

Comparison of Act 50 to Article VI of Administrative Code

Act 50 --Proposed Legislative Fiscal Office	Current Law - Administrative Code
Section 504. Duties of office	
1 Prepare revenue estimates	Section 618. Requires Department of Revenue in conjunction with Secretary of the Budget to provide revenue estimates.
2 By January 1, provide baseline budget	Section 610. Requires Secretary of the Budget to submit to the Governor a proposed budget to be used as the basis for the Governor's budget request by January 1.
3 Analyze all aspects of executive budget	Current Practice: Analysts for the Appropriations Committees analyze the executive budget and provide information to the members and the public.
4 Develop and use econometric models to forecast state revenues	Section 618. Department of Revenue makes revenue estimates. Revenue estimates are reviewed by the Appropriations Committees. Current Practice: Appropriations Committee staff have access to economic models and forecasts used by Department of Revenue and produce their own revenue forecasts.
5 By November 15, assess current fiscal condition and projections for next five years	Section 610. Requires the Governor's proposed budget to include information pertaining to the current fiscal year, the budget year, and for four succeeding year. Section 619. Assessment of fiscal condition and projections is presented to the legislature in December of each year.
6 Monitor state taxes and other receipts	Section 620(b). Governor provides monthly revenue reports to Appropriations Committees. The Department of Revenue currently monitors state taxes and other receipts. Current practice: The Appropriations Committee staff have access to revenues and expenditure data via the integrated financial accounting system.
7 Develop and evaluate performance measures	Section 611 and Section 613(3). The Secretary of the Budget conducts program evaluations. The Governor's budget which is submitted to the legislature the first full week in February includes a program plan for the fiscal year. Current practice: Office of the Budget produces an annual report on performance measures.
8 Establish internet website	Both the Governor's Budget Office (www.budget.state.pa.us) and Department of Revenue (www.revenue.state.pa.us) publish information on internet websites
Section 505. Revenue estimates	
9 Initial revenue estimate due by second week in February	Section 613. Initial revenue estimate included in the Governor's executive budget which is submitted to the legislature the first full week in February and is prepared by the Governor's Budget Office.

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10	Official final revenue estimate for next fiscal year due by June 15. No revisions to estimate permitted unless related statutes enacted. Methodology to develop estimates to be published.	Section 618 and 618.1. Requires Department of Revenue in conjunction with Secretary of the Budget to make revenue estimates. The final estimate is to be signed by the Governor not later than the time he signs the general appropriation bill. No revisions to estimate permitted unless related statutes enacted. Official revenue estimate may be revised within 60 days to account for additional revenue expected to be generated.
11	Provide General Assembly's Appropriations Committees and GBO with data, assumption and econometric models used to develop projections and revenue estimates.	Section 618. Revenue estimates are reviewed by the General Assembly's Appropriations Committees. A joint committee including Governor, Budget Secretary, Revenue Secretary, Chairmen of General Assembly's Appropriations Committees oversee the development, maintenance and use of econometric models that are applied in forecasting state revenues. Current Practice: Each appropriations committee has access to economic data and revenue forecasting models and makes their own revenue projects.
12	Required information for revenue estimates includes assessment of the economy, summary of current revenue to date by fund and projected revenue or deficit.	Sections 618 and 620. Revenue estimate to separately show state and federal funds by source. Monthly revenue reports itemize revenue by source and compares actual with estimated collections.
13	Revenue estimate to be based on existing statutes and tax policy and existing or emerging state or national economic trends	Section 618 and 618.1. Requires Department of Revenue in conjunction with Secretary of the Budget to make revenue estimates. The final estimate is to be signed by the Governor not later than the time he signs the general appropriation bill. No revisions to estimate permitted unless related statutes enacted.
14	Prepare a revenue estimate of any change in state tax law proposed as part of the annual state budget. If there is a fiscal impact in excess of \$10,000,000, 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 include a statement identifying those assumptions	Section 613. Requires estimate of revenue for proposals of new revenues and receipts.
15	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	Section 618. Department of Revenue in conjunction with Secretary of Budget makes revenue estimates for use of the Governor in preparing the budget.
16	Requires Governor to item veto any part of any part of appropriation bill that causes total appropriations to exceed official estimate plus unappropriated surplus.	Section 618. Requires Governor to item veto any part of appropriation bill that causes total appropriations to exceed official estimate plus unappropriated surplus.

