

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2767 Session of 2010

INTRODUCED BY GROVE, MILLER, MOUL, CLYMER, CREIGHTON, GABLER,
GINGRICH, HENNESSEY, KAUFFMAN, MURT, PICKETT, PYLE, REICHLEY,
ROCK, SIPTROTH, STERN, SWANGER AND WATSON, SEPTEMBER 28, 2010

REFERRED TO COMMITTEE ON STATE GOVERNMENT, SEPTEMBER 28, 2010

AN ACT

1 Amending the act of August 4, 1959 (P.L.587, No.195), entitled,
2 as amended, "An act creating and establishing the Legislative
3 Budget and Finance Committee; providing for its membership;
4 prescribing its powers, functions and duties; providing for
5 the appointment of an executive director and other personnel,
6 and making an appropriation," further providing for title of
7 act; adding definitions; changing the name of the committee;
8 further providing for powers and duties of committee;
9 providing for funding of committee and for expiration of
10 audit powers; and making editorial changes.

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

13 Section 1. The title of the act of August 4, 1959
14 (P.L.587, No.195), entitled "An act creating and establishing
15 the Legislative Budget and Finance Committee; providing for its
16 membership; prescribing its powers, functions and duties;
17 providing for the appointment of an executive director and other
18 personnel, and making an appropriation," amended September 20,
19 1961 (P.L.1521, No.645), is amended to read:

AN ACT

21 Creating and establishing the Legislative Budget [and], Finance

1 and Audit Committee; providing for its membership;
2 prescribing its powers, functions and duties; and providing
3 for the appointment of an executive director and other
4 personnel[, and making an appropriation].

5 Section 2. Section 1 of the act is repealed:

6 [Section 1. There is hereby created the Legislative Budget
7 and Finance Committee which shall consist of the President pro
8 tempore of the Senate and five other members of the Senate, the
9 Speaker of the House of Representatives and five other members
10 of the House. The President pro tempore of the Senate shall
11 appoint the Majority Leader of the Senate, the Minority Leader
12 of the Senate and three additional members of the Senate. Two of
13 the three additional members shall be members of the Minority
14 party. The President pro tempore of the Senate, the Majority
15 Leader and the Minority Leader may designate other members of
16 the Senate to be appointed in their stead. The Speaker of the
17 House of Representatives shall appoint the Majority Leader of
18 the House of Representatives, the Minority Leader of the House
19 of Representatives and three additional members of the House.
20 Two of the three additional members shall be members of the
21 Minority Party. The Speaker of the House, the Majority Leader
22 and the Minority Leader may designate other members of the House
23 to be appointed in their stead. Members of the committee shall
24 be appointed or reappointed during each regular session of the
25 General Assembly, and shall continue as members until the first
26 Tuesday in January of the next odd-numbered year and until their
27 respective successors shall be appointed, provided they continue
28 to be members of the Senate or the House of Representatives. The
29 term of office of such committee members as shall not continue
30 to be members of the Senate or the House of Representatives

1 shall cease upon the convening of the next regular session of
2 the Legislature after their appointment. The committee has a
3 continuing existence and may meet and conduct its business at
4 any place within the Commonwealth during the sessions of
5 Legislature or any recess thereof and in the interim between
6 sessions.]

7 Section 3. The act is amended by adding sections to read:

8 Section 1.1. Short title.

9 This act shall be known and may be cited as the Legislative
10 Budget, Finance and Audit Committee Act.

11 Section 1.2. Definitions.

12 The following words and phrases when used in this act shall
13 have the meanings given to them in this section unless the
14 context clearly indicates otherwise:

15 "Committee." The Legislative Budget, Finance and Audit
16 Committee established by this act.

17 "Operations of State government." Activities of State
18 government that are authorized by law.

19 "Reasonable request for information." A request for
20 information that is readily available or could be available
21 through a modicum of effort.

22 "State agency." The term includes:

23 (1) A board, commission, department, institution, office or
24 other agency of the executive branch of State government that is
25 established by law.

