



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1027 PRINTERS NO. 1621 PRIME SPONSOR: Gordner
AS AMENDED BY: A05913 and A05955
COST / (SAVINGS)

| FUND | FY 2019/20 | FY 2020/21 |
|--------------------|---------------------|---------------------|
| Commonwealth Funds | See "Fiscal Impact" | See "Fiscal Impact" |
| Local Funds | See "Fiscal Impact" | See "Fiscal Impact" |

SUMMARY: Amends the Administrative Code (Act 175 of 1929) as summarized below. This legislation would take effect immediately.

ANALYSIS AND FISCAL IMPACT: This legislation amends the Administrative Code (Code) providing for temporary regulations of the Gaming Control Board, the Department of Health, the sunset and makeup of the State Geospatial Coordinating Board, a report on the implementation of the 2020 general primary election, COVID-19 emergency statutory and regulatory suspensions and waivers reporting requirements, for COVID-19 debt cost reduction review, the extension of judiciary surcharges and fees, for protected licensed operations during emergency and making a related repeal. This legislation is summarized below.

Gaming Control Board Temporary Regulations: Updates Section 309, Pennsylvania Gaming Control Board, to extend certain temporary gaming regulations for one additional year.

Fiscal Impact - There will be no adverse fiscal impact from extending the temporary regulations for one additional year.

Department of Health: The legislation updates Section 609-A (Department of Health) to increase the maximum annual compensation for a local registrar from \$60,000 to \$85,000 and to exclude any fees received from death certificates issued after March 6, 2020 and during the duration of the proclamation of disaster emergency issued by the Governor on March 6, 2020 and any subsequent renewals.

Fiscal Impact - According to the Department of Health's website, as of April 17, 2020 there were 157 local registrars. If all local registrars earn the updated maximum annual compensation, the General Fund would lose \$3,925,000. There could be an additional General Fund revenue loss related to the exclusion of death certificate fees during the disaster declaration that cannot be quantified.

State Geospatial Coordinating Board: This legislation amends the Code to extend the sunset date of the State Geospatial Coordinating Board by four years from June 30, 2020, to June 30, 2024. It also makes the following changes:

- Includes the Secretary of Agriculture or a designee as a member of the board;
- includes provisions further specifying that the board may hire an executive director with the approval of the Governor;
- provides that funding for the executive director's compensation is evenly apportioned among the executive agencies represented on the board, including Office of Administration; Department of Environmental Protection; Department of Conservation and Natural Resources; Pennsylvania Emergency Management Agency, Department of Transportation; Department of General Services; and Department of Agriculture; and
- removes the requirement that local government representatives appointed to the board by the Senate and House of Representatives be elected officials.

Fiscal Impact - Per the Office of Administration, the annual compensation of the board's executive director is \$235,000. The legislation requires that funding for the executive director's compensation be evenly apportioned among the seven executive agencies represented on the board, which would total approximately \$33,500 per agency and be covered under existing operations.

Report on Implementation of the 2020 General Primary Election: This legislation amends the Code to add Section 815, which provides that no later than 60 days after the 2020 general primary election, the Department of State shall issue a report to the Chairs of the State Government Committee of the Senate and to the Chairs of the State Government Committee of the House of Representatives. A copy of the report shall also be made available on the Department of State's publicly accessible Internet website.

The Department of State shall develop a process to collect data required to be included in the report from each county board of elections or registration commission as applicable. A county board of elections or registration commission shall comply with the process for submission of data no later than forty-five days after the 2020 general primary election under Article XVIII-B of the Pennsylvania Election Code.

Fiscal Impact - The election provisions would have no adverse fiscal impact on Commonwealth or county funds.

COVID-19 Emergency Statutory and Regulatory Suspensions and Waivers Reporting Requirements: This article places notification requirements on the Office of the Governor when a specific statute or regulation is suspended, modified or waived under the authority of the declaration of disaster emergency related to COVID-19. Notifications required under this article shall be made within the timelines specified to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Majority and Minority Leaders of the Senate and the Majority and Minority Leaders of the House.

Fiscal Impact - This provision would have no adverse fiscal impact on Commonwealth funds.

COVID-19 Debt Cost Reduction Review: The legislation adds a new article (proposed as Article XXI-D) to require the Treasury Department, in conjunction with the Secretary of the Budget, the Auditor General and any chairperson of an authority, commission, agency, board or other state-authorized entity that has the power to issue debt, to identify and review all outstanding debt obligations of the Commonwealth and identify options for the refinancing of outstanding debt obligations to reduce costs to the Commonwealth and its authorities. The Treasury Department and the aforementioned entities shall submit a report of its findings in this regard to the General Assembly no later than September 30, 2020.

The section lists specific information the agencies are to provide including the most recent audited financial statements, a description of each obligation, the amount of all security pledged for each obligation, the most recent rating associated with each debt obligation, risk factors and disclosure statements associated with each debt obligation, and pending litigation that may financially impact the debt obligations of the agency.

Fiscal Impact - The addition of Article XXI-D will have no adverse fiscal impact on Commonwealth funds and may result in cost savings for the Commonwealth to the extent that debt refinancing opportunities are identified and executed resulting in lower debt service costs in future years.

Judicial Administration Fee: The \$11.25 surcharge currently imposed under 42 Pa.C.S. § 3733.1(a)(1) is continued until December 31, 2021. The revenue from the surcharge is deposited in a separate reserve account within the Judicial Computer System Augmentation Account to be used to augment state funding for judicial operations.

Fiscal Impact - The continuation of the surcharge will provide approximately \$24,000,000 annually for the operation of the Judicial Department.

Protected Licensed Operations During Emergency: The legislation provides that a licensee or other person subject to a professional or occupational license, certificate, registration or permit may not be subject to a criminal, civil or administrative penalty or other sanction solely based on violating the terms of an order issued under any of the following:

- (1) Section 2102(a) or 2106 of this act.
- (2) The act of April 23, 1956 (1955 P.L.1510, No.500), known as the Disease Prevention and Control Law of 1955.
- (3) 35 Pa.C.S. § 7301 (relating to general authority of Governor).

Fiscal Impact - This provision would have no adverse fiscal impact on Commonwealth funds.

Repeals: Section 1725-E(a) (relating to issuance of certificates of death) of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, is repealed.

Fiscal Impact - This repeal is replaced under Section 609-A of this legislation, therefore this repeal will have no adverse fiscal impact on Commonwealth funds.

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House Appropriations Committee (R)

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