THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 2070 Session of 2018

INTRODUCED BY ORTITAY, BERNSTINE, COX, ENGLISH, IRVIN, KEEFER, B. MILLER, RADER, ROTHMAN, RYAN, WARD AND ZIMMERMAN, FEBRUARY 12, 2018

REFERRED TO COMMITTEE ON STATE GOVERNMENT, FEBRUARY 12, 2018

AN ACT

1	Amending the act of April 9, 1929 (P.L.177, No.175), entitled,
2	as amended, "An act providing for and reorganizing the
3	conduct of the executive and administrative work of the
4	Commonwealth by the Executive Department thereof and the
5	administrative departments, boards, commissions, and officers
6	thereof, including the boards of trustees of State Normal
7	Schools, or Teachers Colleges; abolishing, creating,
8	reorganizing or authorizing the reorganization of certain
9	administrative departments, boards, and commissions; defining
10	the powers and duties of the Governor and other executive and
11	administrative officers, and of the several administrative
12	departments, boards, commissions, and officers; fixing the
13	salaries of the Governor, Lieutenant Governor, and certain
14	other executive and administrative officers; providing for
15	the appointment of certain administrative officers, and of
16	all deputies and other assistants and employes in certain
17	departments, boards, and commissions; providing for judicial
18	administration; and prescribing the manner in which the
19	number and compensation of the deputies and all other
20	assistants and employes of certain departments, boards and
21	commissions shall be determined, " in Commonwealth budget
22	procedures, further providing for fiscal notes, providing for
23	adoption of expenditure limitations and for form of
24	appropriation acts and further providing for revenue
25	estimates; and, in Independent Fiscal Office, further
26	providing for revenue estimates.
27	The General Assembly of the Commonwealth of Pennsylvania
28	hereby enacts as follows:

29 Section 1. Section 612(7) of the act of April 9, 1929

(P.L.177, No.175), known as The Administrative Code of 1929, is
 amended to read:

3 Section 612. Fiscal Notes. -- The Office of the Budget shall prepare a fiscal note for regulatory actions and administrative 4 procedures of the administrative departments, boards, 5 commissions, or authorities, receiving money from the State 6 7 Treasury. The fiscal note shall state whether the proposed 8 action or procedure causes a loss of revenue or an increase in the cost of programs to the Commonwealth or its political 9 10 subdivisions. Any such regulatory action or administrative 11 procedure which requires a fiscal note shall be published in the 12 Pennsylvania Bulletin. The fiscal note shall be published in the 13 Pennsylvania Bulletin at the same time the proposed change is 14 advertised. The fiscal note shall provide the following 15 information:

16 * * *

17 (7) The line item, if any, of [the General Appropriation Act 18 or other] <u>an</u> appropriation act out of which expenditures or 19 losses of Commonwealth funds shall occur as a result of the 20 action or procedures.

21 * * *

Section 2. The act is amended by adding sections to read: <u>Section 613.1. Adoption of Expenditure Limitations.--(a) No</u> <u>later than June 1 of each year, the General Assembly shall adopt</u> <u>expenditure limitations for the ensuing fiscal year by</u>

26 <u>concurrent resolution.</u>

27 (b) The expenditure limitations shall contain the following:
28 (1) The total amount of State revenues which will be

29 available for each appropriation for the ensuing fiscal year.

30 (2) A description of measures which may be necessary to

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1	generate State revenue for the ensuing fiscal year and the
2	estimated amount of State revenue which will be generated by
3	each measure.
4	(3) The available Federal funds for the ensuing fiscal year.
5	(4) The available funds from other sources for the ensuing
6	fiscal year.
7	(5) The amount of State revenues, Federal funds and funds
8	from other sources which are available to be appropriated for
9	each agency or department for the ensuing fiscal year.
10	(c) The General Assembly may not enact an appropriations act
11	in a fiscal year if the General Assembly fails to adopt
12	expenditure limitations as specified under this section.
13	Section 613.2. Form of Appropriations Acts(a) An
14	appropriations act may not appropriate funds for more than one
15	agency or department.
16	(b) An appropriations act may not appropriate funds for an
17	agency or department which exceed the amount specified for the
18	agency or department in the expenditure limitations under
19	section 613.1.
20	Section 3. Sections 618(a) and (b) and 605-B(b)(1) and (2)
21	of the act are amended to read:
22	Section 618. Revenue Estimates(a) [The Department of
23	Revenue in conjunction with the Secretary of the Budget shall
24	make revenue estimates for the use of the Governor in preparing
25	the budget with periodic revisions until the final estimate is
26	signed by the Governor not later than the time he signs the
27	general appropriation bill. The revenue estimates used to sign
28	any appropriation bill shall show separately State revenues,
29	Federal funds, and, if specifically appropriated, funds from
30	other sources.] Prior to signing an appropriations bill, the
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Governor shall sign the concurrent resolution adopting_ expenditure limitations under section 613.1. The Governor shall 2 3 item veto any part of any appropriation bill that causes total appropriations to exceed the [official estimate plus any 4 unappropriated surplus. No changes in the revenue estimates 5 shall be made thereafter unless changes in statutes affecting 6 7 revenues and receipts are enacted.

8 (b) The revenue estimates shall be prepared in a way that they are subject to complete and thorough oversight by the 9 10 Appropriations Committees of the Senate and the House of 11 Representatives with full knowledge of all data, assumptions, 12 and econometric models which were used to develop the 13 projections and any subsequent revisions of these projections.] 14 expenditure limitations under section 613.1. No changes in the expenditure limitations under section 613.1 shall be made 15 16 thereafter unless changes in statutes affecting revenues and receipts are enacted and a revision of the expenditure 17 18 limitations under section 613.1 is adopted.

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20 Section 605-B. Revenue estimates.

* * * 21

22 (b) Official revenue estimate.--

By [June] May 15 of each year, the office shall 23 (1)24 submit an official revenue estimate for the next fiscal year.

25 A revenue estimate submitted under this section (2)26 shall be considered by the Governor and the General Assembly 27 as the amount of revenue which may be considered for [the 28 general appropriation] an appropriations act for the ensuing 29 fiscal year unless the General Assembly or the Governor 30 determines that revenues are greater than or less than the

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1 estimate provided under this section. The office may amend the revenue estimate under this section if changes in law 2 affecting revenues and receipts are enacted or proposed to be 3 4 enacted with the annual State budget or unless significant changes in economic assumptions occur prior to June 30. The 5 6 office shall submit the amended revenue estimate to the General Assembly within 10 days of the change. 7 * * * 8

9 Section 4. This act shall take effect in 60 days.