

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2066 Session of  
2009

INTRODUCED BY DeLUCA, LEVDANSKY, BELFANTI, BEYER, CALTAGIRONE,  
CARROLL, D. COSTA, GIBBONS, GINGRICH, GOODMAN, GRUCELA,  
HARKINS, HESS, HORNAMAN, KOTIK, MANDERINO, MELIO, MILLER,  
QUINN, READSHAW, SANTONI, SIPTROTH, SOLOBAY, STURLA, WATERS,  
FRANKEL, KORTZ AND YUDICHAK, OCTOBER 29, 2009

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 12, 2010

AN ACT

1 ~~Establishing the Sales and Use Tax Study Commission; and~~ ←  
2 ~~INDEPENDENT FISCAL OFFICE; providing for ITS POWERS AND~~ ←  
3 ~~DUTIES, INCLUDING A study and report on sales and use tax;~~  
4 ~~AND MAKING A RELATED REPEAL.~~ ←

5 ~~WHEREAS, Since the enactment of this Commonwealth's first~~ ←  
6 ~~sales and use tax, significant changes in the structure of the~~  
7 ~~State's economy have occurred; and~~

8 ~~WHEREAS, These changes have had both salutary and detrimental~~  
9 ~~effects on business and consumers in this Commonwealth; and~~

10 ~~WHEREAS, The sales and use tax has become checkered with more~~  
11 ~~than 50 exclusions and exemptions; and~~

12 ~~WHEREAS, The addition of certain exclusions and exemptions~~  
13 ~~has caused confusion for consumers and vendors in the payment~~  
14 ~~and collection of the sales and use tax; and~~

15 ~~WHEREAS, Many of the existing exclusions and exemptions have~~  
16 ~~become antiquated and obsolete; and~~

17 ~~WHEREAS, Ensuring greater fairness in the sales and use tax~~

1 ~~will create a fair and more competitive climate leading to~~  
2 ~~greater economic growth and stability in this Commonwealth; and~~  
3 ~~WHEREAS, Viable opportunities to broaden the sales and use~~  
4 ~~tax base should be comprehensively explored to enable this~~  
5 ~~Commonwealth to lower the overall tax burden on the citizens of~~  
6 ~~this State while also protecting the stability of the State~~  
7 ~~budget.~~

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 ~~Section 1. Short title.~~ ←

11 ~~This act shall be known and may be cited as the Sales and Use~~  
12 ~~Tax Study Act.~~

13 ~~Section 2. Purpose.~~

14 ~~The purpose of this act is to establish the Pennsylvania~~  
15 ~~Sales and Use Tax Study Commission to study and analyze the~~  
16 ~~existing sales and use tax law, and to propose recommendations~~  
17 ~~to the Governor and the General Assembly for amending the tax~~  
18 ~~to:~~

19 ~~(1) eliminate obsolete and unnecessary provisions;~~

20 ~~(2) expand the tax base as necessary;~~

21 ~~(3) ensure a competitive economic market in this State;~~

22 and

23 ~~(4) protect the stability of the Commonwealth's budget.~~

24 ~~Section 3. Definitions.~~

25 ~~The following words and phrases when used in this act shall~~  
26 ~~have the meanings given to them in this section unless the~~  
27 ~~context clearly indicates otherwise:~~

28 ~~"Commission." The Sales and Use Tax Study Commission~~  
29 ~~established under this act.~~

