

No. 1978-149

AN ACT

SB 645

Amending the act of April 9, 1929 (P.L.177, No.175), entitled "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 thereof, including the boards of trustees of State Normal Schools, or Teachers Colleges; abolishing, creating, reorganizing or authorizing the reorganization of certain administrative departments, boards, and commissions; defining the powers and duties of the Governor and other executive and administrative officers, and of the several administrative departments, boards, commissions, and officers; fixing the salaries of the Governor, Lieutenant Governor, and certain other executive and administrative officers; providing for the appointment of certain administrative officers, and of all deputies and other assistants and employes in certain departments, boards, and commissions; and prescribing the manner in which the number and compensation of the deputies and all other assistants and employes of certain departments, boards and commissions shall be determined," providing for the establishment and operation of the Office of the Budget as an administrative agency within the Governor's Office; imposing powers and duties on the Office of the Budget relating to budgetary matters applicable to all branches of State Government, transferring the Bureau of Financial Management to the Office of the Budget and providing for campus police for community colleges.

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

Section 1. The heading of Article VI, act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929," is amended to read:

ARTICLE VI
[BUDGETARY AND FINANCIAL POWERS AND DUTIES
OF ADMINISTRATIVE OFFICERS, DEPARTMENTS,
BOARDS, AND COMMISSIONS]
COMMONWEALTH BUDGET PROCEDURES

Section 2. Sections 601, 602, 603, 604, 605, 606 and 608 of the act are repealed.

Section 3. This act is amended by adding sections to read:

Section 609. Office of the Budget.—(a) The Office of the Budget is hereby established as an administrative agency within the Governor's Office. The Office of the Budget shall continue to exercise the powers and perform the duties vested in and imposed upon the Secretary of the Budget and shall be centrally concerned with the development of the budget request of the Governor and with the decisions necessary to allocate revenues among the various Commonwealth programs.

(b) The Governor shall appoint a Secretary of the Budget to serve during the pleasure of the Governor.

(c) The annual salary of the Secretary of the Budget shall be forty-four thousand dollars (\$44,000) or at such higher level as is established by the Governor with the approval of the Executive Board.

Section 610. Preparation of Budget.—(a) The Secretary of the Budget shall, in each year obtain and prepare financial and program information necessary for the preparation of a State budget for the budget year beginning July 1 and for the preparation of financial and program projections for the budget year and for four succeeding years. He shall, not later than August 15 of such year distribute to the Governor, to the Lieutenant Governor, to the Auditor General, to the State Treasurer, to the Attorney General, to each administrative department, to each independent administrative board and commission, to the Chief Clerk of the Senate, to the Chief Clerk of the House of Representatives, to the State court administrator, and to all institutions or other agencies which desire State appropriations to be made to them, the proper instructions and blanks necessary to the preparation of the budget requests with a notice that such blanks shall be returned with the information desired, not later than November 1 of the same year. Such blanks shall be in such form as shall be prescribed by the secretary, to procure any or all information pertaining to the purposes of all programs to be funded in the budget, the revenues, expenditures, program activities and accomplishments for the preceding fiscal year, for the current fiscal year, and for the budget year and for four succeeding years, the appropriations made for the preceding fiscal year, the expenditures therefrom, encumbrances thereon, the amount unencumbered and unexpended, an itemized estimate of the revenues and expenditures of the current fiscal year, for the budget year and succeeding years, and an estimate of the revenue amounts needed and program activity and accomplishment levels for the respective departments, boards, commissions, for expenses of the General Assembly, for the Judicial Department, and for any and all institutions, or other agencies to which appropriations are likely to be made by the General Assembly for the budget year and ensuing years. Such blanks shall also require the person returning them to accompany them with a statement in writing, giving the purposes of each program to be funded, the expected levels of activity of the programs, the expected levels of accomplishments and the measures to be used to determine to what extent the programs have achieved the stated purposes. In addition such blanks shall require the person returning them to accompany them with a statement in writing giving the facts, and an explanation of the methods and reasons for arriving at the estimates of receipts and expenditures for the budget year and for four succeeding years. It shall be the duty of each administrative department, and each independent administrative board and commission to comply, not later than November 1, with any and all requests made by the Secretary of the Budget in connection with the budget.

