

## AN ACT

1 Amending Title 72 (Taxation and Fiscal Affairs) of the  
2 Pennsylvania Consolidated Statutes, providing for  
3 Commonwealth financial transparency.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Title 72 of the Pennsylvania Consolidated  
7 Statutes is amended by adding a chapter to read:

8 CHAPTER 19

9 COMMONWEALTH FINANCIAL TRANSPARENCY

10 Sec.

11 1901. Establishment of Financial Watch Program.

12 1902. Duties of State Treasurer.

13 1903. Duties of Commonwealth agencies.

14 1904. Corrective action plans.

15 1905. Withholding of funds.

16 1906. Legislative oversight.

17 § 1901. Establishment of Financial Watch Program.

18 The Financial Watch Program is established within the

1 Treasury Department for the purpose of ensuring that  
2 Commonwealth programs do not expend money in excess of the  
3 amount appropriated to the Commonwealth programs. The State  
4 Treasurer shall be responsible for administering the Financial  
5 Watch Program. Information relating to the Financial Watch  
6 Program and findings of the Financial Watch Program shall be  
7 placed on a publicly accessible Internet website.

8 § 1902. Duties of State Treasurer.

9 The State Treasurer shall have the following duties in  
10 administering the Financial Watch Program:

11 (1) Compile an analysis of the appropriations for  
12 Commonwealth programs based on the appropriations at the  
13 close of business for the prior day. The analysis shall  
14 include each appropriation, total budgeted appropriation,  
15 total spent appropriation and percentage of the total  
16 appropriation spent on each Commonwealth program.

17 (2) Designate the fiscal condition of a Commonwealth  
18 program in accordance with the following:

19 (i) If a Commonwealth program will not meet or  
20 exceed its budget based on the percentage of total budget  
21 spent, spending forecasts based on historical trends and  
22 the percentage of time remaining in the fiscal year, the  
23 State Treasurer shall designate the Commonwealth program  
24 as: Under Budget.

25 (ii) If a Commonwealth program will meet its budget  
26 based on the percentage of total spent budget, spending  
27 forecasts based on historical trends and the percentage  
28 of time remaining in the fiscal year, the State Treasurer  
29 shall designate the Commonwealth program as: On Budget.

30 (iii) If a Commonwealth program will exceed its

1 budget based on the percentage of total budget spent,  
2 spending forecasts based on historical trends and the  
3 percentage of time remaining in the fiscal year, the  
4 State Treasurer shall designate the Commonwealth program  
5 as: Over Budget.

6 § 1903. Duties of Commonwealth agencies.

7 A Commonwealth agency shall provide the State Treasurer all  
8 information requested to comply with this chapter.

9 § 1904. Corrective action plans.

10 Upon determining that a Commonwealth program will be over  
11 budget under section 1902(2)(iii) (relating to duties of State  
12 Treasurer), the State Treasurer shall notify the Governor's  
13 Office, the Independent Fiscal Office and the General Assembly.  
14 Upon being notified that the Commonwealth program is projected  
15 to be over budget, the Governor's Office shall develop a  
16 corrective action plan to ensure that the Commonwealth program  
17 does not exceed its budget. The corrective action plan shall be  
18 finalized within 20 days from the notification of the State  
19 Treasurer. The finalized corrective action plan shall be sent to  
20 the General Assembly, Independent Fiscal Office and the State  
21 Treasurer.

22 § 1905. Withholding of funds.

23 If the program designated as being over budget under section  
24 1902(2)(iii) (relating to duties of State Treasurer) continues  
25 to operate over budget after a corrective action plan under  
26 section 1904 (relating to corrective action plans) is in place  
27 for 60 days, the State Treasurer shall withhold all payments to  
28 the over budgeted program, until the program is operating within  
29 the Commonwealth agency's appropriated budget.

30 § 1906. Legislative oversight.

1       The Appropriations Committee of the Senate and the  
2 Appropriations Committee of the House of Representatives shall  
3 hold a public hearing on the details of the finalized corrective  
4 action plan.

5       Section 2. This act shall take effect in 90 days.