THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 806 Session of 2019

INTRODUCED BY KEEFER, GREINER, GROVE, RYAN, ROTHMAN, MILLARD, BERNSTINE, B. MILLER, BARRAR, DIAMOND, TOPPER, MACKENZIE, IRVIN, METCALFE, PICKETT, DUSH, STAATS, JONES, SAYLOR, HERSHEY, WARNER, ECKER, GLEIM, KLUNK, NELSON, SCHEMEL, MOUL, GILLEN AND ZIMMERMAN, MARCH 13, 2019

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY, MARCH 13, 2019

AN ACT

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1	Amending the act of June 25, 1982 (P.L.633, No.181), entitled
2	"An act providing for independent oversight and review of
3	regulations, creating an Independent Regulatory Review
4 5	Commission, providing for its powers and duties and making
5 6	repeals," further providing for definitions, for proposed regulations and procedures for review and for final-form
0 7	regulations and final-omitted regulations and procedures for
8	review; providing for regulations deemed withdrawn; further
9	providing for procedures for subsequent review of disapproved
10	final-form or final-omitted regulations by the commission;
11	and providing for concurrent resolution required for
12	economically significant regulations.
13	The General Assembly of the Commonwealth of Pennsylvania
14	hereby enacts as follows:
15	Section 1. Section 3 of the act of June 25, 1982 (P.L.633,
16	No.181), known as the Regulatory Review Act, is amended by
17	adding definitions to read:
18	Section 3. Definitions.
19	The following words and phrases when used in this act shall
20	have, unless the context clearly indicates otherwise, the
21	meanings given to them in this section:

1 * * *

2 "Economically significant regulation." A regulation that, if 3 promulgated and implemented, may reasonably be expected to result in direct or indirect cost to the Commonwealth, to its 4 political subdivisions and to the private sector in excess of 5 \$1,000,000 on an annual basis. 6 * * * 7 "Legislative day." A day when both houses of the General 8 9 Assembly are in voting session. * * * 10 Section 2. Section 5(a)(1.1) and (4) of the act are amended 11 12 and the section is amended by adding subsections to read: 13 Section 5. Proposed regulations; procedures for review. 14 On the same date that an agency submits a proposed (a) 15 regulation to the Legislative Reference Bureau for publication 16 of notice of proposed rulemaking in the Pennsylvania Bulletin as 17 required by the Commonwealth Documents Law, the agency shall 18 submit to the commission and the committees a copy of the 19 proposed regulation and a regulatory analysis form which 20 includes the following: * * * 21 22 (1.1) A specific citation to the Federal or State 23 statutory or regulatory authority or the decision of a 24 Federal or State court under which the agency is proposing 25 the regulation, which the regulation is designed to implement 26 or which may mandate or affect compliance with the regulation. In the case of a citation of State statutory 27

28 <u>authority, the citation must be to a provision of the statute</u>

29 that explicitly states that the agency may promulgate

30 regulations for the specific purpose cited in the statement

20190HB0806PN0899

- 2 -

1 of need for the regulation under paragraph (3).

2 * * *

3 (4) Estimates of the direct and indirect costs to the Commonwealth, to its political subdivisions and to the 4 private sector. [Insofar as the proposed regulation relates 5 to costs to the Commonwealth, the agency may submit in lieu 6 7 of its own statement the fiscal note prepared by the Office 8 of the Budget pursuant to section 612 of the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 9 10 1929."] The estimates shall be prepared by the Independent_ Fiscal Office and submitted to the agency for inclusion in 11 the regulatory analysis form and shall include an estimate of 12 13 the annual costs to be used to determine whether the regulation is an economically significant regulation. 14 * * * 15 16 (d.1) The committees shall, during the public comment period, conduct a public hearing to receive comments regarding a 17 18 proposed economically significant regulation. The agency shall appear at the hearing if requested to do so by the chair of the 19 20 committee. * * * 21 (i) All forms required for implementation of a regulation 22 23 must be included with the regulatory analysis form when 24 submitted to the Legislative Reference Bureau, the committees 25 and the commission under subsection (a). 26 (j) The commission shall transmit comments regarding the 27 cost estimates required under subsection (a) (4) to the 28 Independent Fiscal Office for review. 29 Section 3. Section 5.1(e), (j.2), (j.3) and (1) of the act 30 are amended to read: 20190HB0806PN0899 - 3 -

Section 5.1. Final-form regulations and final-omitted
 regulations; procedures for review.