(b) The Secretary of the Budget may, under the direction of the Governor, make further inquiries and investigations as to the financial

needs, expenditures, estimates of levels of program activities and accomplishments, or revenues, of any department, board, commission, authority, political subdivision, institution or other agency receiving money from the State Treasury. The Governor may, after giving to each department, board or commission an opportunity to be heard, approve, disapprove or alter the budget requests. The Secretary of the Budget shall, on or before January 1 next succeeding, submit to the Governor, in writing, the above information, and any additional requested by the Governor, as the basis for the Governor's requests for appropriations for the next succeeding year.

Section 611. Program Evaluation.—*The Secretary of the Budget shall have the power and it shall be his duty to initiate and conduct, under the direction of the Governor, evaluations of the effectiveness and management efficiency of programs supported by any agency under the Governor's jurisdiction; including Federally funded as well as State-funded programs, and to direct, coordinate, assist and/or advise any agency under the Governor's jurisdiction in the conduct of evaluations of its programs or of programs which it supports. It shall also be the duty of the Secretary of the Budget to prepare reports detailing the results of program evaluation conducted by the secretary for distribution to the Governor, the General Assembly, interested agencies, and the public.*

Section 612. Fiscal Notes.—*The Office of the Budget shall prepare a fiscal note for regulatory actions and administrative procedures of the administrative departments, boards, commissions, or authorities, receiving money from the State Treasury. The fiscal note shall state whether the proposed action or procedure causes a loss of revenue or an increase in the cost of programs to the Commonwealth or its political subdivisions. Any such regulatory action or administrative procedure which requires a fiscal note shall be published in the Pennsylvania Bulletin. The fiscal note shall be published in the Pennsylvania Bulletin at the same time the proposed change is advertised. The fiscal note shall provide the following information:*

(1) The designation of the fund out of which the appropriation providing for expenditures under the action or procedure shall be made.

(2) The probable cost for the fiscal year the program is implemented.

(3) A projected cost estimate of the program for each of the five succeeding fiscal years.

(4) The fiscal history of the program for which expenditures are to be made.

(5) The probable loss of revenue for the fiscal year of its implementation.

(6) A projected loss of revenue from the program for each of the five succeeding fiscal years.

(7) The line item, if any, of the General Appropriation Act or other appropriation act out of which expenditures or losses of Commonwealth funds shall occur as a result of the action or procedures.

(8) The recommendation, if any, of the Secretary of the Budget and the reasons therefor.

Section 613. Submission of Budget to General Assembly.—As soon as possible after the organization of the General Assembly, but not later than the first full week in February of each year, except in the case where a Governor has been elected for his first term of office and then no later than the first full week in March, the Governor shall submit to the General Assembly copies of agency budget requests and a State budget and program and financial plan embracing:

(1) A balanced operating budget for the ensuing fiscal year setting forth in detail:

(i) The amounts recommended by him to be appropriated to the General Assembly, the Judicial Department, the Governor, and the several administrative departments, boards, and commissions of the State Government, and to institutions within the State, and for all public purposes, classified by department or agency and by program.

(ii) The estimated revenues or receipts from any and all sources, and an estimated amount to be raised by taxation or otherwise, including proposals for new revenues and receipts.

(2) A capital budget for the ensuing fiscal year setting forth capital projects to be financed from the proceeds of obligations of the Commonwealth or of its agencies or authorities or from operating funds.

(3) A program and financial plan for not less than the prior fiscal year, the current fiscal year, this budget year and the four succeeding fiscal years, which plan shall include for each such fiscal year:

(i) Actual or estimated operating expenditures classified by department or agency and by program, in reasonable detail, and actual or estimated revenue by major categories from existing and additional sources.

(ii) Clearly stated purposes of each program in terms of desired accomplishments.

(iii) Measures used to determine to what extent such program has achieved its stated purposes.

(iv) Actual or estimated levels of accomplishment for each program and actual or estimated levels of program activities and their associated costs.

(v) Clearly stated purposes for each recommended new or revised program, measures to be used to determine whether each new or revised program has achieved its purpose, estimated levels of additional or new accomplishment of each new or revised program, estimated levels of additional activities for each such program, and their associated costs.

(vi) When the Secretary of the Budget identifies a new or expanded program by criteria used in the budget instructions, the new or expanded program shall be displayed and justified as a separate item in the Governor's budget request. A new program shall not be considered to be enacted by the General Assembly in its first year unless it is specifically

referred to or displayed as a line item in an appropriation bill.