26 (2) The Supreme Court of Pennsylvania, the Superior Court of
27 Pennsylvania, the Commonwealth Court, a court of common pleas or
28 other agency of the judicial branch of State government.

29 (3) A public institution of higher education or State-
30 related institution as those terms are defined in section 2001-C

1 of the act of March 10, 1949 (P.L.30, No.14), known as the
2 Public School Code of 1949.

3 Section 1.3. Legislative Budget, Finance and Audit Committee.

4 The Legislative Budget, Finance and Audit Committee is
5 established and shall consist of the President pro tempore of
6 the Senate and five other members of the Senate, the Speaker of
7 the House of Representatives and five other members of the House
8 of Representatives. The President pro tempore of the Senate
9 shall appoint the Majority Leader of the Senate, the Minority
10 Leader of the Senate and three additional members of the Senate.
11 Two of the three additional members shall be members of the
12 minority party. The President pro tempore of the Senate, the
13 Majority Leader of the Senate and the Minority Leader of the
14 Senate may designate other members of the Senate to be appointed
15 in their stead. The Speaker of the House of Representatives
16 shall appoint the Majority Leader of the House of
17 Representatives, the Minority Leader of the House of
18 Representatives and three additional members of the House of
19 Representatives. Two of the three additional members shall be
20 members of the minority party. The Speaker of the House of the
21 Representatives, the Majority Leader of the Representatives
22 and the Minority Leader of the Representatives may designate
23 other members of the House of the Representatives to be
24 appointed in their stead. Members of the committee shall be
25 appointed or reappointed during each regular session of the
26 General Assembly, and shall continue as members until the first
27 Tuesday in January of the next odd-numbered year and until their
28 respective successors shall be appointed, provided they continue
29 to be members of the Senate or the House of Representatives. The
30 term of office of such committee members as shall not continue

1 to be members of the Senate or the House of Representatives
2 shall cease upon the convening of the next regular session of
3 the Legislature after their appointment. The committee has a
4 continuing existence and may meet and conduct its business at
5 any place within this Commonwealth during the sessions of
6 Legislature or any recess thereof and in the interim between
7 sessions.

8 Section 4. Section 2 of the act is amended to read:

9 Section 2. Basic functions of committee.

10 The committee shall have the power and duty to appoint its
11 own chairman, vice-chairman and other officers, to make rules
12 and regulations governing its proceedings and to perform either
13 through [the Legislative Budget and Finance Committee] itself,
14 or through subcommittees of [the Legislative Budget and Finance
15 Committee] itself, all duties and functions relating to the
16 study of the revenues, expenditures and fiscal problems of the
17 Commonwealth, its officers, boards, committees, commissions,
18 institutions and other State agencies.

19 Section 5. Section 3 of the act, amended September 20, 1961
20 (P.L.1521, No.645), is amended to read:

21 Section 3. Powers and duties of committee.

22 The committee shall have the following powers and duties:

23 (1) [The committee shall have power to] To request, receive,
24 review, examine, study, ascertain and compare fiscal information
25 concerning the budget, the revenues and expenditures of the
26 Commonwealth and to make recommendations to the [Legislature]
27 General Assembly, when found advisable, directed to the
28 elimination of unnecessary expenditures and to the promotion of
29 economy in the government of the Commonwealth.

30 (2) To make current examination and, when pertinent, reports

1 concerning the current condition of all State funds,
2 appropriations and other moneys, whether or not such
3 appropriations are being currently expended for the purposes and
4 within the statutory restrictions provided by the [Legislature]
5 General Assembly, and concerning the current availability of
6 revenue to meet expenditures under appropriations.

7 (3) [The committee shall] To report to the General Assembly
8 when they are in session, the Governor and the Auditor General,
9 when it appears that any appropriation is being expended for
10 purposes other than the purposes for which the appropriation was
11 intended, or if it appears that any statutory restrictions or
12 provisions are being violated.

