing taxpayer exceeds  
3 \$100,000,000, the department shall distribute the annual tax  
4 benefits on a pro rata basis.

5 Section 424. Eligibility.

6 A new or expanding biotechnology business or technology  
7 business shall be eligible to apply to the program if the  
8 department, in consultation with the Department of Community and  
9 Economic Development, finds that the business:

10 (1) Meets the definition of a "new or expanding  
11 biotechnology business or technology business."

12 (2) Meets any of the following:

13 (i) has protected and proprietary intellectual  
14 property that is exclusive to the applicant;

15 (ii) has use/license technology or patents developed  
16 in this Commonwealth;

17 (iii) provides technology to the agriculture  
18 industry; or

19 (iv) generates at least 50% of its revenue in this  
20 Commonwealth.

21 (3) Has unused net operating loss carryover.

22 (4) Has no positive net operating income for the past  
23 two years.

24 (5) Is subject to tax under this article and files all  
25 required tax returns under this article.

26 Section 425. Application to program.

27 (a) Fee.--An application submitted by a selling taxpayer or  
28 a purchasing taxpayer shall be accompanied by a nonrefundable  
29 \$2,500 application fee. Completed applications must be received  
30 by June 30 of each fiscal year.

1 (b) Selling taxpayer application.--An application submitted  
2 to the program by a selling taxpayer must include:

3 (1) a spending certification form attesting to having  
4 spent the proceeds of the prior year's sale of tax benefits  
5 in accordance with the definition of "allowable  
6 expenditures";

7 (2) the tax benefit identification form which summarizes  
8 the accumulated net operating loss carryover to be sold, the  
9 years that the net operating loss carryover was incurred and  
10 the value intended to be sold;

11 (3) a private financial assistance form specifying how  
12 the selling taxpayer will expend the private financial  
13 assistance for allowable expenditures for the operations of  
14 the new or expanding biotechnology business or technology  
15 business;

16 (4) if a selling taxpayer was authorized to sell and did  
17 sell tax benefits during the previous taxable year, a  
18 spending certification that attests that the selling taxpayer  
19 spent the proceeds of the prior year's sale of tax benefits  
20 in accordance with the prior year's private financial  
21 assistance form;

22 (5) a description of and business plan or presentation  
23 for the selling taxpayer's new or expanding biotechnology  
24 business or technology business, which shall demonstrate that  
25 the business is the primary business of the selling taxpayer  
26 and that the applicant meets the definition of a new or  
27 expanding biotechnology business or technology business. If  
28 applicable, documentation of protected proprietary  
29 intellectual property must be provided;

30 (6) financial statements for the two most recent full

1 years of operation, or if the selling taxpayer has been in  
2 operation for less than two years, the selling taxpayer's  
3 most recent financial statement, if any;

4 (7) a list of all affiliates and subsidiaries of the  
5 selling taxpayer. A corporation is considered to be an  
6 affiliate or subsidiary of the selling taxpayer if the  
7 corporation is subject to tax under this article and one or  
8 more of the following applies:

9 (i) the taxpayer is an entity or an affiliated group  
10 of corporations that directly or indirectly owns or  
11 controls 50% or greater of the selling taxpayer;

12 (ii) the taxpayer and the selling taxpayer are both  
13 members of the same consolidated group of affiliated  
14 corporations, as filed for Federal income tax purposes;  
15 and

16 (iii) any other test of affiliation as determined by  
17 the department; and

18 (8) any other information required by the department.

19 (c) Purchasing taxpayer application.--An application  
20 submitted by a purchasing taxpayer must include:

21 (1) the name, address and telephone number of the  
22 purchasing taxpayer;

23 (2) a statement of the amount of tax benefits that the  
24 purchasing taxpayer requests to receive;

25 (3) an attestation that includes the following:

26 (i) a statement that the purchasing taxpayer has  
27 committed to contributing private financial assistance to  
28 the program;

29 (ii) the dollar amount of private financial  
30 assistance the purchasing taxpayer will contribute, which

1 shall be equal to AT LEAST 80% of the amount of THE TAX <--  
2 BENEFIT VALUE OF THE tax benefits the purchasing taxpayer  
3 requests to receive; and

4 (iii) a statement that the purchasing taxpayer has  
5 the financial ability to contribute the amount specified  
6 under subparagraph (ii);

7 (4) a statement of the total amount of unused net  
8 operating loss carryover, if any, that the purchasing  
9 taxpayer has accrued;

10 (5) a list of all affiliates and subsidiaries of the  
11 purchasing taxpayer. A corporation is considered to be an  
12 affiliate or subsidiary of the purchasing taxpayer if the  
13 corporation is subject to tax under this article and one or  
14 more of the following applies:

15 (i) the corporation is an entity or an affiliated  
16 group of corporations that directly or indirectly owns or  
17 controls 50% or greater of the purchasing taxpayer;

18 (ii) the corporation and the purchasing taxpayer are  
19 both members of the same consolidated group of affiliated  
20 corporations, as filed for Federal income tax purposes;

21 and

22 (iii) any other test of affiliation as determined by  
23 the department; and

24 (6) any other information required by the department.

25 Section 426. Review of applications.

26 (a) Review of application.--The department, in consultation  
27 with the Department of Community and Economic Development, shall  
28 review each program application the department receives to  
29 determine whether the application meets all of the requirements  
30 established under this part.

