



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 620

PRINTERS NO. 682

PRIME SPONSOR: Emrick

COST / (SAVINGS)

FUND	FY 2013/14	FY 2014/15
General Fund	\$0	Up to \$600,000
Delaware River Joint Toll Bridge Commission Funds	\$0	\$0

SUMMARY: Amends the Delaware River Joint Toll Bridge Compact to change auditing requirements. This legislation would take effect immediately.

ANALYSIS: Amends the Delaware River Joint Toll Bridge Compact requiring the Auditor General of Pennsylvania and the State Auditor of New Jersey to jointly conduct annual financial and management audits of expenditures and operations of the Delaware River Joint Toll Bridge Commission.

The legislation amends Article IX of section 1 of the Delaware River Joint Toll Bridge Compact (Compact) to remove the existing language that requires the Delaware River Joint Toll Bridge Commission (Commission) to submit to a biennial performance audit jointly conducted by the Auditor General of Pennsylvania and the State Auditor of New Jersey by December 31 of every odd-numbered year. It also eliminates the requirement for the Commission to have an annual financial audit conducted by an independent accounting firm which is to be retained for five years.

The legislation would now require the Auditor General of Pennsylvania and the State Auditor of New Jersey to jointly conduct annual financial and management audits of expenditures and operations of the commission and submit a report of those audits to the Governors and Legislatures of the Commonwealth of Pennsylvania and the State of New Jersey.

If enacted, the Governor is required to publish the date of execution of any supplemental compact or agreement as a notice in the Pennsylvania Bulletin.

FISCAL IMPACT: According to the Auditor General's Office, they estimate that this legislation would cost no more than \$600,000 annually which was calculated using the **HB620/PN682**

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amount of time spent on the performance audit for the Port Authority of Allegheny County. The office anticipates that it could take as many as 7,500 hours for a preliminary audit of the Commission. The Auditor General's Office indicates that the cost would be absorbed within available funding for the office but would come at the expense of other required audits. It is unlikely that the costs of the audit could be billed to the Commission.

The remainder of the legislation would have no adverse fiscal impact on Commonwealth or Delaware River Joint Toll Bridge Commission funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: May 5, 2014

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