



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 15

PRINTERS NO. 2223

PRIME SPONSOR: Christiana

FUND: General

COST / (SAVINGS)

FY 2010/11	FY 2011/12
\$0	\$225,000

SUMMARY: House Bill 15 provides for the establishment of a searchable budget database-driven Internet website detailing certain information concerning taxpayer expenditures and investments. The effective date is immediately after enactment.

ANALYSIS: The bill requires the Office of Administration to develop, implement and maintain a single, searchable, public Internet website to be called PennWATCH (Pennsylvania Web Accountability, Transparency and Contract Hub). The PennWATCH website shall allow the public to search for and aggregate information at no cost. Implementation of the PennWATCH website is to be staged in several phases. The Office of Administration is required to have the first phase of the PennWATCH website implemented and available to the public by December 31, 2012. Phase one data shall include:

- annual appropriation amounts;
- name, address and any applicable vendor identifier of any entity receiving payment;
- amount of funding action or expenditure (payment);
- the fund source and funding source (agency) authorizing the payment;
- the appropriation and appropriation fiscal year from which the payment is made;
- the amount of Federal and State revenue that has been received from tax and nontax sources and deposited in the State Treasury during the previous month;
- the total number of individuals employed by each Commonwealth agency as of the 15th day of the previous month;
- the name, position title and current annual salary for every Commonwealth agency employee based on the employee's pay schedule and current salary;
- links to each agency website where available; and
- a counter to show the number of times the PennWATCH website is being accessed.

Beginning January 15, 2013, the PennWATCH website shall annually post name, position title, and total compensation, as defined in Section 303(a)(1)(i) of the Tax Reform Code of 1971, paid to each Commonwealth agency employee.

The second phase of the PennWATCH website shall be implemented and available to the public by December 31, 2014. Additional data to be available after phase two is implemented shall include:

- a description of the program under which the payment was made; and
- expected and achieved performance outcomes from the expenditure, if available.

Information exempt from disclosure under the Right-to-Know Law shall not be included on the PennWATCH website. Information shall remain on the website for a period of at least eight years from the date of posting.

Commonwealth agencies are required to cooperate with and provide all required information to the Office of Administration at the time the State Treasury makes any payment. Agencies are also required to verify the accuracy and completeness of information that is submitted to the Office of Administration.

The Office of Administration is also directed to prepare annual reports containing information on the usage and performance of the PennWATCH website. The report is to be distributed annually to the General Assembly and the Governor beginning March 30, 2014.

FISCAL IMPACT: The enactment of this bill will result in costs of approximately \$847,000 for the development and implementation of the first phases of the PennWATCH website, including the data requirements for December 31, 2012 and January 15, 2013; however, since this is considered a priority reform initiative by the Corbett Administration, it is estimated that all but \$225,000 of Phase 1 costs will be accommodated within the Office of Administration's 2011-12 appropriation of \$8,447,000 and the Commonwealth Technology Services 2011-12 appropriation of \$42,120,000. The \$225,000 in additional costs are for hardware and software necessary for the implementation of the first phases of the PennWATCH website.

The second phase of the PennWATCH website, which involves the posting of expected and achieved performance outcomes, will result in additional costs for the purchase of a new SAP database module to allow for the storage, tracking, evaluation and reporting of performance outcomes. The performance measure data module will need to be obtained in fiscal year 2013-14 and as estimated by the Office of Administration will cost approximately \$1,350,000. It is assumed these costs will be included as part of the 2013-14 budget for Commonwealth Technology Services. It has also been estimated by the Office of Administration that ongoing maintenance costs for the PennWATCH database will be approximately \$200,000 beginning in 2012-13. It is assumed that these costs will be also accommodated in the Office of Administration's and Commonwealth Technology Services appropriations.

PREPARED BY: Lisa Taglang
House Appropriations Committee (R)

DATE: June 28, 2011

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.