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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 53 Session of  
2019

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INTRODUCED BY RYAN, GROVE, DOWLING, SCHEMEL, ORTITAY, FRITZ,  
WALSH, ROTHMAN, BERNSTINE, KAUFFMAN, WHEELAND, ZIMMERMAN,  
MILLARD, IRVIN, COOK, HELM AND GAYDOS, MARCH 14, 2019

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REFERRED TO COMMITTEE ON STATE GOVERNMENT, MARCH 14, 2019

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AN ACT

1 Amending Title 71 (State Government) of the Pennsylvania  
2 Consolidated Statutes, in boards and offices, establishing  
3 the Department of Business, Tourism and Workforce Development  
4 and transferring specific powers and duties from the  
5 Department of Labor and Industry, the Department of Community  
6 and Economic Development and the Department of State to the  
7 Department of Business, Tourism and Workforce Development.

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

10 Section 1. Part V of Title 71 of the Pennsylvania  
11 Consolidated Statutes is amended by adding a chapter to read:

12 CHAPTER 45

13 DEPARTMENT OF BUSINESS, TOURISM

14 AND WORKFORCE DEVELOPMENT

15 Subchapter

16 A. General Provisions

17 B. Departmental Administration

18 SUBCHAPTER A

19 GENERAL PROVISIONS

20 Sec.

1 4501. Scope of chapter.

2 4502. Definitions.

3 § 4501. Scope of chapter.

4 This chapter relates to the Department of Business, Tourism  
5 and Workforce Development.

6 § 4502. Definitions.

7 The following words and phrases when used in this chapter  
8 shall have the meanings given to them in this section unless the  
9 context clearly indicates otherwise:

10 "Administrative Code of 1929." The act of April 9, 1929  
11 (P.L.177, No.175), known as The Administrative Code of 1929.

12 "Continuous improvement process system." A management  
13 methodology system that combines tools to improve process speed  
14 and reduce waste with data-driven project analysis to provide  
15 products and services with improved quality at a lower cost. The  
16 term may involve any of the following strategies:

17 (1) Developing a process map that describes the lean  
18 government principles or another widely accepted business  
19 process improvement system by which an executive agency  
20 engages in specific activities that have the purpose of  
21 increasing efficiency and eliminating waste in the processes  
22 used to deliver goods and services to taxpayers and customers  
23 of this Commonwealth. This strategy includes the measurement  
24 of the outcomes regarding increased efficiency and the  
25 elimination of waste and procedures by which the executive  
26 agency produces goods or serves its customers.

27 (2) Engaging in specific activities to rapidly improve  
28 an executive agency's processes that will increase value or  
29 decrease staff time, inventory, defects, overproduction,  
30 complexity, delays or excessive movement.

1       (3) Involving executive agency employees at all levels  
2 to map the executive agency's processes and recommend  
3 improvements, with specific importance placed on the  
4 involvement of executive agency employees closest to the  
5 customer or end user of the State government product or  
6 service.

7       (4) Providing the means to measure each process in order  
8 to demonstrate the effectiveness of each process or process  
9 improvement.

10       (5) Training executive agency employees to mentor and  
11 train other executive agency employees in continuous  
12 improvement process systems.

13       "Department." The Department of Business, Tourism and  
14 Workforce Development established under section 4511 (relating  
15 to establishment of department).

16       "Executive agency." Any of the following:

17       (1) The Governor's Office.

18       (2) A department, board, commission, authority or other  
19 agency of the Commonwealth that is subject to the policy  
20 supervision and control of the Governor.

21       (3) The Office of Lieutenant Governor.

22       (4) An independent department.

23       (5) An independent agency.

24       "Executive board." As specified in section 204 of the  
25 Administrative Code of 1929.

26       "Independent agency." A board, commission, authority or  
27 other agency of the Commonwealth that is not subject to the  
28 policy supervision and control of the Governor. The term does  
29 not include:

30       (1) A court or agency of the unified judicial system.