13 (4) [The committee shall] To make reports, from time to
14 time, to the members of the [Legislature] General Assembly and,
15 upon request, to the standing committees of the Senate and House
16 of Representatives with respect to any of its findings or
17 recommendations of a fiscal nature. It shall keep complete
18 minutes of its meetings. The committee shall make and distribute
19 its final report to the members of the ensuing [Legislature]
20 General Assembly not later than ten days after the convening of
21 the regular session of the [Legislature] General Assembly.

22 (5) [The committee may] To issue subpoenas, under the hand
23 and seal of the chairman, to compel the attendance of witnesses
24 and the production of any papers, books, accounts, documents and
25 testimony touching matters of a fiscal nature properly being
26 inquired into by the committee, to administer oaths, and to
27 cause the deposition of witnesses, either residing within or
28 without the State, to be taken in the manner prescribed by laws
29 for taking depositions in civil actions.

30 [(6) Any person who wilfully neglects or refuses to comply

1 with any subpoena issued in behalf of the committee, or refuses
2 to testify to any matters regarding which he may be lawfully
3 interrogated, shall be subject to the penalties provided by the
4 laws of the Commonwealth in such cases.

5 (7) Each witness who appears before the committee by its
6 order, other than an officer or employe of the Commonwealth,
7 shall receive for his attendance the fees and mileage provided
8 for witnesses in civil cases in courts of record, which shall be
9 audited and paid out of the funds of the committee upon the
10 presentation of proper vouchers signed by such witness and
11 approved by the chairman or vice-chairman of the committee.]

12 (8) [The Legislative Budget and Finance Committee is
13 authorized to] To appoint an executive director, and to fix his
14 compensation, who shall be the chief executive officer of the
15 committee and assist in its duties, and shall compile
16 information for the committee. The committee [is authorized to]
17 may select and employ other personnel that it may deem necessary
18 in the performance of its duties, and the compensation and
19 salaries shall be fixed by the [Legislative Budget and Finance
20 Committee] committee.

21 (9) To deliver an annual report to the General Assembly no
22 later than January 15 of each year. The first report shall
23 include an assessment of previous comprehensive efforts by the
24 Commonwealth to review State government operations and shall
25 indicate their level of success or failure. Subsequent annual
26 reports shall include a review of previous recommendations made
27 by the commission and adopted by the General Assembly and an
28 estimate of the cost to implement the recommendations and cost
29 savings realized from implementation of the recommendations. The
30 report shall also indicate how the Commonwealth may better

allocate resources, including, but not limited to:

(i) Streamlining, reorganizing, consolidating, contracting out or eliminating functions performed by each agency.

(ii) Reducing duplicative staffing.

(iii) Improving space and property use, including, but not limited to, exploring the sale or lease of surplus or unnecessarily held property.

(iv) Increasing each agency's capacity to deliver services and improving its responsiveness to citizens.

(v) Streamlining procurement procedures.

(vi) Improving the use of cost-saving information technology in service delivery and in lessening the need for paperwork.

(vii) Improving internal budgeting and financial administration procedures, including, but not limited to, procedures to more efficiently collect past due accounts receivables.

(viii) Contracting with private sector firms to conduct activities currently performed by each agency.

(ix) Establishing techniques for the measurement of productivity and the evaluation of employee performance.

(x) Analyzing each line of business engaged in by each agency, including, but not limited to, recommendations for the adoption of performance measures in each agency or, if performance measures are already used, an evaluation of the State's performance using existing measures.

(xi) Other methods or procedures designed to improve the use of State funds.

(10) To examine the feasibility of creating a financial incentive program for State employees to provide awards for employees who devise ways of reducing or eliminating expenses or

1 improving operations and report the results of the examinations
2 to the General Assembly not less than one year after the
3 creation of the commission.

4 (11) To be generally available to assist legislators in
5 developing policies to streamline government operations. The
6 commission shall promptly answer reasonable requests for
7 information from legislators and those in executive agencies.

