

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1703 Session of 2011

INTRODUCED BY PERRY, BARRAR, BENNINGHOFF, CALTAGIRONE,  
 CREIGHTON, DALEY, DENLINGER, EVERETT, GEIST, GIBBONS,  
 GODSHALL, GROVE, KAUFFMAN, KNOWLES, QUINN, RAPP, ROCK,  
 SWANGER AND TOEPEL, JUNE 21, 2011

REFERRED TO COMMITTEE ON STATE GOVERNMENT, JUNE 21, 2011

AN ACT

1 Reenacting and amending the act of August 4, 1959 (P.L.587,  
 2 No.195), entitled as amended, "An act creating and  
 3 establishing the Legislative Budget and Finance Committee;  
 4 providing for its membership; prescribing its powers,  
 5 functions and duties; providing for the appointment of an  
 6 executive director and other personnel, and making an  
 7 appropriation," providing for short title; further providing  
 8 for duties; and making editorial changes.

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

11 Section 1. Sections 1 and 2 of the act of August 4, 1959  
 12 (P.L.587, No.195), entitled, as amended "An act creating and  
 13 establishing the Legislative Budget and Finance Committee;  
 14 providing for its membership; prescribing its powers, functions  
 15 and duties; providing for the appointment of an executive  
 16 director and other personnel, and making an appropriation," are  
 17 repealed:

18 [Section 1. There is hereby created the Legislative Budget  
 19 and Finance Committee which shall consist of the President pro  
 20 tempore of the Senate and five other members of the Senate, the

1 Speaker of the House of Representatives and five other members  
2 of the House. The President pro tempore of the Senate shall  
3 appoint the Majority Leader of the Senate, the Minority Leader  
4 of the Senate and three additional members of the Senate. Two of  
5 the three additional members shall be members of the Minority  
6 party. The President pro tempore of the Senate, the Majority  
7 Leader and the Minority Leader may designate other members of  
8 the Senate to be appointed in their stead. The Speaker of the  
9 House of Representatives shall appoint the Majority Leader of  
10 the House of Representatives, the Minority Leader of the House  
11 of Representatives and three additional members of the House.  
12 Two of the three additional members shall be members of the  
13 Minority Party. The Speaker of the House, the Majority Leader  
14 and the Minority Leader may designate other members of the House  
15 to be appointed in their stead. Members of the committee shall  
16 be appointed or reappointed during each regular session of the  
17 General Assembly, and shall continue as members until the first  
18 Tuesday in January of the next odd-numbered year and until their  
19 respective successors shall be appointed, provided they continue  
20 to be members of the Senate or the House of Representatives. The  
21 term of office of such committee members as shall not continue  
22 to be members of the Senate or the House of Representatives  
23 shall cease upon the convening of the next regular session of  
24 the Legislature after their appointment. The committee has a  
25 continuing existence and may meet and conduct its business at  
26 any place within the Commonwealth during the sessions of  
27 Legislature or any recess thereof and in the interim between  
28 sessions.

29 Section 2. The committee shall have the power and duty to  
30 appoint its own chairman, vice-chairman and other officers, to

1 make rules and regulations governing its proceedings and to  
2 perform either through the Legislative Budget and Finance  
3 Committee, or through subcommittees of the Legislative Budget  
4 and Finance Committee, all duties and functions relating to the  
5 study of the revenues, expenditures and fiscal problems of the  
6 Commonwealth, its officers, boards, committees, commissions,  
7 institutions and other State agencies.]

8 Section 2. The act is amended by adding sections to read:

9 Section 2.1. Short title.

10 This act shall be known and may be cited as the Legislative  
11 Budget and Finance Committee Act.

12 Section 2.2. Legislative Budget and Finance Committee created;  
13 membership; appointments; terms; vacancies.

14 (a) Creation and membership.--There is hereby created the  
15 Legislative Budget and Finance Committee. The committee shall be  
16 composed of 12 members, which shall consist of the President pro  
17 tempore of the Senate and five other members of the Senate, the  
18 Speaker of the House of Representatives and five other members  
19 of the House.

