

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1843 Session of 2017

INTRODUCED BY GROVE, THOMAS, FEE, ROTHMAN, BARRAR, PHILLIPS-HILL, KAUFFMAN, LAWRENCE, BERNSTINE, MCGINNIS, MILLARD, WHEELAND, KEEFER, ZIMMERMAN, DUSH, MOUL AND RYAN, OCTOBER 11, 2017

AS REPORTED FROM COMMITTEE ON STATE GOVERNMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, APRIL 17, 2018

AN ACT

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

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

~~9 § 1902. Duties of State Treasurer.~~

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

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

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

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

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

~~(iii) If a Commonwealth program will exceed its budget based on the percentage of total budget spent, spending forecasts based on historical trends and the percentage of time remaining in the fiscal year, the State Treasurer shall designate the Commonwealth program as: Over Budget.~~

~~§ 1903. Duties of Commonwealth agencies.~~

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

~~§ 1904. Corrective action plans.~~

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

~~§ 1905. Withholding of funds.~~

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

1 ~~§ 1906. Legislative oversight.~~

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

6 ~~Section 2. This act shall take effect in 90 days.~~

7 SECTION 1. TITLE 72 OF THE PENNSYLVANIA CONSOLIDATED
8 STATUTES IS AMENDED BY ADDING CHAPTERS TO READ:

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9 CHAPTER 3

10 BUDGET

11 SEC.

12 301. AGENCY BUDGET DOCUMENTS.

13 § 301. AGENCY BUDGET DOCUMENTS.

14 AN AGENCY SUBMITTING DOCUMENTATION USED BY THE OFFICE OF THE
15 BUDGET FOR PREPARATION OF THE GOVERNOR'S BUDGET SUBMISSION TO
16 THE GENERAL ASSEMBLY UNDER SECTION 613 OF THE ACT OF APRIL 9,
17 1929 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF
18 1929, SHALL PLACE THE ORIGINAL, UNEDITED DOCUMENTS ON THE
19 AGENCY'S PUBLICLY ACCESSIBLE INTERNET WEBSITE AND THE AGENCY
20 SHALL ELECTRONICALLY NOTIFY MEMBERS OF THE GENERAL ASSEMBLY. THE
21 DOCUMENTS SHALL BE AVAILABLE NO LATER THAN THE FIRST MONDAY OF
22 NOVEMBER 2018 AND EVERY YEAR THEREAFTER.

23 CHAPTER 5

24 FINANCIAL TRANSPARENCY

25 SEC.

26 501. STATE TREASURY TRANSPARENCY PORTAL.

27 502. DUTIES OF COMMONWEALTH AGENCIES.

28 503. COMMONWEALTH CHECKBOOK.

29 § 501. STATE TREASURY TRANSPARENCY PORTAL.

30 (A) DEVELOPMENT.--THE STATE TREASURER SHALL DEVELOP AND

1 MAINTAIN ON THE TREASURY DEPARTMENT'S PUBLICLY ACCESSIBLE
2 INTERNET WEBSITE A TRANSPARENCY PORTAL WITH INFORMATION RELATING
3 TO THE COMMONWEALTH'S FINANCES. THE FOLLOWING SHALL APPLY:

4 (1) THE TRANSPARENCY PORTAL SHALL BE MADE AVAILABLE TO
5 THE PUBLIC AND INCLUDE FIGURES AND VISUAL AIDS TO DEMONSTRATE
6 GROWTH OR REDUCTION IN EXPENDITURES AND REVENUE STARTING NO
7 LATER THAN THE 2014-2015 FISCAL YEAR.

8 (2) THE VISUAL AIDS REQUIRED UNDER PARAGRAPH (1) SHALL
9 INCLUDE, BUT NOT BE LIMITED TO, CHARTS AND GRAPHS.

10 (3) INFORMATION PROVIDED BY THE TREASURY DEPARTMENT
11 SHALL BE MADE AVAILABLE TO THE PUBLIC TO DOWNLOAD EITHER AS
12 AN IMAGE OR SPREADSHEET DOCUMENT.