Section 614. List of Employees to be Furnished to Certain State Officers.—(a) *All administrative departments, boards, and commissions and the Attorney General shall on July 15 of each year, transmit to the Auditor General, the State Treasurer and Secretary of the Budget a complete list, and to the Legislative Data Processing Center a computer tape of such list, as of July 1 preceding, of the names of all persons, except day-laborers, entitled to receive compensation from the Commonwealth for services rendered in or to the department, board, or commission, as the case may be. Such list shall show the position occupied by each such person, the date of birth and voting residence of such person, the salary at which or other basis upon which such person is entitled to be paid, the date when such person entered the service of the Commonwealth, whether such person has been continuously employed by the Commonwealth since that date, and all periods of service and positions held as an employe of the Commonwealth, or such part of such information as the Governor may prescribe.*

(b) Each month thereafter, the Attorney General, the heads of the several administrative departments, and the several independent administrative boards and commissions, shall certify to the Auditor General, the State Treasurer and the Secretary of the Budget any changes in the annual list of employes last transmitted to them which shall have occurred during the preceding month.

(c) The information received by the Auditor General, the State Treasurer and the Secretary of the Budget, under this section, shall be public information.

Section 615. Estimates of Current Expenditures by Departments, Boards and Commissions.—(a) *Each administrative department, board and commission, except the departments of which the Auditor General, the State Treasurer and the Attorney General are respectively the heads, shall from time to time, as requested by the Governor, prepare and submit to the Secretary of the Budget, for approval or disapproval, an estimate of the amount of money required and the levels of activity and accomplishment for each program carried on by each department, board or commission, during the ensuing month, quarter, or such other period as the Governor shall prescribe. All available Federal funds and funds from other sources shall be characterized as such and shall be included in the estimated expenditures which must be submitted to the Secretary of the Budget before any expenditures therefrom may be made. If such estimates do not meet with the approval of the Secretary of the Budget, it shall be revised as necessary and resubmitted for approval. The Secretary of the Budget may establish an authorized personnel complement level in conjunction with the approved expenditure estimate.*

(b) After the approval of any such estimate, it shall be unlawful for the department, board, or commission to expend any appropriation, Federal funds or funds from other sources or part thereof, except in accordance

with such estimate and the authorized complement level, unless the same be revised with the approval of the Secretary of the Budget and within the limits appropriated by the General Assembly.

(c) If any department, board, or commission, to which this section applies, shall fail or refuse to submit to the Secretary of the Budget estimates of expenditures, in accordance with the Governor's request, the Governor may notify the State Treasurer, in writing, of such failure or refusal, and, after receipt of such notice, the State Treasurer shall not draw any warrant in favor of such department, board, or commission, until the Governor shall have notified the State Treasurer, in writing, that the delinquent department, board, or commission has furnished him with, and he has approved, the estimate as required in this section.

Section 616. Estimates of Current Expenditures by Elective Officers.—The Auditor General, State Treasurer and the Attorney General shall, from time to time, as requested by the Governor, prepare and submit to the Secretary of the Budget estimates of the amounts of money required for each activity or function to be carried on by their respective departments during the ensuing month, quarter, or such other period as the Governor shall prescribe.

Section 617. Fiscal Period.—(a) All books and accounts kept by the Auditor General, the State Treasurer and the Attorney General and every department, board and commission shall be kept as of the fiscal year or period. The fiscal year shall be the period beginning on July 1 of each calendar year and ending on June 30 of the calendar year next succeeding.

(b) The Auditor General and the Department of the Auditor General shall submit to any accountants appointed by the Governor for the purpose of making an audit of the affairs of the Auditor General and the Department of the Auditor General all books, papers and records in any way pertaining to such affairs.

Section 618. Revenue Estimates.—(a) The Department of Revenue in conjunction with the Secretary of the Budget shall make revenue estimates for the use of the Governor in preparing the budget with periodic revisions until the final estimate is signed by the Governor not later than the time he signs the general appropriation bill. The revenue estimates used to sign any appropriation bill shall show separately State revenues, Federal funds, and, if specifically appropriated, funds from other sources. The Governor shall item veto any part of any appropriation bill that causes total appropriations to exceed the official estimate plus any unappropriated surplus. No changes in the revenue estimates shall be made thereafter unless changes in statutes affecting revenues and receipts are enacted.

