

MAR 16 2011



Senate of Pennsylvania

March 16, 2011

TO: All Senators

FROM: Senator Dominic Pileggi
Senator Elder Vogel

RE: Co-sponsorship of Senate Rule on Nonprofit Affiliation

We plan to introduce a resolution creating a new Senate Rule that would place certain restrictions on Senators, Senate employees, and their spouses or children who have an affiliation with a nonprofit entity. Affiliation includes serving on the board of directors or as an officer, employee or contractor of a nonprofit entity that receives funding from the Commonwealth. A nonprofit entity is defined as an entity that meets the requirements of 501(c) of the Internal Revenue Code.

The Resolution would require that an affiliated nonprofit entity have a formally established board of directors, a written set of bylaws or rules, officially-taken board action, and a limitation on grant funding directly from the Commonwealth whereby Commonwealth funds cannot comprise the nonprofit entity's sole source of operational funding.

A Senator affiliated with a nonprofit entity that meets the above requirements could not exercise sole control of the entity's actions regarding allocation of grant funding received directly from the Commonwealth, or direct a Senate employee to provide services to the nonprofit entity or commingle Senate funds with the funds of the affiliated nonprofit entity.

This legislation is similar to legislation that we introduced last session (Senate Resolution 330), which was co-sponsored by Senators Farnese, Vance, M. White, Brubaker, Scarnati, Rafferty, Earll, Argall, Robbins, Ward, Waugh, Logan,

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Tomlinson, Erickson, Boscola, Folmer, Orie, Gordner, Baker, Browne, Hughes, Greenleaf, Alloway, Smucker, D. White, and Pippy.

If you would like to co-sponsor this legislation, please contact Michelle Kreiger at mkreiger@pasen.gov or 787-4712.

DP/DM/kss