13 (B) GENERAL FUND INFORMATION.--THE STATE TREASURER SHALL
14 PROVIDE ON THE TRANSPARENCY PORTAL AN ANALYSIS OF THE GENERAL
15 FUND UPDATED TO ACCURATELY REFLECT THE GENERAL FUND AT THE END
16 OF THE PRIOR DAY, INCLUDING:

17 (1) CASH FLOW WITHIN THE GENERAL FUND WHICH SHALL
18 INCLUDE A LINE GRAPH SHOWING CHANGES IN CASH FLOW WITH A
19 RANGE STARTING FROM THE 2014-2015 FISCAL YEAR.

20 (2) THE CURRENT GENERAL FUND BALANCE.

21 (3) GENERAL FUND EXPENDITURES. THE FOLLOWING SHALL
22 APPLY:

23 (I) THE PUBLIC SHALL BE ABLE TO DELINEATE
24 EXPENDITURES MADE OUT OF THE GENERAL FUND BY THE
25 COMMONWEALTH AGENCY THAT MADE THE EXPENDITURE.

26 (II) IN ORDER TO PROVIDE THE INFORMATION REQUIRED
27 UNDER THIS SUBSECTION, EACH COMMONWEALTH AGENCY SHALL
28 PROVIDE THE DATA TO THE TREASURY DEPARTMENT IN A FILE
29 FORMAT STIPULATED BY THE TREASURY DEPARTMENT THROUGH
30 INTERFACE FILES.

1 (4) GENERAL FUND REVENUES, INCLUDING INFORMATION
2 RELATING TO THE DIFFERENCE BETWEEN ESTIMATED REVENUES FOR THE
3 GIVEN FISCAL YEAR AND ACTUAL REVENUES COLLECTED. THE TREASURY
4 DEPARTMENT SHALL ALSO INCLUDE A GRAPH COMPARING CHANGES
5 WITHIN THE GENERAL FUND REVENUES AND GENERAL FUND
6 EXPENDITURES STARTING WITH THE 2018-2019 FISCAL YEAR.

7 (C) BUDGET INFORMATION.--THE STATE TREASURER SHALL PROVIDE
8 ON THE TRANSPARENCY PORTAL INFORMATION RELATING TO THE GENERAL
9 FUND TO ACCURATELY REFLECT THE COMMONWEALTH'S FINANCES AT THE
10 END OF THE CLOSE OF BUSINESS THE PREVIOUS DAY, INCLUDING:

11 (1) EXPENDITURES FROM EACH OF THE COMMONWEALTH'S SPECIAL
12 OR RESTRICTED FUNDS, INCLUDING A BREAKDOWN OF AGENCY
13 EXPENDITURES FROM WITHIN THOSE FUNDS.

14 (2) DAILY CHANGES IN REVENUE AND EXPENDITURES FOR THE
15 COMMONWEALTH'S SPECIAL AND RESTRICTED FUNDS. THE INFORMATION
16 SHALL BE MADE AVAILABLE AS A LINE AND BAR GRAPH WITH FIGURES
17 TO REFLECT CHANGES IN THE GRAPH.

18 (3) IN ORDER TO IMPLEMENT THIS SUBSECTION, EACH
19 COMMONWEALTH AGENCY SHALL PROVIDE THE TREASURY DEPARTMENT
20 DATA COLLECTED UNDER THE PENNSYLVANIA WEB ACCOUNTABILITY AND
21 TRANSPARENCY (PENWATCH) ACT, IN A FILE FORMAT STIPULATED BY
22 THE TREASURY DEPARTMENT THROUGH INTERFACE FILES.

23 (D) COMMONWEALTH INVESTMENT INFORMATION.--THE STATE
24 TREASURER SHALL PROVIDE INFORMATION ON THE TRANSPARENCY PORTAL
25 RELATING TO THE COMMONWEALTH'S INVESTMENTS. THE INFORMATION
26 SHALL INCLUDE MONEY INVESTED BY THE COMMONWEALTH INTO BOTH
27 SHORT-TERM AND LONG-TERM INVESTMENTS. THE FOLLOWING SHALL APPLY:

28 (1) THE STATE TREASURER SHALL INCLUDE FROM WHICH FUND
29 MONEY WAS MOVED BY THE STATE TREASURER FOR THE PURPOSES OF
30 SHORT-TERM OR LONG-TERM INVESTMENT.