(b) The revenue estimates shall be prepared in a way that they are subject to complete and thorough oversight by the Appropriations Committees of the Senate and the House of Representatives with full knowledge of all data, assumptions, and econometric models which were

used to develop the projections and any subsequent revisions of these projections.

(c) A committee consisting of the Governor, the Secretary of the Budget, the Secretary of Revenue and the Chairmen of the Appropriations Committees of the Senate and the House of Representatives is hereby established to oversee the development, maintenance and/or use of econometric models which may be applied in the forecasting of State revenues. A model or models shall be developed for this purpose in the event that one does not currently exist. The Governor's Office shall maintain and update the model or models or appoint an appropriate agency or agencies to perform this responsibility. The Governor's Office shall inform the Oversight Committee of any changes to be made to the model or models to keep it updated. The equations of the model or models and any historic data bases related thereto shall be available to any member of the Oversight Committee or to the Minority Chairman of the Appropriations Committee of the Senate or House of Representatives upon request at any time for any reason. Members of the Oversight Committee or the Minority Chairman of the Appropriations Committee of the Senate or the House of Representatives may request the Governor's Office or the appropriate agency to run the model or models for any purpose including the testing of new equations and to produce forecasts. Forecasts produced by the model or models and any forecasted data bases related thereto shall be kept confidential by the Governor's Office and the appropriate agency or agencies producing these forecasts until or unless the individual requesting such forecast shall release them from this requirement. In no way shall this confidentiality provision be construed to prevent access by the Appropriations Committees of the Senate or House of Representatives to forecasts used in the preparation of the Governor's revenue estimates after the presentation of the budget as required in sections 619(b).

Section 619. Transmission of Budget Information to the General Assembly.—(a) In December of each year, the Governor shall meet with the Majority and Minority Chairmen of the Appropriations Committees and the officers of the General Assembly to brief the legislative leadership on the issues he can foresee as being imminent in the budget for the next fiscal year and exchange views with them on issues on the budget before it is formally submitted to the General Assembly. The Governor's briefing shall include:

- (1) Major anticipated increases or decreases in programs.*
- (2) The results or anticipated results of employee union negotiations for salaries, wages and other benefits.*
- (3) The statistics involved in preliminary forecasts of the major programs mandated by statute such as education subsidies, all public assistance programs, debt service and forecasts of revenue.*

(4) Other appropriate budget information.

The legislative officers shall also inform the Governor of financial matters which should be considered in the budget.

(b) In the year the Governor is inaugurated, the Governor shall present the budget to the General Assembly no later than the first full week in March and in other years, no later than the first full week in February.

(c) The budget shall include the results of any program evaluation report completed by the Budget Office in the fiscal year preceding the year in which the budget request is made. The results of the evaluation report and its recommendations shall be summarized and included in the budget documentation.

(d) The Governor and each department or agency of the Commonwealth, upon request of the Chairman of the Appropriations Committees of either the Senate or the House of Representatives, shall provide documentation of any budget request, including revenue estimates upon which the Governor's budget estimate is based.

Section 620. Budget Implementation Data.—*(a) The Governor shall make monthly expenditure data available to the Majority and Minority Chairmen of the Appropriations Committees of the Senate and the House of Representatives. Monthly data shall be provided within fifteen (15) days after the end of each month. The monthly data shall be prepared in such a way that the last monthly submission is a summary inclusive of the preceding months of the fiscal year and shall be usable to establish a history of expenditure file. This data, at the discretion of the Majority and Minority Chairmen of the Appropriations Committees of the Senate and the House of Representatives may be provided either in finished reports or on computer tapes. The data shall be provided by fund, by appropriation, by department and by organization within each department and shall include:*

- (1) Number of filled personnel positions and their cost.*
- (2) Itemized personnel vacancies and their cost.*
- (3) New positions created and their cost.*
- (4) Wage and overtime costs.*
- (5) Allotments and expenditures for itemized personnel expenses.*
- (6) Allotments and expenditures for itemized operating expenses.*
- (7) Allotments and expenditures for itemized fixed assets.*
- (8) The rate of expenditures in appropriations for major subsidy and grant programs during the month.*

In addition to the above specified budgetary data, the Governor shall make available any other budgetary data as may be requested from time to time by the Majority and Minority Chairmen of the Appropriations Committees of the Senate and the House of Representatives.