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The commission may have until its next scheduled meeting 4 (e) which occurs no less than 30 days after receipt of the final-5 6 form or final-omitted regulation to approve or disapprove the 7 final-form or final-omitted regulation. Notwithstanding 8 subsections (j.1) and (j.2), at any time prior to 24 hours before the commission's meeting to consider a regulation, a 9 10 committee may notify the commission and the agency that the 11 committee disapproves or intends to further review the final-12 form regulation. If notified by a committee that the committee 13 disapproves of a regulation, the commission may not approve or 14 disapprove the regulation for a period of 30 days or nine legislative days, whichever is longer. If notified by a 15 16 committee that the committee intends to further review a final-17 form regulation, the commission may not approve or disapprove 18 the regulation for a period of 14 days or six legislative days, 19 whichever is longer. The commission shall notify the agency and 20 the committees of its approval or disapproval. If the commission 21 does not disapprove the final-form or final-omitted regulation within the time allotted in this subsection, the commission 22 23 shall be deemed to have approved the final-form or final-omitted 24 regulation.

25 * * *

(j.2) (1) At any time during the commission's review period up to 24 hours prior to the opening of the commission's public meeting, a committee may notify the commission and the agency that it has approved or disapproved a final-form or final-omitted regulation or that it intends to review the

20190HB0806PN0899

- 4 -

1 regulation.

2 (2) If the commission approves a regulation and a 3 committee has not notified the commission and the agency that it has disapproved the regulation or that it intends to 4 5 review the regulation, the agency may promulgate the 6 regulation. If the commission approves a regulation and a 7 committee has notified the commission and the agency that it 8 has disapproved the regulation or that it intends to review 9 the regulation, the agency may not promulgate the regulation 10 for 14 days or six legislative days, whichever is longer, 11 after the committee has received the commission's approval 12 order.

(3) During [this 14-day period] the period established 13 14 under paragraph (2), the committee may take action on the 15 regulation pursuant to section 7(d). If at the expiration of 16 the [14-day] period established under paragraph (2) the 17 committee has not taken action on the regulation pursuant to 18 section 7(d), the agency may promulgate the regulation. 19 If the committees are prevented from completing their (i.3) 20 [14-day] review during the period established under subsection 21 (j.2) (2) because of adjournment sine die or expiration of the legislative session in an even-numbered year, their review of 22 the final-form or final-omitted regulation shall automatically 23 24 be suspended until the fourth Monday in January of the next 25 year. On that date, the agency shall resubmit the final-form or 26 final-omitted regulation and required material to the committees 27 and the commission. If either committee has not been designated 28 by the fourth Monday in January, the agency may not deliver the 29 final-form or final-omitted regulation and required material to 30 the committees and the commission until both committees are

20190HB0806PN0899

- 5 -

1 designated. If the agency does not deliver the final-form or 2 final-omitted regulation and required material to the commission 3 and the committees by the second Monday after the date by which both committee designations have been published in the 4 Pennsylvania Bulletin, the agency shall be deemed to have 5 withdrawn the final-form or final-omitted regulation. In 6 7 determining the remaining time for committee review, the number 8 of days in which the committees have had the final-form or the final-omitted regulation under review as of the adjournment sine 9 10 die or expiration of the prior session shall be subtracted from 11 the [14-day] committee review period established under 12 subsection (j.2)(2), but the committee review period in the next 13 succeeding legislative session shall not be less than ten days. 14 An agency may not submit a final-form or final-omitted 15 regulation to the commission or the committees for review during 16 the period from the adjournment sine die or expiration of the 17 legislative session of an even-numbered year to the date by 18 which both committees have been designated in the next 19 succeeding legislative session. This subsection shall not apply 20 to emergency-certified regulations adopted pursuant to the 21 provisions of section 6(d).

22 * * *

(1) Except for emergency-certified regulations adopted under
section 6(d), an agency may not promulgate a regulation until
completion of the review provided for in this act[.] and, if the
regulation is an economically significant regulation, the
General Assembly adopts a concurrent resolution under section
7.2.

29 Section 4. The act is amended by adding a section to read:
30 <u>Section 5.3. Regulations deemed withdrawn.</u>

20190HB0806PN0899

- 6 -

1 A regulation shall be deemed withdrawn if there is no 2 provision of a State statute which explicitly states that the 3 agency may promulgate regulations for the specific purpose cited in the statement of need for the regulation under section 5(a) 4 (3) and the regulatory analysis form submitted for the 5 regulation does not comply with the requirements of section 5(a) 6 (1.1). 7 8 Section 5. Section 7(d) of the act is amended to read: 9 Section 7. Procedures for subsequent review of disapproved 10

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* * *

final-form or final-omitted regulations.

