SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO.   Senate Bill 1122   **PRINTER NO.**   1631

AMOUNT   **FUND**

$1,715,000   General Fund Restricted Revenue Account

DATE INTRODUCED   **PRIME SPONSOR**

April 9, 2018   Senator Browne

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 1122 appropriates $1,715,000 from the restricted revenue account within the General Fund to the Office of Small Business Advocate ("OSBA") in the Department of Community and Economic Development ("DCED").

The OSBA is administratively included within the Department of Community and Economic Development. However, the Small Business Advocate Act specifically provides that the Secretary of DCED is not in any way responsible for the policies, procedures, or other substantive matters developed by the OSBA to carry out its duties under the act.

The OSBA is charged with representing the interests of small business consumers of utility services in proceedings before the Pennsylvania Public Utility Commission ("PUC") and the comparable federal regulatory agencies and in court. The OSBA is funded for its utility regulatory functions by assessments levied by the PUC on the public utilities subject to its jurisdiction. No General Fund revenues are used to support the OSBA's operations.

In 1993, the OSBA was assigned additional responsibilities involving the administration of Pennsylvania's workers' compensation system. The costs incurred by the OSBA in discharging those duties are paid from assessments made by the Insurance Department against the insurance companies that write workers' compensation insurance policies in Pennsylvania.

This act shall take effect July 1, 2018, or immediately, whichever is later.

FISCAL IMPACT:

Senate Bill 1122 will cost the restricted revenue account within the General Fund $1,715,000 in Fiscal Year 2018-19. That preliminary funding amount is level with last year's budget and represents a $140,000 decrease from the Governor's proposed level. The appropriation will be revised when a final funding amount for FY 2018-19 is determined.

4/23/2018