1 (a) Division of responsibilities.--The department shall be  
2 divided into the following:

3 (1) The Bureau of Marketing and Tourism.

4 (2) The Bureau of Licensing.

5 (3) The Bureau of Safety and Labor-Management Relations.

6 (4) The Bureau of Occupational and Vocational  
7 Rehabilitation.

8 (5) The Bureau of Trust Fund Management.

9 (6) The Bureau of Business Finance and Workforce  
10 Development.

11 (7) The Office of Business Consultant.

12 (b) Supervision.--

13 (1) Each bureau of the department shall be headed by an  
14 executive director appointed by the secretary.

15 (2) Each executive director shall be under the  
16 supervision of the secretary.

17 § 4513. General duties of department and transfer provisions.

18 (a) Authority.--The department shall exercise the authority  
19 and perform the duties of the following Commonwealth agencies as  
20 specified in this chapter:

21 (1) The Department of Labor and Industry.

22 (2) The Department of Community and Economic  
23 Development. The powers and duties transferred from the  
24 Department of Community and Economic Development shall be  
25 limited to a bureau or program which pertains to the  
26 following:

27 (i) Statewide tax credits and grant programs.

28 (ii) Job training.

29 (iii) International business trade, investments and  
30 development.

1           (iv) Business and workforce development and the  
2           Pennsylvania Industrial Development Authority.

3           (v) Marketing and tourism initiatives.

4           (vi) Technology investments and strategic  
5           partnerships.

6           (3) The Department of State. The powers and duties  
7           transferred from the Department of State shall be limited to  
8           the following:

9           (i) The Bureau of Corporations and Charitable  
10           Organizations.

11           (ii) The Bureau of Professional and Occupational  
12           Affairs.

13           (iii) Any administrative board or commission under  
14           the Department of State which oversees and issues a  
15           professional or occupational license.

16           (b) Transfer of powers and duties.--

17           (1) The powers and duties vested in the Secretary of  
18           Labor and Industry, the Secretary of Community and Economic  
19           Development and the Secretary of the Commonwealth as  
20           specified in this chapter are transferred to the secretary,  
21           who shall exercise the powers and perform the duties that  
22           those secretaries exercised or performed prior to the  
23           effective date of this section. Any reference to the  
24           Secretary of Labor and Industry, the Secretary of Community  
25           and Economic Development or the Secretary of the Commonwealth  
26           under a statute or regulation which was in effect before the  
27           effective date of this section and which concerns the powers  
28           or duties specified in this chapter shall be deemed a  
29           reference to the secretary.

30           (2) The following are transferred to the department:

1           (i) All bureaus, organizations and divisions in the  
2           Department of Labor and Industry, the Department of  
3           Community and Economic Development and the Department of  
4           State responsible for the functions specified in this  
5           chapter.

6           (ii) All personnel, allocations, appropriations,  
7           equipment, files, records, contracts, agreements,  
8           obligations and other materials which are used, employed  
9           or expended by the Department of Labor and Industry, the  
10           Department of Community and Economic Development and the  
11           Department of State in connection with the functions  
12           transferred by this chapter to the department in the  
13           first instance and as if these contracts, agreements and  
14           obligations had been incurred or entered into by the  
15           department.

16           (c) Apportionment.--The personnel, appropriations, equipment  
17           and other items and material transferred to the department by  
18           this section shall include an appropriate portion of the general  
19           administrative, overhead and supporting personnel,  
20           appropriations, equipment and other material of the Department  
21           of Labor and Industry, the Department of Community and Economic  
22           Development or the Department of State and shall also include,  
23           where applicable, Federal grants and funds and other benefits  
24           from any Federal program.

25           (d) Status of employees.--All personnel transferred under  
26           this chapter shall retain any civil service employment status  
27           assigned to the personnel.

28           § 4514. Redesignation.