30 ~~"Department." The Department of Revenue of the~~

1 ~~Commonwealth.~~

2 ~~Section 4. Pennsylvania Sales and Use Tax Study Commission.~~

3 ~~(a) Establishment. There is hereby established the~~

4 ~~Pennsylvania Sales and Use Tax Study Commission.~~

5 ~~(b) Purpose. The purpose of the commission shall be to~~

6 ~~evaluate the current sales and use tax structure in the~~

7 ~~Commonwealth and recommend changes to the sales and use tax~~

8 ~~structure that will eliminate obsolete provisions and broaden~~

9 ~~the tax base, as necessary, thereby allowing the overall tax~~

10 ~~burden to be reduced and creating a better tax climate in this~~

11 ~~Commonwealth.~~

12 ~~Section 5. Tasks.~~

13 ~~(a) Study. The commission shall study viable options for~~

14 ~~increasing fairness and competitiveness in the sales and use tax~~

15 ~~structure of the Commonwealth. The commission shall develop~~

16 ~~solutions to ensure that the portion of State general funds~~

17 ~~derived from the sales and use tax is not diminished.~~

18 ~~(b) Report. The commission shall provide a comprehensive~~

19 ~~report of the study conducted under subsection (a). The report~~

20 ~~shall thoroughly discuss options and viable recommendations~~

21 ~~considered and express clear rationales for options not~~

22 ~~recommended. Specific changes to the sales and use tax~~

23 ~~recommended by the commission shall be included in the report.~~

24 ~~The commission shall present the report to the Governor, the~~

25 ~~chairman and minority chairman of the Finance Committee of the~~

26 ~~Senate and the chairman and minority chairman of the Finance~~

27 ~~Committee of the House of Representatives on or before March 1,~~

28 ~~2012.~~

29 ~~Section 6. Composition of the commission.~~

30 ~~(a) Members. The commission shall consist of the following~~

1 ~~members:~~

2 ~~(1) Seven members appointed by the Governor. The~~  
3 ~~appointees shall be members of various constituencies~~  
4 ~~affected by or knowledgeable about the sales and use tax and~~  
5 ~~its impact on this Commonwealth's economy. These~~  
6 ~~constituencies include, but are not limited to, corporations,~~  
7 ~~tax policy experts and tax practitioners. Five of the~~  
8 ~~Governor's seven appointees, one from each organization,~~  
9 ~~shall be members of the Pennsylvania Bar Association, the~~  
10 ~~Pennsylvania Chamber of Business and Industry, the~~  
11 ~~Pennsylvania Institute of Certified Public Accountants, the~~  
12 ~~Pennsylvania Bankers Association and the Pennsylvania~~  
13 ~~Retailers Association.~~

14 ~~(2) The President pro tempore of the Senate and the~~  
15 ~~Minority Leader of the Senate and the Speaker of the House of~~  
16 ~~Representatives and the Minority Leader of the House of~~  
17 ~~Representatives shall each select one private sector citizen~~  
18 ~~representative from constituencies affected by or~~  
19 ~~knowledgeable about the Commonwealth's business taxes.~~  
20 ~~Staff from organizations representing business organizations are~~  
21 ~~not eligible for membership on the commission.~~

22 ~~(b) Chairperson. The Secretary of Revenue shall chair the~~  
23 ~~commission and shall serve as a member.~~

24 ~~(c) Staffing. The Commonwealth shall, through the~~  
25 ~~department, provide reasonable and necessary clerical, research~~  
26 ~~and administrative support and may contract for research,~~  
27 ~~analysis and editorial work in support of the commission as~~  
28 ~~necessary.~~

29 ~~Section 7. Public meetings.~~

30 ~~All meetings, except for organizational meetings and planning~~

1 ~~sessions shall be conducted as open meetings under 65 Pa.C.S.~~  
2 ~~Ch. 7 (relating to open meetings).~~

3 ~~Section 8. Cooperation by State agencies.~~

4 ~~The department shall serve as the administrative support~~  
5 ~~agency of the commission and shall provide facilities, personnel~~  
6 ~~assistance, information and services necessary to fulfill the~~  
7 ~~mission of the commission. All other Commonwealth agencies are~~  
8 ~~directed to cooperate with and assist the commission in~~  
9 ~~fulfilling its duties and responsibilities.~~

10 ~~Section 9. Expiration.~~

11 ~~This act shall expire 180 days after the submission of the~~  
12 ~~report provided for under section 5.~~

13 ~~Section 10. Effective date.~~

14 ~~This act shall take effect July 1, 2011.~~

15 SECTION 1. SHORT TITLE.

16 THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE INDEPENDENT  
17 FISCAL OFFICE ACT.

18 SECTION 2. DEFINITIONS.

19 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL  
20 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
21 CONTEXT CLEARLY INDICATES OTHERWISE:

22 "COMMITTEE." THE INDEPENDENT FISCAL OFFICE SELECTION AND  
23 ORGANIZATION COMMITTEE.

24 "COMMONWEALTH AGENCY." ANY OFFICE, DEPARTMENT, AUTHORITY,  
25 BOARD, MULTISTATE AGENCY OR COMMISSION OF THE EXECUTIVE BRANCH.  
26 THE TERM INCLUDES:

27 (1) THE OFFICE OF THE GOVERNOR.

28 (2) THE OFFICE OF ATTORNEY GENERAL, THE DEPARTMENT OF  
29 THE AUDITOR GENERAL AND THE TREASURY DEPARTMENT.

30 (3) AN INDEPENDENT AGENCY AS DEFINED IN 62 PA.C.S. § 103



1 (RELATING TO DEFINITIONS).

2 (4) A STATE-AFFILIATED ENTITY AS DEFINED IN 62 PA.C.S. §  
3 103 (RELATING TO DEFINITIONS).

