

# SENATE APPROPRIATIONS COMMITTEE

## FISCAL NOTE

**BILL NO.** House Bill 1556

**PRINTER NO.** 1817

**AMOUNT**

No Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

July 5, 2023

**PRIME SPONSOR**

Representative Klunk

**DESCRIPTION**

House Bill 1556 amends the Right-to-Know Law to require a state-related institution (Lincoln University, Temple University, the Pennsylvania State University and the University of Pittsburgh) to report additional information publicly on an annual basis related to contracts, financial statements, faculty, compensation, enrollment, courses and meeting minutes.

Specifically, the legislation requires a state-related institution to add the following to the list of items it must report publicly by May 30 of each year:

- For state-related universities with more than 2,500 employees, the highest 200 salaries of employees that are not officers or directors;
- Revenue and expenditure budgets of the academic and administrative support units for the current fiscal year;
- Actual revenues and expenditures for the prior year;
- For any project or program that is the subject of a specific line item appropriation, revenue and expenditure budgets for the current fiscal year and actual revenue and expenditures for the prior year;
- Revenue and expenditures of any auxiliary enterprise directly funded in whole or in part by tuition or a state appropriation for the current fiscal year;
- The most recent audited financial statement for the institution;
- Information for the prior fiscal year for each academic or administrative support unit, for each defined project or program and for an auxiliary enterprise related to: the number of employees by academic rank; the number of administrators, staff, clerical and technical service employees, by classification; the median and mean salary by academic rank; the median and mean salaries of administrators, staff, clerical and technical service employees, by classification; and non-salary compensation as a percentage of salary;
- A statement related to retirement policies;
- A policy statement related to a reduction of tuition for employees' family members; and
- A list by academic or administrative support unit in the aggregate of the expense of travel, subsistence and lodging, whether provided or reimbursed;

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The legislation requires a state-related institution to post the information on its publicly accessible internet website in a searchable, sortable and downloadable database format and in print format in its library for no fewer than 10 years. It also requires the information to be provided in electronic format to the Department of Education (department) and the Joint State Government Commission and in print format to the General Assembly and to each state regional library resource center.

The legislation requires a state-related institution to provide full, complete and accurate information as may be required by the department or the Chairman or Minority Chairman of the Appropriations Committee of the House of Representatives or the Chairman or Minority Chairman of the Appropriations Committee of the Senate.

The legislation requires a state-related institution to report its financial statements in accordance with generally accepted accounting principles, the Commonwealth of Pennsylvania Budget Instructions for the State-Related Universities and any applicable financial reporting policies and standards promulgated by the Commonwealth and federal governments.

The legislation requires a state-related institution to file a report prior to September 1 each year in which it receives an appropriation which covers the 12-month period beginning with the summer term of the preceding year and to include statistics on faculty, enrollment, credit hours, information regarding the requirements for each type of degree and statistics on degrees awarded.

The legislation requires a state-related institution to make a copy of minutes from each public meeting of its board of trustees available in its library in print and online on its publicly accessible internet website for no fewer than 20 years. It also requires each state-related institution to make a copy of its integrated postsecondary education data systems report available in its library in print and online on its publicly accessible internet website.

The legislation requires a state-related institution to file with the Governor's Office, Secretary of the Senate, Chief Clerk of the House of Representatives and the State Library a list of all contracts for goods and services in excess of \$5,000 by May 30 of each year, including: the date of execution; amount of the contract; the beginning date of the contract; the end date of the contract; the name and address of the vendor; and the subject matter of the contract. It also requires the list to be publicly posted on the state-related institution's website.

## **FISCAL IMPACT**

The enactment of House Bill 1556 will have no fiscal impact on Commonwealth funds. The state-related institutions will incur minimal costs to comply with the reporting requirements contained in the legislation, which can be accomplished within their existing operating budgets as the information required to be reported should be readily available.