

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** House Bill 1461

**PRINTER NO.** 2267

**AMOUNT**

See Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

May 14, 2019

**PRIME SPONSOR**

Representative Fee

**DESCRIPTION**

House Bill 1461 amends Section 506-A (Criminal Charges) of the Administrative Code to expand the list of Title 18 (Crimes and Offenses) offenses the Office of State Inspector General has the power to investigate and may file criminal charges against when a violation is found. The criminal offenses, which are substantially related to the administration of benefits by the Department of Human Services, include the following:

- Section 3921 (theft by unlawful taking);
- Section 3922 (theft by deception);
- Section 4101 (forgery);
- Section 4104 (tampering with records or identification);
- Section 4106 (access device fraud);
- Section 4107 (deceptive or fraudulent business practices);
- Section 4120 (identity theft); and
- Section 4914 (false identification to law enforcement authorities).

**FISCAL IMPACT:**

The Official of Inspector General has indicated that the provisions contained in the legislation will not increase its operational costs as the additional offenses which it is being granted the power to investigate and file criminal charges when a violation is found, are corollary to its existing jurisdiction.

The amendment to House Bill 1461 includes the following provisions:

### **Federal Tax Background Checks**

Aligns the Commonwealth with Internal Revenue Service Publication 1075 regarding criminal background checks for contractors and employees who handle federal tax information by adding a new Section 226 (Criminal History Background Checks of Employees and Contractors with Access to Federal Tax Information) and repealing Section 225 (Employees with Access to Federal Tax Information).

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*Fiscal Impact:* Approximately 9,000 Commonwealth employees that require access to federal tax information will need to complete a background check that includes fingerprinting at an estimated cost of \$50 per employee, which will result in a cost of \$450,000 for the initial round of required background checks.

To the extent that county and municipal governments employ individuals that are responsible to access federal tax information, the county and municipal governments also will incur costs of approximately \$50 per employee.

### **Center for Rural Pennsylvania**

Includes two additional members on the board of directors of the Center for Rural Pennsylvania, one of whom shall be a representative from the Northern Pennsylvania Regional College and one of whom shall be a representative of the Pennsylvania College of Technology.

*Fiscal Impact:* No fiscal impact. Costs related to expenses for the new board members will be minimal and can be absorbed within the center's operating budget.

### **Statewide Radio Network Contract Review**

Requires the State Inspector General to review all contracts entered into by the Pennsylvania Statewide Radio Network after June 30, 1996.

*Fiscal Impact:* The provisions will have no fiscal impact as the review of state government contracts for the purposes of identifying fraud, waste, misconduct or abuse by the Office of State Inspector General is part of its current scope of responsibility under the law.

### **Budget Implementation - Supplemental Appropriations**

Requires the Governor to provide a written statement of need when requesting a supplemental appropriation.

*Fiscal Impact:* No fiscal impact.

### **Vehicle Dealer Licensing Fee**

Increases the maximum documentary fee by a factor 1.7 for both manual and online processing.

*Fiscal Impact:* Currently the maximum documentary fee for manual processing is \$120, and online processing is \$144. This legislation would increase those fee maximums to \$204 for manual processing and \$244 for online processing. There is no impact on Commonwealth funds. These fees are paid by the consumer.

### **Revenue Estimates Prepared by the Independent Fiscal Office**

Amends section 605-B by moving the revenue estimate procedures of the Independent Fiscal Office (IFO) from The Fiscal Code and reestablishing them into The Administrative Code, which is the IFO's enabling statute.

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*Fiscal Impact: No fiscal impact.*

### **Joint Underwriting Association Accountability**

Establishes Joint Underwriting Association (JUA) as a Commonwealth agency, requires the operations of the JUA be funded through an appropriation, and requires the JUA to perform various requirements as a state agency.

*Fiscal Impact: No fiscal impact.*

### **Bureau of Occupational and Industrial Safety Fees**

Requires the amount of \$10 million to be used to augment funds appropriated to the Bureau of Occupational and Industrial Safety and the remaining funds to be transferred to the General Fund.

*Fiscal Impact: The transfer to the General Fund is estimated to be less than \$1,000,000.*

### **Pennsylvania Commission on Sentencing**

Makes changes to the composition of the Pennsylvania Commission on Sentencing. It does not change the terms of office for the members.

*Fiscal Impact: There will be no fiscal impact with the changes to the composition of the commission.*