(b) The Governor shall make monthly revenue reports to the Majority and Minority Chairmen of the Appropriations Committees of the Senate and the House of Representatives. The revenue reports shall show the actual collection of revenue itemized by source and a comparison of the

actual collections with estimated collections for each month. The comparison shall be accompanied by an analysis which would indicate any change in collection patterns which will cause a shortfall or overrun on the annual estimates of more than one per centum (1%).

(c) The Governor shall cause to be prepared any other revenue data as may be requested from time to time by the Majority or Minority Chairmen of the Appropriations Committees of the Senate or the House of Representatives.

Section 4. The first paragraph, clauses (a), (b), (c), (e) and (h) and the last paragraph of section 2416 of the act, amended July 7, 1968 (P.L.297, No.149) and the last paragraph amended July 30, 1975 (P.L.149, No.75), are amended to read:

Section 2416. Capitol Police, Commonwealth Property Police and Campus Police.—The Capitol Police, Commonwealth Property Police and the Security or Campus Police of all State colleges and universities, [and] State aided or related colleges and universities *and community colleges* shall have the power, and their duty shall be:

(a) To enforce good order in State buildings and on State grounds in Dauphin County, in the Pittsburgh State Office Building and the grounds, in the Philadelphia State Office Building and the grounds and in the grounds and buildings of all State colleges and universities, [and] State aided or related colleges and universities *and community colleges*;

(b) To protect the property of the Commonwealth in State grounds and buildings in Dauphin County, in the Pittsburgh State Office Building and grounds, in the Philadelphia State Office Building and grounds and in the grounds and buildings of all State colleges and universities, [and] State aided or related colleges and universities *and community colleges*;

(c) To exclude all disorderly persons from the premises of the State Capitol, State buildings in Dauphin County, the Pittsburgh State Office Building and the Philadelphia State Office Building and from the grounds and buildings of all State colleges and universities, [and] State aided or related colleges and universities *and community colleges*;

* * *

(e) To exercise the same powers as are now or may hereafter be exercised under authority of law or ordinance by the police of the cities of Harrisburg, Pittsburgh and Philadelphia, municipalities in Dauphin County wherein State buildings are located and in municipalities wherein said colleges, [and] universities *and community colleges* are located;

* * *

(h) To arrest any person who shall damage, mutilate or destroy the trees, plants, shrubbery, turf, grass-plots, benches, buildings or structures, or commit any other offense within State buildings on State grounds in Dauphin County, the Pittsburgh State Office Building and grounds, and the Philadelphia State Office Building and grounds, the Executive Mansion, and the grounds and buildings of all State colleges and universities, [and] State aided or related colleges and universities *and*

community colleges, and carry the offender before the proper alderman, justice of the peace or magistrate and prefer charges against him under the laws of the Commonwealth.

Security and Campus Police shall exercise their powers and perform their duties only on the premises of the State colleges and universities, **[and]** State aided or related colleges and universities *and community colleges* by or for which they are employed and only after they have completed a course of training including crisis intervention training and riot control as approved by the **[police commissioner or chief of the municipality in which said premises are located]** *Department of Education* except, that Campus Police employed by State owned colleges and universities located in any municipalities, other than cities of the first class or second class, are authorized, in emergency situations occurring within the municipality, upon the request of the mayor or other executive authority and under the direction of the local law enforcement authorities, to exercise those powers and perform those duties conferred pursuant to this section within the municipality for the limited purpose of aiding local authorities in emergency situations. When so acting, the Campus Police shall be acting within the scope of the authority of this act and are, at all times, State employes of this Commonwealth and entitled to all the rights and benefits accruing therefrom.

Section 5. The powers and duties of the Bureau of Financial Management under the jurisdiction and control of the Secretary of Administration are hereby transferred to the Office of the Budget under and subject to the control of the Secretary of the Budget. All personnel, allocations, appropriations, equipment, files, records, contracts, agreements, obligations, and other materials which are used, employed or expended by the Bureau of Financial Management in connection with the powers, duties or functions exercised by it are hereby transferred to the Office of the Budget with the same force and effect as if the appropriations had been made to and said items had been the property of the Office of the Budget in the first instance and as if said contracts, agreements and obligations had been incurred or entered into by said Office of the Budget.

Section 6. This act shall take effect immediately and sections 1, 2, 3 and 5 shall apply to the 1978-1979 fiscal year and to each fiscal year thereafter.

APPROVED—The 27th day of September, A. D. 1978.

MILTON J. SHAPP