4 (5) THE GENERAL ASSEMBLY.

5 (6) THE JUDICIARY.

6 "DIRECTOR." THE DIRECTOR OF THE INDEPENDENT FISCAL OFFICE.

7 "OFFICE." THE INDEPENDENT FISCAL OFFICE ESTABLISHED IN  
8 SECTION 3.

9 SECTION 3. OFFICE ESTABLISHED.

10 THERE IS ESTABLISHED A NONPARTISAN INDEPENDENT FISCAL OFFICE  
11 AS AN INDEPENDENT AGENCY.

12 SECTION 4. DUTIES OF OFFICE.

13 (A) MANDATORY.--THE OFFICE SHALL:

14 (1) PREPARE REVENUE ESTIMATES TO INCLUDE FEDERAL FUNDS,  
15 STATE REVENUES AND FUNDS FROM OTHER RESOURCES, INCLUDING ANY  
16 PROJECTED REVENUE SURPLUS OR DEFICIT FOR A GIVEN FISCAL YEAR,  
17 AS PROVIDED UNDER SECTION 5.

18 (2) BY NOVEMBER 15 OF EACH YEAR, PROVIDE AN ASSESSMENT  
19 OF THE STATE'S CURRENT FISCAL CONDITION AND A PROJECTION OF  
20 WHAT THE FISCAL CONDITION WILL BE DURING THE NEXT FIVE YEARS.  
21 THE ASSESSMENT SHALL TAKE INTO ACCOUNT THE STATE OF THE  
22 ECONOMY, DEMOGRAPHICS, REVENUES AND EXPENDITURES.

23 (3) DEVELOP PERFORMANCE MEASURES FOR EXECUTIVE LEVEL  
24 PROGRAMS AND DEPARTMENTS AND EVALUATE PERFORMANCE MEASURES  
25 AND RESULTS AS PROMULGATED AND REPORTED BY EXECUTIVE LEVEL  
26 DEPARTMENTS. PERFORMANCE MEASUREMENTS SHALL BE OUTCOMES-BASED  
27 AND INCLUDE, BUT NOT BE LIMITED TO, ACTIVITY COST ANALYSIS,  
28 MEASURES OF STATUS IMPROVEMENT OF RECIPIENT POPULATIONS,  
29 ECONOMIC OUTCOMES AND PERFORMANCE BENCHMARKS AGAINST SIMILAR  
30 STATE PROGRAMS.

1           (4)    PROVIDE AN ANALYSIS, INCLUDING ECONOMIC IMPACT, OF  
2   ALL TAX AND REVENUE PROPOSALS SUBMITTED BY THE GOVERNOR OR  
3   THE OFFICE OF THE BUDGET.

4           (5)    STUDY AND ANALYZE THE EXISTING SALES AND USE TAX LAW  
5   AND PROPOSE RECOMMENDATIONS TO THE GOVERNOR AND THE GENERAL  
6   ASSEMBLY FOR AMENDING THE TAX TO:

7                   (I)    ELIMINATE OBSOLETE AND UNNECESSARY PROVISIONS;

8                   (II)   EXPAND THE TAX BASE AS NECESSARY;

9                   (III)   ENSURE A COMPETITIVE ECONOMIC MARKET IN THIS  
10   COMMONWEALTH; AND

11                   (IV)   PROTECT THE STABILITY OF THE COMMONWEALTH'S  
12   BUDGET.

13           (6)    ESTABLISH AN INTERNET WEBSITE.

14   (B)   DISCRETIONARY.--THE OFFICE MAY:

15           (1)    DEVELOP AND USE ECONOMETRIC MODELS TO ANNUALLY  
16   FORECAST STATE REVENUES AND UPDATE THE MODELS. THE OFFICE  
17   SHALL MAKE THE EQUATIONS OF A MODEL AND ANY HISTORIC  
18   DATABASES RELATED THERETO AVAILABLE TO THE CHAIRMAN AND  
19   MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE  
20   SENATE, THE CHAIRMAN AND MINORITY CHAIRMAN OF THE  
21   APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES, THE  
22   MAJORITY LEADER AND MINORITY LEADER OF THE SENATE AND THE  
23   MAJORITY LEADER AND MINORITY LEADER OF THE HOUSE OF  
24   REPRESENTATIVES.

25           (2)    PROVIDE AN ANALYSIS OF THE EXECUTIVE BUDGET,  
26   INCLUDING BUDGETARY PROJECTIONS, ECONOMIC OUTLOOK AND  
27   ECONOMIC IMPACT. THE BUDGET ANALYSIS MAY INCLUDE PERFORMANCE  
28   RECOMMENDATIONS TO SECURE GREATER EFFICIENCY AND ECONOMY.

