THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 2013 Session of 2018

INTRODUCED BY GROVE, PHILLIPS-HILL, RYAN, KAUFER, DUSH, COX, MENTZER, KEEFER AND DOWLING, JANUARY 11, 2018

REFERRED TO COMMITTEE ON FINANCE, JANUARY 11, 2018

AN ACT

1 2 3	Amending Title 72 (Taxation and Fiscal Affairs) of the Pennsylvania Consolidated Statutes, providing for the Joint Revenue Estimation Committee; and making a related repeal.
4	The General Assembly of the Commonwealth of Pennsylvania
5	hereby enacts as follows:
6	Section 1. Title 72 of the Pennsylvania Consolidated
7	Statutes is amended by adding a part to read:
8	<u>PART I</u>
9	BUDGETARY PROCEDURES
10	<u>Chapter</u>
11	1. (Reserved)
12	3. Joint Revenue Estimation Committee
13	<u>CHAPTER 1</u>
14	(Reserved)
15	<u>CHAPTER 3</u>
16	JOINT REVENUE ESTIMATION COMMITTEE
17	Sec.
18	301. Definitions.

1	302. Joint Revenue Estimation Committee.
2	303. Meetings.
3	304. Revenue estimates.
4	305. Initial revenue estimate.
5	<u>306. Revenue estimate error rates.</u>
6	<u>§ 301. Definitions.</u>
7	The following words and phrases when used in this chapter
8	shall have the meanings given to them in this section unless the
9	context clearly indicates otherwise:
10	"Committee." The Joint Revenue Estimation Committee
11	established under section 302 (relating to Joint Revenue
12	Estimation Committee).
13	"Department." The Department of Revenue of the Commonwealth.
14	"Secretary." The Secretary of Revenue of the Commonwealth.
15	<u>§ 302. Joint Revenue Estimation Committee.</u>
16	(a) EstablishmentThe Joint Revenue Estimation Committee
17	is established and shall be convened by the secretary no later
18	than the first week of February following the beginning of each
19	legislative session of the General Assembly.
20	(b) MembershipThe committee shall be comprised of the
21	following members:
22	(1) The secretary.
23	(2) The Secretary of the Budget.
24	(3) The chairperson of the Appropriations Committee of
25	the Senate.
26	(4) The minority chairperson of the Appropriations
27	Committee of the Senate.
28	(5) The chairperson of the Appropriations Committee of
29	the House of Representatives.
30	(6) The minority chairperson of the Appropriations

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1	Committee of the House of Representatives.
2	(7) One resident appointed by the Governor.
3	(8) One resident appointed by the President pro tempore
4	of the Senate.
5	(9) One resident appointed by the Speaker of the House
6	<u>of Representatives.</u>
7	(10) One resident appointed by the Minority Leader of
8	the Senate.
9	(11) One resident appointed by the Minority Leader of
10	the House of Representatives.
11	(12) The Director of the Independent Fiscal Office as an
12	<u>ex officio member.</u>
13	(c) StaffThe committee shall be staffed by employees of
14	the department who shall prepare any documents requested by a
15	member of the committee.
16	<u>§ 303. Meetings.</u>
17	The committee shall meet at least once a month to discuss
18	changes in the revenue collected by the Commonwealth during the
19	current month and the fiscal year compared to the most recently
20	released estimate made by the committee.
21	<u>§ 304. Revenue estimates.</u>
22	(a) Preparation of estimatesTwice each fiscal year, by
23	December 16 and May 15, the committee shall prepare a joint
24	estimate of revenue for the General Fund. The estimate shall
25	include revenue the Commonwealth can anticipate collecting for
26	the current fiscal year and the ensuing fiscal year.
27	(b) ApprovalNo revenue estimate shall be approved without
28	being approved by 11 members of the committee. The following
20	being approved by it members of the committee. The following
29	shall apply:

1	legislative session of the General Assembly, a law is enacted		
2	providing for additional or less money to be deposited into		
3	the General Fund, the committee shall prepare a joint		
4	estimate of those revenues.		
5	(2) The committee may release a revised revenue estimate		
6	90 days following the release of an approved revenue estimate		
7	under subsection (a) only if the estimate is approved by 11		
8	members of the committee.		
9	(c) SubmissionThe committee shall submit the revenue		
10	estimates to the Governor, General Assembly, State Treasurer and		
11	Independent Fiscal Office.		
12	(d) Failure to approve estimateIf the committee fails to		
13	approve a revenue estimate under this section, the Governor and		
14	the General Assembly shall utilize the revenue estimates of the		
15	Independent Fiscal Office for approving General Fund		
16	<u>expenditures.</u>		
17	<u>§ 305. Initial revenue estimate.</u>		
18	The secretary shall convene the committee, which shall		
19	release a revenue estimate for the current fiscal year and		
20	ensuing fiscal year within 30 days of the effective date of this		
21	section. If the committee is unable to agree on a revenue		
22	estimate under section 304 (relating to revenue estimates), the		
23	Governor and the General Assembly shall use a revenue estimate		
24	from the Independent Fiscal Office to enact General Fund		
25	expenditures for the ensuing fiscal year.		
26	<u>§ 306. Revenue estimate error rates.</u>		
27	The committee shall provide a public report on the error		
28	rates of the previous fiscal year revenue estimates no later		
29	than October 1 of the following fiscal year. Revenue error rates		
30	for each tax may not be greater than 3%. If an error rate is		
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- 1 greater than 3%, the committee shall develop a new model to
- 2 <u>ensure error rates remain under 3%.</u>
- 3 Section 2. This act shall take effect immediately.