

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

BILL NO. House Bill 1991

PRINTER'S NO. 4174

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

November 16, 2011

PRIME SPONSOR

Representative Cutler

HISTORY OF BILL

Referred to HEALTH, Nov. 16, 2011

Reported as amended, June 6, 2012

First consideration, June 6, 2012

Re-committed to RULES, June 6, 2012

Re-reported as committed, June 13, 2012

Second consideration, with amendments, June 13, 2012

Re-committed to APPROPRIATIONS, June 13, 2012

(Remarks see House Journal Page), June 13, 2012

Re-reported as committed, June 18, 2012

Third consideration and final passage, June 18, 2012 (197-0)

In the Senate

Referred to PUBLIC HEALTH AND WELFARE, June 28, 2012

Reported as amended, Oct. 3, 2012

First consideration, Oct. 3, 2012

Re-referred to APPROPRIATIONS, Oct. 15, 2012

Re-reported as committed, Oct. 16, 2012

Second consideration, Oct. 16, 2012

DESCRIPTION AND PURPOSE OF BILL

House Bill 1991 amends the Energy Conservation and Assistance Act to improve oversight in the weatherization program operated by the Department of Community and Economic Development (DCED) and in the Low-income Home Energy Assistance Program (LIHEAP) operated by the Department of Public Welfare (DPW).

The bill requires both Departments to verify income eligibility of applicants for these energy assistance programs through the verification procedures established in the Public Welfare Code. The Public Welfare Code verification system is a computerized system which matches the social security number of each applicant to a number of different databases for the purposes of determining income and other aspects of eligibility such as employment and citizenship.

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The bill requires DCED and DPW to jointly report to the legislature, every six months from the effective date and until such time as the income eligibility process is fully operational, on the progress of implementation. It also provides protections for those required to report fraud to the Office of Inspector General and requires DCED and DPW to develop conflict of interest policies. Extends the statutory requirement of developing a conflict of interest policy to the Department of Public Welfare and adds a good faith requirement for the reporting of fraud. It also stipulates that the Statewide Weatherization and Energy Conservation Policy Council membership shall be in accordance with federal law.

The bill requires the Auditor General to conduct a performance audit of the energy assistance programs within five years of the effective date of the act and then at intervals not greater than every five years from the immediately preceding audit. The audit shall address administrative and regulatory activities and any deficiencies. The audit results shall be shared with DPW, DCED, the Governor, the Attorney General, the Office of Inspector General and the chairman and minority chairman of the following legislative committees: Appropriations, Health, and Public Health and Welfare. A copy of the audit shall also be published in the PA Bulletin. The bill transfers the duties of the Governor's Energy Council to fulfill federally mandated duties regarding the State Energy Conservation Plan to the Department of Environmental Protection.

The act shall take effect immediately.

FISCAL IMPACT:

House Bill 1991 will have no adverse fiscal impact to the Commonwealth. The Departments of Public Welfare and Community and Economic Development already verify income eligibility. DCED is currently in the process of developing a conflict of interest policy at no cost to the Commonwealth. It is also assumed that there would be no fiscal impact for the performance audits; the Auditor General will charge the programs for the cost to conduct the performance audits.