29           (3)    PROVIDE AN ASSESSMENT OF THE PENNSYLVANIA ECONOMY  
30   AND THE NATIONAL ECONOMY AND THE IMPACT OF THE EXISTING OR

1 EMERGING STATE OR NATIONAL ECONOMIC TRENDS ON REVENUE  
2 PERFORMANCE FOR THE CURRENT YEAR AND THE FORECASTED OR  
3 PROJECTED REVENUE COLLECTIONS FOR THE BUDGET YEAR AND THE  
4 SUCCEEDING YEAR.

5 SECTION 5. REVENUE ESTIMATES.

6 (A) INITIAL REVENUE ESTIMATE.--BY MAY 1, THE OFFICE SHALL  
7 SUBMIT TO THE GENERAL ASSEMBLY AN INITIAL REVENUE ESTIMATE FOR  
8 THE NEXT FISCAL YEAR.

9 (B) OFFICIAL REVENUE ESTIMATE.--

10 (1) BY JUNE 15 OF EACH YEAR THE OFFICE SHALL SUBMIT AN  
11 OFFICIAL REVENUE ESTIMATE FOR THE NEXT FISCAL YEAR.

12 (2) A REVENUE ESTIMATE SUBMITTED UNDER THIS SECTION  
13 SHALL ~~ESTABLISH THE MAXIMUM~~ BE CONSIDERED BY THE GOVERNOR AND ←  
14 THE GENERAL ASSEMBLY AS THE AMOUNT OF REVENUE WHICH MAY BE  
15 CONSIDERED FOR THE GENERAL APPROPRIATION ACT FOR THE ENSUING  
16 FISCAL YEAR. ~~NO CHANGES IN A REVENUE ESTIMATE SUBMITTED BY~~ ←  
17 ~~THE OFFICE UNDER PARAGRAPH (1) SHALL BE MADE BY THE OFFICE~~  
18 ~~THEREAFTER UNLESS~~ UNLESS THE GENERAL ASSEMBLY OR THE GOVERNOR ←  
19 DETERMINES THAT REVENUES ARE GREATER THAN OR LESS THAN THE  
20 ESTIMATE PROVIDED UNDER THIS SECTION. THE OFFICE MAY AMEND  
21 THE REVENUE ESTIMATE UNDER THIS SECTION IF CHANGES IN LAW  
22 AFFECTING REVENUES AND RECEIPTS ARE ENACTED OR PROPOSED TO BE  
23 ENACTED WITH THE ANNUAL STATE BUDGET OR UNLESS SIGNIFICANT  
24 CHANGES IN ECONOMIC ASSUMPTIONS OCCUR PRIOR TO JUNE 30. THE  
25 OFFICE SHALL SUBMIT THE AMENDED REVENUE ESTIMATE TO THE  
26 GENERAL ASSEMBLY WITHIN TEN DAYS OF THE CHANGE.

27 (3) THE OFFICE SHALL PUBLISH THE METHODOLOGY USED TO  
28 DEVELOP REVENUE ESTIMATES.

29 (C) INFORMATION.--THE OFFICE SHALL PROVIDE THE CHAIRMAN AND  
30 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE SENATE,



1 THE CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS  
2 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE SECRETARY OF  
3 THE BUDGET ALL DATA, ASSUMPTIONS OR ECONOMETRIC MODELS USED TO  
4 DEVELOP PROJECTIONS AND REVENUE ESTIMATES.

5 (D) REQUIRED INFORMATION.--

6 (1) A REVENUE ESTIMATE SUBMITTED BY THE OFFICE UNDER  
7 SUBSECTION (B) SHALL INCLUDE:

8 (I) PROJECTED REVENUE COLLECTIONS BY SPECIFIC TAX OR  
9 REVENUE SOURCE, INCLUDING FEDERAL FUNDS, THE GENERAL  
10 FUND, THE LOTTERY FUND AND THE MOTOR LICENSE FUND.

11 (II) ALL DATA, ASSUMPTIONS AND ECONOMETRIC MODELS  
12 USED TO DEVELOP A REVENUE ESTIMATE.

13 (III) ANY PROJECTED REVENUE SURPLUS OR DEFICIT FOR  
14 THE CURRENT FISCAL YEAR.

15 (2) A REVENUE ESTIMATE SHALL BE BASED ON EXISTING LAW  
16 AND TAX POLICY AND EXISTING OR EMERGING STATE OR NATIONAL  
17 ECONOMIC TRENDS.

