



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 652

PRINTERS NO. 2868

PRIME SPONSOR: Emrick

### COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	See "Fiscal Impact"	See "Fiscal Impact"
Delaware River Joint Toll Bridge Commission Funds	\$0	\$0

**SUMMARY:** Amends the Delaware River Joint Toll Bridge Compact further providing for veto power; the delivery to and return of minutes from the Governor; and audit requirements. Under this legislation, the Governor is required to publish the date of execution of any supplemental compact or agreement referenced in a notice in the PA Bulletin. This legislation would then take effect immediately.

**ANALYSIS:** Amends the Delaware River Joint Toll Bridge Compact between PA and New Jersey to provide the Governor with veto power over the Commission members; to specify the process for the delivery to and return of minutes from the Governor; and to change auditing requirements.

**Veto Power:** This legislation states that PA and New Jersey reserve the right to provide by law for the exercise of a veto power by the Governor of each state over any action of any commissioner from that state at any time within 10 days (Saturdays, Sundays and public holidays in the particular state excepted) after receipt at the Governor's office of a certified copy of the minutes of the meeting at which such vote was taken. Each state may provide by law for the manner of delivery of such minutes, and for notification of the action thereon.

**Delivery/Return of Minutes:** The legislation provides that the minutes of every meeting of the Delaware River Joint Toll Bridge Commission shall be delivered to the PA Governor, by and under the certification of the secretary of the Commission. No action taken by a PA commissioner at a meeting shall have force or effect for a period of 10 days, (not counting Saturdays, Sundays and Commonwealth public holidays) unless the PA Governor approves the minutes in writing within the 10-day period.

The Governor shall return the minutes to the Commission, not later than the 10-day period prescribed, either with or without a veto of any action recited in the minutes which was taken by a commissioner appointed from PA. If the Governor does not return the minutes within the 10-day period, the action taken by the PA commissioner(s) shall have the force and effect as recited in the minutes.

The board of commissioners shall designate an individual who will be responsible for responding to requests from the public and the news media for information concerning the scheduling, attendance and minutes of board meetings.

**Auditing Requirements:** The legislation removes current language that requires the Delaware River Joint Toll Bridge Commission to complete a jointly conducted biennial performance audit for submission to the Governors of New Jersey and Pennsylvania, the Legislatures of each state and the Commission, as well as the requirement for an annual financial audit by an independent accounting firm for submission to the Commission.

The new compact would require that the Auditor General of Pennsylvania and the State Auditor of New Jersey jointly conduct annual financial and management audits of expenditures and operations of the Commission, with a report of the audit submitted to the Governors and Legislatures of Pennsylvania and New Jersey.

**FISCAL IMPACT:** According to the Auditor General's Office, they estimate that this legislation would cost approximately \$600,000 or more annually which was calculated using the amount of time spent on the performance audit for the Port Authority of Allegheny County. 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 which would have to be delayed.

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

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** September 25, 2018

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