29           (a) Department of Labor and Industry.--For those powers and  
30           duties transferred under this chapter:

1       (1) The Department of Labor and Industry shall be known  
2 as the Bureau of Safety and Labor-Management Relations, the  
3 Bureau of Occupation and Vocational Rehabilitation, the  
4 Bureau of Trust Fund Management or the Bureau of Business  
5 Finance and Workforce Development. The following shall apply:

6           (i) The powers and duties of the Department of Labor  
7 and Industry transferred to the department shall be  
8 divided among the Bureau of Safety and Labor-Management  
9 Relations, the Bureau of Occupational and Vocational  
10 Rehabilitation, the Bureau of Trust Fund Management and  
11 the Bureau of Business Finance and Workforce Development.

12           (ii) The strategic plan under section 4517 (relating  
13 to strategic plan) shall provide a clear division of the  
14 powers and duties transferred from the Department of  
15 Labor and Industry to the department and the bureaus  
16 specified under this subsection.

17       (2) A reference to the Department of Labor and Industry  
18 in a statute or regulation shall be deemed a reference to the  
19 department.

20       (3) To provide an efficient and cost-minimizing  
21 transition, licenses, contracts, deeds and other official  
22 actions of the department or any bureau specified in this  
23 subsection shall not be affected by the use of the  
24 designation as the Department of Labor and Industry. The  
25 department may continue to use the name "Department of Labor  
26 and Industry" on badges, licenses, contracts, deeds,  
27 stationery and other official documents until existing  
28 supplies are exhausted. The department may substitute the  
29 title "Department of Business, Tourism and Workforce  
30 Development" for "Department of Labor and Industry" on its

1 documents and materials on a schedule that is deemed  
2 appropriate.

3 (4) The department shall not replace existing signage at  
4 its locations with the redesignated name until the signs are  
5 worn and in need of replacement. This transition shall be  
6 coordinated with changes in administration.

7 (5) The department shall continue to use the name  
8 "Department of Labor and Industry" on its computer systems  
9 until the time of routine upgrades in each computer system in  
10 the department. The change in name shall be made at the time  
11 of the routine upgrade to the computer systems.

12 (b) Department of Community and Economic Development.--For  
13 those powers and duties transferred under this chapter:

14 (1) The Department of Community and Economic Development  
15 shall be known as the Bureau of Business Finance and  
16 Workforce Development or the Bureau of Marketing and Tourism.  
17 The following shall apply:

18 (i) The powers and duties of the Department of  
19 Community and Economic Development transferred to the  
20 department shall be divided between the Bureau of  
21 Business Finance and Workforce Development and the Bureau  
22 of Marketing and Tourism.

23 (ii) The strategic plan under section 4517 shall  
24 provide a clear division of the powers and duties  
25 transferred from the Department of Community and Economic  
26 Development to the department and the bureaus specified  
27 under this subsection.

28 (2) A reference to the Department of Community and  
29 Economic Development in a statute or regulation shall be  
30 deemed a reference to the department.

1           (3) To provide an efficient and cost-minimizing  
2 transition, licenses, contracts, deeds and other official  
3 actions of the department or any bureau specified in this  
4 subsection shall not be affected by the use of the  
5 designation as the Department of Community and Economic  
6 Development. The department may continue to use the name  
7 "Department of Community and Economic Development" on badges,  
8 licenses, contracts, deeds, stationery and other official  
9 documents until existing supplies are exhausted. The  
10 department may substitute the title "Department of Business,  
11 Tourism and Workforce Development" for "Department of  
12 Community and Economic Development" on its documents and  
13 materials on a schedule that is deemed appropriate.

14           (4) The department shall not replace existing signage at  
15 its locations with the redesignated name until the signs are  
16 worn and in need of replacement. This transition shall be  
17 coordinated with changes in administration.

18           (5) The department shall continue to use the name  
19 "Department of Community and Economic Development" on its  
20 computer systems until the time of routine upgrades in each  
21 computer system in the department. The change in name shall  
22 be made at the time of the routine upgrade to the computer  
23 systems.