18 (E) PROPOSED CHANGE IN LAW.--THE OFFICE SHALL PREPARE A  
19 REVENUE ESTIMATE OF ANY CHANGE IN LAW AFFECTING REVENUES AND  
20 RECEIPTS, INCLUDING INCREASES IN REGULATORY FEES, PROPOSED OR  
21 CONSIDERED AS PART OF THE ANNUAL STATE BUDGET. IF THE PROPOSED  
22 CHANGE IN LAW WILL HAVE A FISCAL IMPACT IN EXCESS OF \$10,000,000  
23 IN ANY FISCAL YEAR, THE ESTIMATE SHALL BE PREPARED ON THE BASIS  
24 OF ASSUMPTIONS THAT ESTIMATE THE PROBABLE BEHAVIORAL RESPONSES  
25 OF TAXPAYERS, BUSINESSES AND OTHER PERSONS TO THE PROPOSED  
26 CHANGES AND SHALL INCLUDE A STATEMENT IDENTIFYING THOSE  
27 ASSUMPTIONS. THE INFORMATION MAY BE USED TO REVISE THE REVENUE  
28 ESTIMATE UNDER SUBSECTION (A).

29 (F) DEPARTMENT OF REVENUE.--THE DEPARTMENT OF REVENUE IN  
30 CONJUNCTION WITH THE SECRETARY OF THE BUDGET SHALL MAKE REVENUE

1 ESTIMATES FOR THE USE OF THE GOVERNOR IN PREPARING THE BUDGET.

2 (G) GOVERNOR.--THE GOVERNOR SHALL CERTIFY THAT ANY  
3 APPROPRIATION BILL DOES NOT CAUSE TOTAL APPROPRIATIONS TO EXCEED  
4 ~~THE OFFICIAL REVENUE ESTIMATE UNDER SUBSECTION (B)~~ REVENUES PLUS ←  
5 ANY UNAPPROPRIATED SURPLUS AS PROVIDED IN SECTION 618 OF THE ACT  
6 OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE  
7 CODE OF 1929.

8 SECTION 6. BUDGET INFORMATION.

9 THE OFFICE SHALL BE NOTIFIED AND SHALL ATTEND ANY BRIEFINGS  
10 PROVIDED BY THE GOVERNOR OR THE SECRETARY OF THE BUDGET UNDER  
11 SECTION 619 OF THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN  
12 AS THE ADMINISTRATIVE CODE OF 1929.

13 SECTION 7. EXPENDITURES.

14 (A) EXPENDITURE REPORTS.--COMMONWEALTH AGENCIES SHALL MAKE  
15 MONTHLY EXPENDITURE DATA AVAILABLE TO THE OFFICE. THE DATA SHALL  
16 BE PROVIDED WITHIN SEVEN DAYS AFTER THE END OF EACH MONTH. THE  
17 MONTHLY DATA SHALL INCLUDE A SUMMARY OF THE LAST MONTHLY  
18 SUBMISSION. THE DATA SHALL BE PROVIDED IN FINISHED REPORTS OR  
19 ELECTRONICALLY, AS PROVIDED IN THE ACT OF APRIL 9, 1929  
20 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929. THE  
21 DATA SHALL BE PROVIDED BY FUND, BY APPROPRIATION, BY DEPARTMENT  
22 AND BY ORGANIZATION WITHIN EACH DEPARTMENT AND SHALL INCLUDE:

23 (1) NUMBER OF FILLED PERSONNEL POSITIONS AND THEIR COST.

24 (2) ITEMIZED PERSONNEL VACANCIES AND THEIR COST.

25 (3) NEW POSITIONS CREATED AND THEIR COST.

26 (4) WAGE AND OVERTIME COSTS.

27 (5) ALLOTMENTS AND EXPENDITURES FOR ITEMIZED PERSONNEL  
28 EXPENSES.

29 (6) ALLOTMENTS AND EXPENDITURES FOR ITEMIZED OPERATING  
30 EXPENSES.

1 (7) ALLOTMENT AND EXPENDITURES FOR ITEMIZED FIXED  
2 ASSETS.

3 (8) THE RATE OF EXPENDITURES IN APPROPRIATIONS FOR MAJOR  
4 SUBSIDY AND GRANT PROGRAMS DURING THE MONTH.

