



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 453

PRINTERS NO. 1501

PRIME SPONSOR: Ryan

### COST / (SAVINGS)

FUND	FY 2016/17	FY 2017/18
General Fund	\$0	\$0

**SUMMARY:** House Bill 453, printer's number 1501, amends the act of April 9, 1929 (P.L. 343, No. 176), known as The Fiscal Code, to further provide for audits of agencies receiving State aid.

The effective date is 60 days after enactment.

**ANALYSIS:** The bill amends Section 403 of The Fiscal Code by adding language to require any person, association, corporation, or public agency that receives State aid to respond to recommendations made by the Department of the Auditor General as part of an audit authorized under Section 403. The person, association, corporation, or public agency must submit a response detailing adoption of the audit recommendations, or the reason why recommendations have not been adopted within 120 business days of the publication of the audit. If no response is made 60 days after the date of the audit's publication the Auditor General's Office must provide notice to the subject of the audit that future appropriations could be denied if a response is not made within the 120 day timeline. Failure to respond to audit recommendations within 120 business days may be considered by the Governor and the chairperson and minority chairperson of the Appropriations Committee of the Senate and the chairperson and minority chairperson of the Appropriations Committee of the House of Representatives when determining future appropriations to the person, association, corporation, or public agency.

The Auditor General's Office shall regularly notify the Governor and the chairmen and minority chairmen of the Appropriations Committees of responses received, accompanied by any comments the Auditor General's Office may wish to submit. Responses shall be posted to the Auditor General's publicly accessible website. The Auditor General's Office shall work with the Governor and the majority and minority chairmen of the Appropriations Committees to determine the most effective method to communicate information concerning responses to audit recommendations based on the type of audit and significance of the recommendations.

**FISCAL IMPACT:** Then enactment of this legislation will have no adverse impact on Commonwealth funds.

**PREPARED BY:** Lisa Taglang  
House Appropriations Committee (R)

**DATE:** April 21, 2017

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