20 (b) Appointments.--The President pro tempore of the Senate  
21 shall appoint the Majority Leader of the Senate, the Minority  
22 Leader of the Senate and three additional members of the Senate.  
23 Two of the three additional members shall be members of the  
24 Minority party. The President pro tempore of the Senate, the  
25 Majority Leader and the Minority Leader may designate other  
26 members of the Senate to be appointed in their stead. The  
27 Speaker of the House of Representatives shall appoint the  
28 Majority Leader of the House of Representatives, the Minority  
29 Leader of the House of Representatives and three additional  
30 members of the House. Two of the three additional members shall

1 be members of the Minority Party. The Speaker of the House, the  
2 Majority Leader and the Minority Leader may designate other  
3 members of the House to be appointed in their stead.

4 (c) Terms and vacancies.--Members of the committee shall be  
5 appointed or reappointed during each regular session of the  
6 General Assembly, and shall continue as members until the first  
7 Tuesday in January of the next odd-numbered year and until their  
8 respective successors shall be appointed, provided they continue  
9 to be members of the Senate or the House of Representatives. The  
10 term of office of such committee members who do not continue to  
11 be members of the Senate or the House of Representatives shall  
12 cease upon the convening of the next regular session of the  
13 General Assembly after their appointment. The committee shall  
14 have a continuing existence and may meet and conduct its  
15 business at any place within this Commonwealth during the  
16 sessions of the General Assembly or any recess thereof and in  
17 the interim between sessions.

18 (d) Appointment of officers.--The committee shall have the  
19 power and duty to appoint its own chairman, vice chairman and  
20 other officers to make rules and regulations governing its  
21 proceedings and to perform either through the Legislative Budget  
22 and Finance Committee or through subcommittees of the  
23 Legislative Budget and Finance Committee all duties and  
24 functions relating to the study of the revenues, expenditures  
25 and fiscal problems of the Commonwealth, its officers, boards,  
26 committees, commissions, institutions and other State agencies.

27 Section 3. Sections 3 and 4 of the act, amended September  
28 20, 1961 (P.L.1521, No.645), are amended to read:

29 Section 3. Duties.

30 The committee shall have the following powers and duties:

1           (1) The committee shall have power to request, receive,  
2 review, examine, study, ascertain and compare fiscal  
3 information concerning the budget, the revenues and  
4 expenditures of the Commonwealth and to make recommendations  
5 to the Legislature, when found advisable, directed to the  
6 elimination of unnecessary expenditures and to the promotion  
7 of economy in the government of the Commonwealth.

8           (2) To make current examination and, when pertinent,  
9 reports concerning the current condition of all State funds,  
10 appropriations and other moneys, whether or not such  
11 appropriations are being currently expended for the purposes  
12 and within the statutory restrictions provided by the  
13 Legislature, and concerning the current availability of  
14 revenue to meet expenditures under appropriations.

15           (3) The committee shall report to the General Assembly  
16 when they are in session, the Governor and the Auditor  
17 General, when it appears that any appropriation is being  
18 expended for purposes other than the purposes for which the  
19 appropriation was intended, or if it appears that any  
20 statutory restrictions or provisions are being violated.

21           (4) The committee shall make reports, from time to time,  
22 to the members of the Legislature and, upon request, to the  
23 standing committees of the Senate and House of  
24 Representatives with respect to any of its findings or  
25 recommendations of a fiscal nature. It shall keep complete  
26 minutes of its meetings. The committee shall make and  
27 distribute its final report to the members of the ensuing  
28 Legislature not later than ten days after the convening of  
29 the regular session of the Legislature.

30           (5) The committee may issue subpoenas, under the hand

1 and seal of the chairman, to compel the attendance of  
2 witnesses and the production of any papers, books, accounts,  
3 documents and testimony touching matters of a fiscal nature  
4 properly being inquired into by the committee, to administer  
5 oaths, and to cause the deposition of witnesses, either  
6 residing within or without the State, to be taken in the  
7 manner prescribed by laws for taking depositions in civil  
8 actions.

9 (6) Any person who wilfully neglects or refuses to  
10 comply with any subpoena issued in behalf of the committee,  
11 or refuses to testify to any matters regarding which he may  
12 be lawfully interrogated, shall be subject to the penalties  
13 provided by the laws of the Commonwealth in such cases.

14 (7) Each witness who appears before the committee by its  
15 order, other than an officer or employe of the Commonwealth,  
16 shall receive for his attendance the fees and mileage  
17 provided for witnesses in civil cases in courts of record,  
18 which shall be audited and paid out of the funds of the  
19 committee upon the presentation of proper vouchers signed by  
20 such witness and approved by the chairman or vice-chairman of  
21 the committee.