5 (B) REVENUE REPORTS.--THE GOVERNOR SHALL DIRECT THAT MONTHLY  
6 REVENUE REPORTS BE SUBMITTED TO THE OFFICE. THE REVENUE REPORTS  
7 SHALL SHOW THE ACTUAL COLLECTION OF REVENUE ITEMIZED BY SOURCE  
8 AND A COMPARISON OF THE ACTUAL COLLECTIONS WITH ESTIMATED  
9 COLLECTIONS FOR EACH MONTH. THE COMPARISON SHALL INCLUDE AN  
10 ANALYSIS OF ANY CHANGE IN COLLECTION PATTERNS WHICH WILL CAUSE A  
11 SHORTFALL OR OVERRUN ON ANNUAL ESTIMATES OF MORE THAN 1%.

12 (C) OTHER REVENUE DATA.--COMMONWEALTH AGENCIES SHALL CAUSE  
13 TO BE PREPARED ANY OTHER REVENUE DATA AS MAY BE REQUESTED FROM  
14 TIME TO TIME BY THE OFFICE.

15 (D) ELECTRONIC ACCESS.--EXCEPT FOR INFORMATION THAT IS  
16 CONFIDENTIAL PURSUANT TO STATUTE, THE OFFICE SHALL HAVE ACCESS  
17 TO ALL INFORMATION AVAILABLE UNDER THIS SECTION ON INQUIRY-ONLY  
18 SCREENS THROUGH AN INTEGRATED CENTRAL COMPUTER SYSTEM.

19 SECTION 8. REVENUE CONFERENCE.

20 BY JANUARY 31 OF EACH YEAR, THE OFFICE SHALL CONVENE A  
21 MEETING WITH THE SECRETARY OF THE BUDGET, THE SECRETARY OF  
22 REVENUE AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE  
23 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRMAN AND  
24 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE  
25 OF REPRESENTATIVES TO DISCUSS THE FOLLOWING:

26 (1) THE PENNSYLVANIA ECONOMY AND THE NATIONAL ECONOMY  
27 AND THE IMPACT OF THE ECONOMIC TRENDS ON REVENUE PERFORMANCE  
28 FOR THE BUDGET YEAR AND THE SUCCEEDING YEAR.

29 (2) CURRENT YEAR-TO-DATE REVENUE COLLECTIONS BY SPECIFIC  
30 TAX OR REVENUE SOURCE, INCLUDING FEDERAL FUNDS, THE GENERAL

1       FUND, THE LOTTERY FUND AND THE MOTOR LICENSE FUND AND  
2       VARIATIONS THAT MAY BE OCCURRING IN THE REVENUE ESTIMATE  
3       SUBMITTED UNDER SECTION 5 (A) .

4           (3) ANY STATUTORY OR TAX POLICY CHANGES THAT MAY BE  
5       RECOMMENDED BY THE GOVERNOR OR THE GENERAL ASSEMBLY FOR THE  
6       NEXT SUCCEEDING FISCAL YEAR.

7       SECTION 9. ACCESS TO INFORMATION.

8           (A) AGENCIES.--THE DIRECTOR IS AUTHORIZED TO SECURE  
9       INFORMATION, DATA, EXPENSE INFORMATION, ESTIMATES AND STATISTICS  
10       DIRECTLY FROM A COMMONWEALTH AGENCY OR A POLITICAL SUBDIVISION.  
11       ALL COMMONWEALTH AGENCIES AND POLITICAL SUBDIVISIONS SHALL  
12       FURNISH THE DIRECTOR WITH ALL REPORTS OF EXPENDITURE FOR EACH  
13       AGENCY AND ANY OTHER AVAILABLE MATERIAL OR DATA WHICH THE  
14       DIRECTOR DETERMINES TO BE NECESSARY IN THE PERFORMANCE OF THE  
15       DUTIES OF THE OFFICE, OTHER THAN MATERIAL THE DISCLOSURE OF  
16       WHICH WOULD BE A VIOLATION OF LAW. THE DIRECTOR IS ALSO  
17       AUTHORIZED, UPON AGREEMENT WITH THE HEAD OF ANY COMMONWEALTH  
18       AGENCY OR POLITICAL SUBDIVISION, TO UTILIZE THE SERVICES,  
19       FACILITIES AND PERSONNEL OF THE AGENCY WITH OR WITHOUT  
20       REIMBURSEMENT.

