THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 110

Session of 2019

INTRODUCED BY RYAN, DUSH, HERSHEY, IRVIN, JAMES, KAUFFMAN, KEEFER, B. MILLER, SIMMONS, STAATS, ZIMMERMAN AND GABLER, JANUARY 28, 2019

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, MAY 19, 2020

AN ACT

Amending the act of April 9, 1929 (P.L.177, No.175), entitled, \leftarrow 1 as amended, "An act providing for and reorganizing the conduct of the executive and administrative work of the Commonwealth by the Executive Department thereof and the administrative departments, boards, commissions, and officers 5 thereof, including the boards of trustees of State Normal 6 Schools, or Teachers Colleges; abolishing, creating, 7 8 reorganizing or authorizing the reorganization of certain administrative departments, boards, and commissions; defining 9 the powers and duties of the Governor and other executive and 10 administrative officers, and of the several administrative 11 departments, boards, commissions, and officers; fixing the 12 salaries of the Governor, Lieutenant Governor, and certain 13 other executive and administrative officers; providing for 14 the appointment of certain administrative officers, and of 15 all deputies and other assistants and employes in certain 16 departments, boards, and commissions; providing for judicial 17 administration; and prescribing the manner in which the 18 number and compensation of the deputies and all other assistants and employes of certain departments, boards and 19 20 commissions shall be determined, " in Independent Fiscal 21 22 Office, further providing for revenue estimates. 23 The General Assembly of the Commonwealth of Pennsylvania 24 hereby enacts as follows: 25 Section 1. Section 605-B(e) of the act of April 9, 1929 26 (P.L.177, No.175), known as The Administrative Code of 1929,

AMENDED JUNE 28, 2019 (P.L.101, NO.15), is amended to read:

1 Section 605-B. Revenue estimates.

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(e) Proposed change in law. --

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change in law affecting revenues and receipts, including increases in regulatory fees, proposed or considered as part of the annual State budget. If the proposed change in law will have a fiscal impact in excess of \$10,000,000 in any fiscal year, the estimate shall be prepared on the basis of assumptions that estimate the probable behavioral responses of taxpayers, businesses and other persons to the proposed changes and shall include a statement identifying those assumptions. The information may be used to revise the revenue estimate under [subsection (a)] section 1704 E(a) of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code.

(E) PROPOSED CHANGE IN LAW. --

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(1) THE OFFICE SHALL PREPARE A REVENUE ESTIMATE OF ANY CHANGE IN LAW AFFECTING REVENUES AND RECEIPTS, INCLUDING INCREASES IN REGULATORY FEES, PROPOSED OR CONSIDERED AS PART OF THE ANNUAL STATE BUDGET. IF THE PROPOSED CHANGE IN LAW WILL HAVE A FISCAL IMPACT IN EXCESS OF \$10,000,000 IN ANY FISCAL YEAR, THE ESTIMATE SHALL BE PREPARED ON THE BASIS OF ASSUMPTIONS THAT ESTIMATE THE PROBABLE BEHAVIORAL RESPONSES OF TAXPAYERS, BUSINESSES AND OTHER PERSONS TO THE PROPOSED CHANGES AND SHALL INCLUDE A STATEMENT IDENTIFYING THOSE ASSUMPTIONS. THE INFORMATION MAY BE USED TO REVISE THE REVENUE ESTIMATE UNDER SUBSECTION (A.1).

(2) The office shall prepare, if requested by an officer listed in section 615-B(a), a revenue estimate of any change

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1	in law	, aiiecting	revenues	and	receipts.	, includi	ng increases

- 2 in regulatory fees, that may be expected to carry a fiscal
- 3 impact in excess of \$10,000,000 in any fiscal year, proposed
- 4 <u>or considered as part of a bill or amendment in either House</u>
- 5 of the General Assembly. If the proposed change in law will
- 6 have a fiscal impact in excess of \$10,000,000 in any fiscal
- 7 <u>year, the estimate shall be prepared on the basis of</u>
- 8 <u>assumptions that estimate the probable behavioral responses</u>
- 9 <u>of taxpayers, businesses and other persons to the proposed</u>
- 10 changes and shall include a statement identifying those
- 11 <u>assumptions. The information may be used to revise the</u>
- 12 revenue estimate under section 1704 E(a) of the act of April <--
- 13 <u>9, 1929 (P.L.343, No.176), known as The Fiscal Code</u>
- 14 <u>SUBSECTION (A.1).</u>
- 15 (3) Except as otherwise provided in paragraph (4), no

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- bill or amendment to which paragraph (2) applies may be given
- 17 second consideration in either House of the General Assembly
- 18 until the office has attached a revenue estimate in
- 19 compliance with paragraph (2).
- 20 (4) If the office fails to attach a revenue estimate
- 21 <u>within 20 legislative days after a bill or amendment to which</u>
- 22 paragraph (2) applies, the bill may be further considered in
- 23 the same manner as if the revenue estimate had been attached
- to the bill or amendment.
- 25 * * *
- 26 Section 2. This act shall take effect in 60 days.