8 (12) In the event of a State budget shortfall, to develop a
9 recommendation to the General Assembly on steps that can be
10 taken to reduce or eliminate expenditures to alleviate the
11 budget shortfall. Such steps should include, but are not limited
12 to, those outlined in paragraph (1).

13 (13) On an ongoing basis, to endeavor to discover the
14 authority under the Constitution of Pennsylvania for each line
15 of business engaged in by each State agency. When applicable,
16 the constitutional authority for each line of business shall be
17 noted in the commission's annual report. If it is unclear or
18 debatable whether the Constitution of Pennsylvania authorizes a
19 line of business, it should be noted.

20 Section 6. The act is amended by adding sections to read:

21 Section 3.1. Enforcement of subpoenas.

22 Any person who wilfully neglects or refuses to comply with
23 any subpoena issued on behalf of the committee, or refuses to
24 testify to any matters regarding which he may be lawfully
25 interrogated, shall be subject to the penalties provided by the
26 laws of the Commonwealth in such cases.

27 Section 3.2. Witnesses.

28 Each witness who appears before the committee by its order,
29 other than an officer or employee of the Commonwealth, shall
30 receive for the witness' attendance the fees and mileage

1 provided for witnesses in civil cases in courts of record, which
2 shall be audited and paid out of the funds of the committee upon
3 the presentation of proper vouchers signed by the witness and
4 approved by the chairman or vice chairman of the committee.

5 Section 7. Section 4 of the act, amended September 20, 1961
6 (P.L.1521, No.645), is amended to read:

7 Section 4. Executive director.

8 The duties of the executive director shall be as follows:

9 (1) By continuous review of State expenditures, revenues and
10 analysis of budget to ascertain the facts, compare cost,
11 workload and other data, and make recommendations concerning the
12 State's budget and revenue of the departments, boards,
13 commissions and agencies of the Commonwealth.

14 (2) Such other duties as shall be assigned to him by the
15 [Legislative Budget and Finance Committee] committee.

16 Section 8. Sections 5 and 6 of the act are amended to read:

17 Section 5. Reimbursement of expenses.

18 The members of the committee shall serve without compensation
19 but shall be reimbursed for their expenses incurred while
20 attending sessions of the committee or meetings of any
21 subcommittee of the committee, or while engaged on other
22 committee business authorized by the committee, and in going to
23 and coming from meetings of the committee or its subcommittees
24 or for travel and other committee business when authorized by
25 the committee.

26 Section 6. Opportunity to comment.

27 Before any written report is made by the committee, the
28 department, officer or agency of the government involved
29 [therein] in the report shall be afforded an opportunity to
30 comment[,] and [said] the comments shall be attached to [said]

1 the report.

2 Section 9. Section 7 of the act is repealed:

3 [Section 7. The sum of two hundred thousand dollars
4 (\$200,000), or as much thereof as may be necessary, is hereby
5 specifically appropriated to the Legislative Budget and Finance
6 Committee to pay the expenses of the members of the committee
7 and for the salary or compensation of executive director,
8 clerical and other hire and incidental expenses.]

9 Section 10. The act is amended by adding sections to read:

10 Section 7.1. Funding of commission duties.

11 The commission shall be funded as follows:

12 (1) Fifty percent of its expenses shall be paid from the
13 appropriation to the Senate for salaries, wages and expenses of
14 the Senate.

15 (2) Twenty-five percent of its expenses shall be paid from
16 the appropriation to the House of Representatives for House
17 employees (D).

18 (3) Twenty-five percent of its expenses shall be paid from
19 the appropriation to the House of Representatives for House
20 employees (R).

21 Section 7.2. Expiration of audit powers.

22 The powers and duties of the committee under section 3(9),
23 (10), (11), (12) and (13) shall expire ten years from the
24 effective date of this section.

25 Section 11. Section 8 of the act is amended to read:

26 Section 8. Effective date.

27 This act shall take effect the day following sine die
28 adjournment of the present session of the General Assembly.

29 Section 12. This act shall take effect in 60 days.