24           (c) Department of State.--For those powers and duties  
25 transferred under this chapter:

26           (1) The Department of State shall be known as the Bureau  
27 of Licensing.

28           (2) A reference to the Department of State in a statute  
29 or regulation shall be deemed a reference to the department.

30           (3) To provide an efficient and cost-minimizing

1 transition, licenses, contracts, deeds and other official  
2 actions of the department or Bureau of Licensing shall not be  
3 affected by the use of the designation as the Department of  
4 State. The department may continue to use the name  
5 "Department of State" on badges, licenses, contracts, deeds,  
6 stationery and other official documents until existing  
7 supplies are exhausted. The department may substitute the  
8 title "Department of Business, Tourism and Workforce  
9 Development" for "Department of State," for those  
10 responsibilities and duties involving licensing, on its  
11 documents and materials on a schedule that is deemed  
12 appropriate.

13 (4) The department shall not replace existing signage at  
14 its locations with the redesignated name until the signs are  
15 worn and in need of replacement. This transition shall be  
16 coordinated with changes in administration.

17 (5) The department shall continue to use the name  
18 "Department of State" on its computer systems until the time  
19 of routine upgrades in each computer system in the  
20 department. The change in name shall be made at the time of  
21 the routine upgrade to the computer systems.

22 § 4515. (Reserved).

23 § 4516. Secretary.

24 (a) Nomination.--No later than 30 days after the submittal  
25 of the strategic plan under section 4517 (relating to strategic  
26 plan), the Governor shall nominate an individual to serve as  
27 acting secretary until the individual or another individual is  
28 confirmed as secretary by the Senate under section 8 of Article  
29 IV of the Constitution of Pennsylvania. The acting secretary  
30 shall have the same authority as the secretary.

1 (b) Appointments.--The secretary shall appoint the deputy  
2 secretaries. Each deputy secretary shall possess appropriate  
3 qualifications to serve in that capacity.

4 § 4517. Strategic plan.

5 (a) Development.--Within 60 days of the effective date of  
6 this section, the Governor shall:

7 (1) subject to subsection (b), contract with a qualified  
8 third party to develop a strategic plan under this section;  
9 or

10 (2) execute a memorandum of understanding with the Joint  
11 State Government Commission to develop a strategic plan under  
12 this section.

13 (b) Third-party contract.--The Governor may enter into a  
14 contract with a qualified third-party organization under this  
15 section if the organization:

16 (1) has experience with large corporate mergers of a  
17 company which has more than 500 employees;

18 (2) has experience assisting in the merging of  
19 government agencies in other states; and

20 (3) utilizes continuous improvement process systems to  
21 strengthen the efficiency and delivery of service of agencies  
22 or corporations undergoing a merger.

23 (c) Parameters.--The strategic plan under this section shall  
24 detail the merger of the Department of Labor and Industry, the  
25 Department of Community and Economic Development and the  
26 Department of State, in accordance with the provisions of this  
27 chapter, and shall provide for:

28 (1) A 20% reduction in administrative costs.

29 (2) The identification and consolidation of:

30 (i) redundant programs administered by the

1 Department of Labor and Industry, the Department of  
2 Community and Economic Development and the Department of  
3 State, whose functions are transferred to the department;  
4 and

5 (ii) redundant regulations promulgated by the  
6 Department of Labor and Industry, the Department of  
7 Community and Economic Development and the Department of  
8 State, whose functions are transferred to the department.

9 (3) Strategies to improve job training and economic  
10 development in this Commonwealth.

11 (4) Strategies to improve and assist in compliance for  
12 the regulations promulgated by the Department of Labor and  
13 Industry, the Department of Community and Economic  
14 Development and the Department of State prior to the  
15 effective date of this section.

16 (5) The identification of options for consolidating the  
17 administration of business-related permitting under the  
18 department.

19 (6) The development of clear management directives for  
20 workforce development and business-related tax credits.

21 (7) The detailed development of an online portal for  
22 tracking the status of permit applications for agencies under  
23 the Governor's jurisdiction.