1 (b) Approval.--Except as provided for under subsection (c),  
2 if the department determines that an application was received on  
3 or before the June 30 deadline and meets all the requirements  
4 established under this part, the department shall approve the  
5 application and shall notify a selling taxpayer or a purchasing  
6 taxpayer of the approval.

7 (c) Denial.--The department shall deny an application if one  
8 or more of the following applies:

9 (1) An applicant does not meet all requirements under  
10 this part.

11 (2) The application was received after the June 30  
12 deadline.

13 (3) The selling taxpayer has demonstrated positive net  
14 operating income in any of the two previous full years of  
15 ongoing operations as determined on its financial statements  
16 issued in a manner as determined by the department.

17 Section 427. Allocation of tax benefits.

18 (a) Limitation on selling taxpayer.--A selling taxpayer  
19 shall be subject to a lifetime cap of \$20,000,000 IN TAX <--  
20 BENEFITS. During each taxable year, a selling taxpayer that  
21 meets all eligibility requirements shall be permitted to sell an  
22 amount of tax benefits that shall not exceed the lifetime cap  
23 over a period of five taxable years. The amount of tax benefits  
24 sold by a selling taxpayer per taxable year shall not exceed  
25 \$5,000,000, except if all selling taxpayers have sold their  
26 annual tax benefits and there remains additional purchasing  
27 taxpayer demand under the annual purchasing taxpayer cap, the  
28 department shall allow sellers of tax benefits to exceed the  
29 individual seller annual cap and shall award the additional cap  
30 demand on a pro rata basis.

1 (b) Limitation on purchasing taxpayer.--A purchasing  
2 taxpayer may purchase no more than \$100,000,000 in tax benefits  
3 per taxable year. Tax benefits awarded to a purchasing taxpayer  
4 shall be reduced by the percentage of available tax benefits  
5 sold by selling taxpayers who are affiliates or subsidiaries of  
6 the purchasing taxpayer, pursuant to the information provided on  
7 the application materials required under section 425.

8 Section 428. Repayment of tax benefits.

9 (a) Forfeiture.--If a selling taxpayer fails to use the  
10 private financial assistance received for the sale of tax  
11 benefits in a manner prescribed under this part, or fails to  
12 maintain a headquarters or a base of operation in this  
13 Commonwealth during the five years following receipt of the  
14 private financial assistance, the selling taxpayer shall forfeit  
15 and remit the face value of the sold tax benefits to the  
16 department in accordance with subsections (c) and (d). The face  
17 value of the sold tax benefits shall be the amount of unused net  
18 operating loss carryover the department approved for sale by the  
19 selling taxpayer.

20 (b) Exception.--The forfeiture requirement in subsection (a)  
21 pertaining to the failure to maintain a headquarters or a base  
22 of operation in this Commonwealth shall not apply if the failure  
23 is due to the liquidation of the new or expanding biotechnology  
24 business or technology business.

25 (c) Prorated certificate.--If a selling taxpayer fails to  
26 maintain a headquarters or base of operation in this  
27 Commonwealth during the five years following the receipt of the  
28 private financial assistance, the department shall allow the  
29 selling taxpayer to retain 20% of the face value of the sold tax  
30 benefit for each full year the selling taxpayer remained in this

1 Commonwealth, except that the selling taxpayer forfeits and  
2 remits to the department the remaining amount of the face value  
3 of the sold tax benefit.

4 (d) Failure to use benefits.--If a selling taxpayer uses the  
5 private financial assistance received in exchange for the sale  
6 of tax benefits for expenditures that are not allowable  
7 expenditures, the department shall require the selling taxpayer  
8 to remit to the department 100% of the amount of the  
9 expenditures that are not allowable expenditures.

10 Section 429. Fraudulent application information.

11 A selling taxpayer or purchasing taxpayer who with intent to  
12 defraud the Commonwealth willfully submits, or causes to be  
13 submitted, a program application under section 425 which  
14 contains false information commits a misdemeanor and, upon  
15 conviction, shall be sentenced to pay a fine not exceeding  
16 \$2,000 or undergo imprisonment not exceeding three years, or  
17 both.

18 Section 430. Report.

19 (a) Duty.--Not later than one year following the effective  
20 date of this subsection, and not later than March 1 of each year  
21 thereafter, the department shall prepare a report on the  
22 program.

23 (b) Contents.--The report shall include:

24 (1) A description of the demand for the program from new  
25 or expanding biotechnology businesses or technology  
26 businesses and financial institutions.

27 (2) The efforts made by the department to promote the  
28 program.

29 (3) The total amount of tax benefits approved for  
30 transfer by the department under the program.



1           (4) An assessment of the effectiveness of the program in  
2           meeting the goals of this part.

3           (c) Submission.--The department shall submit the report  
4           under this section to the Governor and the General Assembly,  
5           including recommendations for legislation to improve the  
6           effectiveness of the program.

7           Section 431. Regulations and guidelines.

8           (a) Promulgation.--The department shall promulgate  
9           regulations to implement this part.

10          (b) Guidelines.--The department shall develop written  
11          guidelines for the implementation of this part. The guidelines  
12          shall be in effect until the department promulgates regulations  
13          for the implementation of this part.

14          Section 3. This act shall take effect in 60 days.