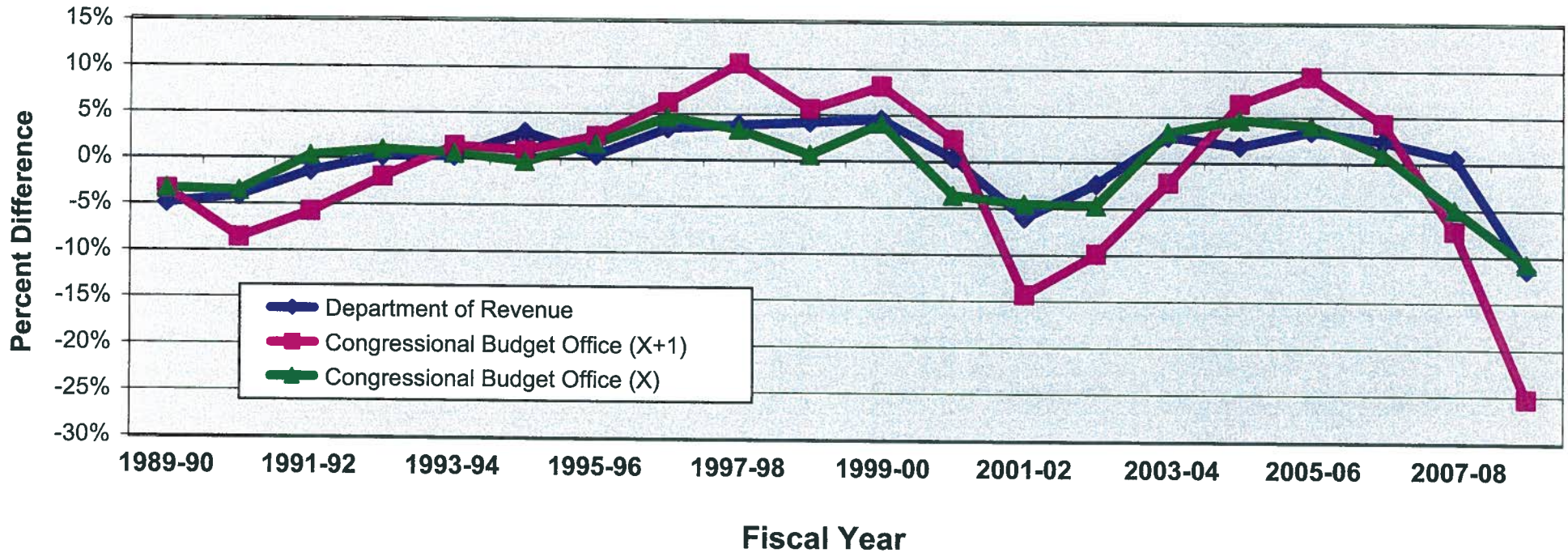
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	Section 506. Budget information	
17	Office to be notified and to attend briefings provided by the Governor or the Secretary of the Budget related to transmission of budget information to the General Assembly.	Section 619. Requires Governor to brief legislative leadership on issues related to the budget in December and to present the budget before the General Assembly in February (March in year inaugurated).
	Section 507. Expenditures	
18	Commonwealth agencies provide monthly expenditure data available, including personnel information, within 7 days after end of each month.	Section 620. Monthly expenditure data is made available within 15 days after end of each month. Current Practice: Appropriations Committees have access to information via the integrated financial accounting system.
19	Agencies to submit budget requests to Independent Fiscal Office and Governor's Budget Office at same time.	Section 610. Agencies to submit budget requests to Governor's Budget Office no later than November 1. Current Practice: Agencies submit detailed budget information to the Appropriations Committees prior to the budget hearings.
20	Governor shall make monthly revenue reports to the office.	Section 620. Requires Governor to make monthly revenue reports to Appropriations Committees. Current Practice: Appropriations Committees have access to information via the integrated financial accounting system and are posted on the Department of Revenue's Web Page.
21	Commonwealth agencies to prepare other revenue data requested by the office.	Section 620. Requires Governor, Auditor General, State Treasurer and Attorney General to prepare revenue data requested by Appropriations Committees. Current Practice: Appropriations Committees have access to information via the integrated financial accounting system and are posted on the Department of Revenue's Web Page.
22	Except for confidential information, office to have electronic access to all information available on inquiry-only screens through an integrated central computer system.	Section 620.1. Requires electronic access to information on inquiry-only screens through the integrated central system to Appropriations Committees.
	Section 508. Revenue conference	
23	By January 31 of each year, the office shall convene a meeting with Budget Secretary and the chairman and minority chairman of the Appropriations Committees to discuss assessment of the economy, recommended changes to revenue forecasting and econometric models being considered by the office, current year-to-date revenue collections by specific tax or revenue source, any statutory or tax policy changes that may be recommended by the Governor or the General Assembly for the next fiscal year.	Section 619. Requires Governor to brief legislative leadership on issues related to the budget in December. Current Practice: Governor's proposed budget includes economic outlook section which summarized key economic indicators.

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	Section 509. Access to information.	
24	Director authorized to secure information, data, expense information, estimates and statistics directly from a Commonwealth agency or political subdivision.	<p>Section 620. Requires Governor, Auditor General, State Treasurer and Attorney General to prepare budgetary and revenue data requested by Appropriations Committees.</p> <p>Current Practice: Appropriations Committees have access to information via the integrated financial accounting system and are posted on the Department of Revenue's Web Page.</p>
25	Director authorized to obtain information, data, estimates and statistics developed by the Office of the Budget and all Commonwealth agencies. Governor to submit to the office copies of final agency budget requests.	<p>Section 619 (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.</p>
26	Office to have access to any computerized database of a state agency that is required to aid the office in the performance of its duties, except that any statutory requirements regarding privacy of individuals' records shall be observed in providing access	<p>Current Practice: Appropriations Committees have access to revenue collections and budget expenditure information through the Integrated Financial and Accounting System.</p>
27	Secretary of Revenue and the Secretary of the Budget shall post revenue collection data for each deposit day and make the information available to the office and the Appropriations Committees.	<p>Current Practice: Appropriations Committees have access to revenue collection information through the integrated financial accounting system.</p>
28	Governor, Attorney General, Auditor General and State Treasurer to prepare any other revenue data requested by the office.	<p>Section 620. Requires Governor, Auditor General, State Treasurer and Attorney General to prepare revenue data requested by Appropriations Committees.</p>

Comparison of Forecasts Department of Revenue vs Congressional Budget Office



Department of Revenue Forecast

Forecast typically done in June X for the fiscal year July X to June X+1 (approximate 12 month forecast)

Congressional Budget Office Forecast

X+1 - Forecast typically done in January/February X for fiscal year October X - September X +1 (approximate 21 month forecast)

X - Forecast typically done in January February X+1 for year October X - September X+1 (approximate 9 month forecast)

Budget Process in Pennsylvania