1 (2) THE STATE TREASURER SHALL ENSURE THE INFORMATION IS
2 UPDATED TO REFLECT CHANGES IN INVESTMENT AND FUND BALANCES
3 FROM THE CLOSE OF BUSINESS THE PREVIOUS DAY.

4 (E) COMMONWEALTH PROGRAMS.--THE STATE TREASURER SHALL
5 INCLUDE IN THE TRANSPARENCY PORTAL AN ANALYSIS OF THE
6 APPROPRIATIONS FOR COMMONWEALTH PROGRAMS BASED ON THE
7 APPROPRIATIONS AT THE CLOSE OF BUSINESS FOR THE PRIOR DAY. THE
8 ANALYSIS SHALL INCLUDE EACH APPROPRIATION, TOTAL BUDGETED
9 APPROPRIATION, TOTAL AUGMENTING REVENUE, TOTAL SPENT
10 APPROPRIATION AND PERCENTAGE OF THE TOTAL APPROPRIATION SPENT.

11 (F) COMMONWEALTH FINANCIAL WATCH.--THE STATE TREASURER SHALL
12 INCLUDE IN THE TRANSPARENCY PORTAL A COMMONWEALTH FINANCIAL
13 WATCH WHICH INCLUDES:

14 (1) THE TOP 20 COST DRIVERS WITHIN THE GENERAL FUND
15 DURING THE CURRENT FISCAL YEAR STARTING WITH THE 2018-2019
16 FISCAL YEAR.

17 (2) THE 10 COMMONWEALTH AGENCIES WITH THE HIGHEST DOLLAR
18 AMOUNT OF GENERAL FUND EXPENDITURES DURING THE CURRENT FISCAL
19 YEAR STARTING WITH 2018-2019 FISCAL YEAR, INCLUDING THE
20 PERCENT OF THE COMMONWEALTH AGENCY'S GENERAL FUND
21 APPROPRIATION SPENT.

22 (G) TIME PERIOD.--ALL INFORMATION PROVIDED UNDER THIS
23 SECTION SHALL REFLECT CHANGES WITHIN THE COMMONWEALTH'S FINANCES
24 STARTING NO LATER THAN THE 2018-2019 FISCAL YEAR.

25 § 502. DUTIES OF COMMONWEALTH AGENCIES.

26 A COMMONWEALTH AGENCY SHALL PROVIDE THE STATE TREASURER THE
27 DATA REQUIRED FOR THE OPERATION OF THE TRANSPARENCY PORTAL UNDER
28 SECTION 501 (RELATING TO STATE TREASURY TRANSPARENCY PORTAL) IN
29 A FILE FORMAT STIPULATED BY THE TREASURY DEPARTMENT THROUGH
30 INTERFACE FILES.

1 § 503. COMMONWEALTH CHECKBOOK.

2 (A) ACCESS.--THE OFFICE OF THE BUDGET SHALL PROVIDE ACCESS
3 TO THE INTEGRATED CENTRAL SYSTEM UNDER SECTION 620.1 OF THE ACT
4 OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE
5 CODE OF 1929, WITH INQUIRY-ONLY SCREENS ON ITS PUBLICLY
6 ACCESSIBLE INTERNET WEBSITE TO THE FOLLOWING:

7 (1) MEMBERS OF THE GENERAL ASSEMBLY.

8 (2) THE INDEPENDENT FISCAL OFFICE.

9 (3) THE DEPARTMENT OF THE AUDITOR GENERAL.

10 (4) THE GENERAL PUBLIC.

11 (B) EXPENSES.--THE OFFICE OF THE BUDGET SHALL PAY FOR ANY
12 EXPENSES TO IMPLEMENT THIS SECTION WITH UNENCUMBERED FUNDS.

13 SECTION 2. THIS ACT SHALL TAKE EFFECT IN 90 DAYS.