22 (8) The Legislative Budget and Finance Committee is  
23 authorized to appoint an executive director, and to fix his  
24 compensation, who shall be the chief executive officer of the  
25 committee and assist in its duties, and shall compile  
26 information for the committee. The committee is authorized to  
27 select and employ other personnel that it may deem necessary  
28 in the performance of its duties, and the compensation and  
29 salaries shall be fixed by the Legislative Budget and Finance  
30 Committee.

1       (9) The Legislative Budget and Finance Committee, in  
2 addition to all other duties prescribed by law, shall  
3 annually review budgets and appropriation requests and the  
4 operation and management of selected State agencies,  
5 departments and institutions and shall develop a performance-  
6 based budget as well as make recommendations with respect  
7 thereto to the legislature. The following shall apply:

8           (i) To carry out the purposes of this paragraph, the  
9 Legislative Budget and Finance Committee shall establish  
10 a performance-based budget division staffed with persons  
11 knowledgeable and proficient in performance-based  
12 budgeting, budget analysis and budget preparation.

13           (ii) Each agency, department and institution shall  
14 furnish to the Legislative Budget and Finance Committee a  
15 copy of its appropriation request made to the Office of  
16 the Budget at the same time such request is made to such  
17 office. Each State agency, department or institution  
18 shall also furnish to the Legislative Budget and Finance  
19 Committee and its staff any other supporting information  
20 or data deemed necessary to carry out the purposes of  
21 this paragraph.

22           (iii) The Legislative Budget and Finance Committee  
23 or, when it deems necessary, its staff may hold such  
24 testimony from officers and employees of each State  
25 agency, department or institution and require such  
26 testimony from officers and employees of each State  
27 agency, department or institution as is necessary to  
28 carry out the purposes of this paragraph.

29           (iv) The Legislative Budget and Finance Committee  
30 shall utilize a performance-based budgeting approach in

1 developing the budget recommendations in subparagraph  
2 (v). The Legislative Budget and Finance Committee shall  
3 adopt a performance-based budgeting approach that  
4 demonstrates a systematic approach for developing  
5 performance budgets at government agencies.

6 (v) On the day in which the Governor is required by  
7 law to address the General Assembly in a joint session  
8 presenting the annual budget address, the Legislative  
9 Budget and Finance Committee shall furnish a document  
10 containing its budget recommendations to each member of  
11 the Appropriations Committee of the House of  
12 Representatives and to those other members of the General  
13 Assembly who may request it. A copy shall also be  
14 furnished to the Governor and to the Office of the  
15 Budget.

16 Section 4. Executive director.

17 The duties of the executive director shall be as follows:

18 (1) By continuous review of State expenditures, revenues  
19 and analysis of budget to ascertain the facts, compare cost,  
20 workload and other data, and make recommendations concerning  
21 the State's budget and revenue of the departments, boards,  
22 commissions and agencies of the Commonwealth.

23 (2) Such other duties as shall be assigned to him by the  
24 Legislative Budget and Finance Committee.

25 Section 4. Sections 5 and 6 of the act are reenacted and  
26 amended to read:

27 Section 5. Compensation.

28 The members of the committee shall serve without compensation  
29 but shall be reimbursed for their expenses incurred while  
30 attending sessions of the committee or meetings of any



1 subcommittee of the committee, or while engaged on other  
2 committee business authorized by the committee, and in going to  
3 and coming from meetings of the committee or its subcommittees  
4 or for travel and other committee business when authorized by  
5 the committee.

6 Section 6. Reports.

7 Before any written report is made by the committee, the  
8 department, officer or agency of the government involved therein  
9 shall be afforded an opportunity to comment, and said comments  
10 shall be attached to said report.

11 Section 5. Section 7 of the act, amended September 20, 1961  
12 (P.L.1521, No.645), is amended to read:

13 Section 7. Appropriation.

14 The sum of two hundred thousand dollars (\$200,000), or as  
15 much thereof as may be necessary, is hereby specifically  
16 appropriated to the Legislative Budget and Finance Committee to  
17 pay the expenses of the members of the committee and for the  
18 salary or compensation of executive director, clerical and other  
19 hire and incidental expenses.

20 Section 6. Section 8 of the act is amended to read:

21 Section 8. Effective date.

22 This act shall take effect the day following sine die  
23 adjournment of the present session of the General Assembly.

24 Section 7. This act shall take effect immediately.