21           (B) OFFICE OF THE BUDGET.--IN CARRYING OUT THE DUTIES AND  
22       FUNCTIONS OF THE OFFICE, THE DIRECTOR IS AUTHORIZED TO OBTAIN  
23       INFORMATION, DATA, ESTIMATES AND STATISTICS DEVELOPED BY THE  
24       OFFICE OF THE BUDGET AND ALL COMMONWEALTH AGENCIES. THE OFFICE  
25       OF THE BUDGET SHALL SUBMIT TO THE OFFICE COPIES OF FINAL AGENCY  
26       BUDGET REQUESTS AT THE SAME TIME THEY ARE SUBMITTED TO THE  
27       GENERAL ASSEMBLY UNDER THE ACT OF APRIL 9, 1929 (P.L.177,  
28       NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929.

29           (C) COMPUTER DATABASE.--IN ORDER TO CARRY OUT ITS DUTIES  
30       UNDER THIS ACT, THE OFFICE SHALL HAVE ACCESS TO ANY COMPUTERIZED

1 DATABASE OF A STATE AGENCY THAT IS REQUIRED TO AID THE OFFICE IN  
2 THE PERFORMANCE OF ITS DUTIES, EXCEPT THAT ANY STATUTORY  
3 REQUIREMENTS REGARDING PRIVACY OF INDIVIDUALS' RECORDS SHALL BE  
4 OBSERVED IN PROVIDING ACCESS.

5 (D) DAILY REVENUE DATA.--

6 (1) THE SECRETARY OF REVENUE AND THE SECRETARY OF THE  
7 BUDGET SHALL POST REVENUE COLLECTION DATA FOR EACH DEPOSIT  
8 DAY AND MAKE THE INFORMATION AVAILABLE TO THE OFFICE AND THE  
9 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS  
10 COMMITTEE OF THE SENATE AND THE CHAIRMAN AND MINORITY  
11 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF  
12 REPRESENTATIVES.

13 (2) THE GOVERNOR, THE ATTORNEY GENERAL, THE AUDITOR  
14 GENERAL AND THE STATE TREASURER SHALL CAUSE TO BE PREPARED  
15 ANY OTHER REVENUE DATA AS MAY BE REQUESTED BY THE OFFICE.

16 (E) TAX INFORMATION.--FOR THE PURPOSES OF CARRYING OUT ITS  
17 OFFICIAL DUTIES UNDER SECTION 5 AND NOTWITHSTANDING ANY OTHER  
18 LAW OF THIS COMMONWEALTH, THE OFFICE SHALL BE AUTHORIZED TO  
19 ACCESS ANY INFORMATION IN THE POSSESSION OF THE DEPARTMENT OF  
20 REVENUE THAT IS OBTAINED FROM TAX PAYMENTS, RETURNS OR REPORTS,  
21 INCLUDING ADJUSTMENTS OR CORRECTIONS MADE BY THE DEPARTMENT. THE  
22 INFORMATION ACCESSED UNDER THIS SECTION SHALL BE CONFIDENTIAL  
23 EXCEPT FOR OFFICIAL PURPOSES AND ANY PERSON DIVULGING THE  
24 INFORMATION SHALL BE SUBJECT TO SECTION 731 OF THE ACT OF APRIL  
25 9, 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE.

26 (F) CIVIL ACTION.--IF INFORMATION IS NOT MADE AVAILABLE BY A  
27 COMMONWEALTH AGENCY OR POLITICAL SUBDIVISION WITHIN A REASONABLE  
28 TIME, THE DIRECTOR MAY MAKE A WRITTEN REQUEST TO THE AGENCY  
29 HEAD, STATING THE AUTHORITY TO RECEIVE THE INFORMATION. THE  
30 AGENCY HEAD SHALL HAVE 15 DAYS TO RESPOND. IF THE INFORMATION IS

1 NOT PROVIDED WITHIN 15 DAYS OF THE RECEIPT OF THE AGENCY  
2 RESPONSE, THE DIRECTOR MAY BRING A CIVIL ACTION TO REQUIRE THE  
3 AGENCY HEAD TO PROVIDE THE INFORMATION.

4 SECTION 10. SELECTION AND ORGANIZATION COMMITTEE.

5 (A) SELECTION AND ORGANIZATION COMMITTEE.--THE INDEPENDENT  
6 FISCAL OFFICE SELECTION AND ORGANIZATION COMMITTEE IS HEREBY  
7 ESTABLISHED TO ORGANIZE THE OFFICE AND SELECT THE DIRECTOR OF  
8 THE OFFICE. THE COMMITTEE SHALL CONSIST OF THE FOLLOWING:

9 (1) THE CHAIRMAN AND MINORITY CHAIRMAN OF THE  
10 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRMAN AND  
11 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE  
12 HOUSE OF REPRESENTATIVES.