24 (8) The apportionment of personnel, appropriations,  
25 equipment and other items and material transferred to the  
26 department under section 4513(c) (relating to general duties  
27 of department and transfer provisions).

28 (d) Submittal.--No later than 210 days after the effective  
29 date of this section, the strategic plan under this section  
30 shall be submitted to the General Assembly for review and any

1 hearings deemed necessary.

2 § 4518. Office of Business Consultant.

3 (a) Establishment.--The Office of Business Consultant is  
4 established within the department.

5 (b) Executive director.--The office shall be headed by an  
6 executive director who shall be appointed by the secretary and  
7 who shall report to the secretary.

8 (c) Support services.--The department shall provide all  
9 support services and staff for the office.

10 (d) Powers and duties.--The office shall:

11 (1) Assist job creators in complying with regulations  
12 promulgated by the department or an executive agency.

13 (2) Assist job creators in complying with the  
14 requirements for the application process for a permit of an  
15 executive agency.

16 (3) Assist job creators, upon request, with any site  
17 development for a corporation which chooses to expand or  
18 locates operations in this Commonwealth.

19 (4) Develop strategies and relationships to attract job  
20 creators to locate operations in this Commonwealth.

21 (5) Assist residents of this Commonwealth as much as  
22 practicable in the formation of new small business  
23 opportunities.

24 (e) Cooperation by executive agencies.--

25 (1) All executive agencies shall cooperate with the  
26 office.

27 (2) Executive agency heads shall identify key staff to  
28 form business compliance teams. The following shall apply:

29 (i) Each compliance team shall work with the office  
30 to assist corporations in complying with regulations

1 promulgated by the executive agency.

2 (ii) Each compliance team shall work with the office  
3 to assist corporations in complying with rules and  
4 requirements of the executive agency for the application  
5 for a permit required to conduct business activities  
6 overseen by the executive agency.

7 Section 2. All acts or parts of acts are repealed insofar as  
8 they are inconsistent with this act.

9 Section 3. Except as otherwise provided in 71 Pa.C.S. Ch.  
10 45, all activities regarding the powers and duties under 71  
11 Pa.C.S. Ch. 45 which were initiated under the Department of  
12 Labor and Industry, the Department of Community and Economic  
13 Development or the Department of State shall continue and remain  
14 in full force and effect and may be completed under 71 Pa.C.S.  
15 Ch. 45. Orders, regulations, rules and decisions which were made  
16 under the authority of the Department of Labor and Industry, the  
17 Department of Community and Economic Development or the  
18 Department of State regarding the powers and duties under 71  
19 Pa.C.S. Ch. 45 and which are in effect on the effective date of  
20 71 Pa.C.S. Ch. 45 shall remain in full force and effect until  
21 revoked, vacated or modified under 71 Pa.C.S. Ch. 45. Contracts,  
22 obligations and collective bargaining agreements entered into  
23 under the authority of the Department of Labor and Industry, the  
24 Department of Community and Economic Development or the  
25 Department of State are not affected nor impaired by the  
26 transfer of powers and duties under 71 Pa.C.S. Ch. 45.

27 Section 4. Any expenditures needed to implement this act  
28 shall be paid using encumbered funds of the respective executive  
29 agency.

30 Section 5. Within 10 days of the nomination under 71 Pa.C.S.

1 § 4516(a), the Secretary of the Commonwealth shall provide  
2 notice of the nomination to the Legislative Reference Bureau,  
3 which shall publish the notice in the Pennsylvania Bulletin.

4 Section 6. This act shall take effect as follows:

5 (1) The following shall take effect immediately:

6 (i) This section and section 5 of this act.

7 (ii) The addition of 71 Pa.C.S. §§ 4501, 4502, 4516  
8 and 4517.

9 (2) The remainder of this act shall take effect 30 days  
10 after publication in the Pennsylvania Bulletin of the notice  
11 under section 5 of this act.