13 (2) THE MAJORITY LEADER AND THE MINORITY LEADER OF THE  
14 SENATE AND THE MAJORITY LEADER AND THE MINORITY LEADER OF THE  
15 HOUSE OF REPRESENTATIVES.

16 (3) THE PRESIDENT PRO TEMPORE OF THE SENATE AND THE  
17 SPEAKER OF THE HOUSE OF REPRESENTATIVES.

18 (B) DUTIES OF COMMITTEE.--BY JANUARY 15, 2011, THE SELECTION  
19 AND ORGANIZATION COMMITTEE SHALL DELIBERATE THE FOLLOWING:

20 (1) THE PROCEDURES TO BE ADOPTED TO SELECT THE DIRECTOR  
21 OF THE OFFICE.

22 (2) THE OPERATIONAL BUDGET FOR THE OFFICE.

23 SECTION 11. APPOINTMENT.

24 (A) DIRECTOR.--THE OFFICE SHALL BE HEADED BY A DIRECTOR  
25 APPOINTED BY THE SELECTION AND ORGANIZATION COMMITTEE BY MAY 30,  
26 2011. THE APPOINTMENT SHALL BE MADE WITHOUT REGARD TO POLITICAL  
27 AFFILIATION AND SOLELY ON THE BASIS OF FITNESS TO PERFORM THE  
28 DUTIES OF THE OFFICE BASED ON QUALIFICATIONS PUBLISHED BY THE  
29 SELECTION AND ORGANIZATION COMMITTEE.

30 (B) DEPUTY DIRECTOR.--THE DIRECTOR SHALL APPOINT A DEPUTY

1 DIRECTOR WHO SHALL PERFORM SUCH DUTIES AS ASSIGNED BY THE  
2 DIRECTOR AND WHO SHALL DURING THE ABSENCE OR INCAPACITY OF THE  
3 DIRECTOR OR A VACANCY ACT AS THE DIRECTOR.

4 (C) TERM.--THE TERM OF OFFICE OF THE DIRECTOR SHALL BE SIX  
5 YEARS. AN INDIVIDUAL APPOINTED AS DIRECTOR TO FILL A VACANCY  
6 PRIOR TO THE EXPIRATION OF A TERM SHALL SERVE ONLY FOR THE  
7 UNEXPIRED PORTION OF THAT TERM. AN INDIVIDUAL SERVING AS  
8 DIRECTOR AT THE EXPIRATION OF A TERM MAY CONTINUE TO SERVE UNTIL  
9 A SUCCESSOR IS APPOINTED.

10 (D) REMOVAL.--THE DIRECTOR MAY BE REMOVED BY A CONCURRENT  
11 RESOLUTION PASSED BY THE SENATE AND THE HOUSE OF  
12 REPRESENTATIVES.

13 SECTION 12. POWERS AND DUTIES OF DIRECTOR.

14 (A) PERSONNEL.--THE DIRECTOR SHALL APPOINT AND FIX THE  
15 COMPENSATION OF PERSONNEL AS NECESSARY TO CARRY OUT THE DUTIES  
16 AND FUNCTIONS OF THE OFFICE. ALL PERSONNEL OF THE OFFICE SHALL  
17 BE APPOINTED WITHOUT REGARD TO POLITICAL AFFILIATION AND SOLELY  
18 ON THE BASIS OF THEIR FITNESS TO PERFORM THEIR DUTIES.

19 (B) EXPERTS AND CONSULTANTS.--IN CARRYING OUT THE DUTIES AND  
20 FUNCTIONS OF THE OFFICE, THE DIRECTOR MAY PROCURE THE TEMPORARY  
21 OR INTERMITTENT SERVICES OF ATTORNEYS, EXPERTS OR CONSULTANTS OR  
22 ORGANIZATION THEREOF BY CONTRACT.

23 SECTION 19. RECORDS.

24 THE OFFICE SHALL BE A LEGISLATIVE AGENCY FOR PURPOSE OF THE  
25 ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-  
26 KNOW LAW.

27 SECTION 39. REPEAL.

28 (A) INTENT.--THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL  
29 UNDER SUBSECTION (B) IS NECESSARY TO EFFECTUATE THE PURPOSES OF  
30 THIS ACT.

1 (B) PROVISION.--SECTION 618 OF THE ACT OF APRIL 9, 1929  
2 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929, IS  
3 REPEALED TO THE EXTENT IT IS INCONSISTENT WITH THIS ACT.

4 SECTION 40. EFFECTIVE DATE.

5 THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

6 (1) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

7 (2) SECTION 10 SHALL TAKE EFFECT NOVEMBER 30, 2010.

8 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT MAY 1,  
9 2011.