12 (d) Upon receipt of the commission's order pursuant to 13 subsection (c.1) or at the expiration of the commission's review 14 period if the commission does not act on the regulation or does 15 not deliver its order pursuant to subsection (c.1), [one] the 16 following apply:

17 (1) One or both of the committees may, within 14 calendar 18 days or six legislative days, whichever is longer, report to the 19 House of Representatives or Senate a concurrent resolution and notify the agency. During the [14-calendar-day] period specified 20 21 in this paragraph, the agency may not promulgate the final-form or final-omitted regulation. If, by the expiration of the [14-22 23 calendar-day] period specified in this paragraph, neither 24 committee reports a concurrent resolution, the committees shall 25 be deemed to have approved the final-form or final-omitted 26 regulation, and the agency may promulgate that regulation. 27 (2) If either committee reports a concurrent resolution 28 before the expiration of the [14-day] period specified in 29 paragraph (1), the [Senate and the House of Representatives] chamber to which the concurrent resolution is reported shall 30

20190HB0806PN0899

- 7 -

[each] have 30 calendar days or ten legislative days, whichever is longer, from the date on which the concurrent resolution has been reported, to adopt the concurrent resolution[.] <u>and</u> <u>transmit it to the other chamber. The other chamber shall have</u> <u>30 calendar days or ten legislative days, whichever is longer,</u> <u>from the date on which the concurrent resolution has been</u>

7 transmitted, to adopt the concurrent resolution.

8 (3) If the General Assembly adopts the concurrent resolution 9 by majority vote in both the Senate and the House of Representatives within 60 calendar days or 20 legislative days, 10 whichever is longer, from the date on which a concurrent 11 12 resolution has been reported out by a committee, the concurrent 13 resolution shall be presented to the Governor in accordance with 14 section 9 of Article III of the Constitution of Pennsylvania. 15 (4) If the Governor does not return the concurrent 16 resolution to the General Assembly within ten calendar days

17 after it is presented, the Governor shall be deemed to have 18 approved the concurrent resolution.

19 (5) If the Governor vetoes the concurrent resolution, the 20 General Assembly may override that veto by a two-thirds vote in 21 each house. The Senate and the House of Representatives shall each have 30 calendar days or ten legislative days, whichever is 22 23 longer, to override the veto. If the General Assembly does not 24 adopt the concurrent resolution or override the veto in the time 25 prescribed in this [subsection] paragraph, it shall be deemed to 26 have approved the final-form or final-omitted regulation.

27 (6) Notice as to any final disposition of a concurrent
28 resolution considered in accordance with this [section]
29 <u>subsection</u> shall be published in the Pennsylvania Bulletin.
30 (7) The bar on promulgation of the final-form or final-

20190HB0806PN0899

- 8 -

omitted regulation shall continue until that regulation has been 1 2 approved or deemed approved in accordance with this subsection. 3 (8) If the General Assembly adopts the concurrent resolution and the Governor approves or is deemed to have approved the 4 concurrent resolution or if the General Assembly overrides the 5 Governor's veto of the concurrent resolution, the agency shall 6 7 be barred from promulgating the final-form or final-omitted 8 regulation.

9 (9) If the General Assembly does not adopt the concurrent 10 resolution or if the Governor vetoes the concurrent resolution 11 and the General Assembly does not override the Governor's veto, 12 the agency may promulgate the final-form or final-omitted 13 regulation.

14 (10) The General Assembly may, at its discretion, adopt a 15 concurrent resolution disapproving the final-form or final-16 omitted regulation to indicate the intent of the General Assembly but permit the agency to promulgate that regulation. 17 Section 6. The act is amended by adding a section to read: 18 19 Section 7.2. Concurrent resolution required for economically 20 significant regulations. 21 (a) If the commission issues an order to approve a finalform regulation or final-omitted regulation that is an_ 22 23 economically significant regulation or if the agency decides to 24 proceed with a final-form regulation or final-omitted regulation that is an economically significant regulation for which the 25 26 commission issued a disapproval order, the agency shall submit a copy of the order and, if applicable, the agency response to the 27 28 Senate and the House of Representatives and shall request a 29 concurrent resolution approving the regulation. The concurrent resolution shall be referred to the applicable standing 30

20190HB0806PN0899

- 9 -

1	committee of the Senate and the applicable standing committee of
2	the House of Representatives. A concurrent resolution that is
3	reported from the standing committee of the Senate shall be
4	placed on the Senate calendar. A concurrent resolution that is
5	reported from the standing committee of the House of
6	Representatives shall be placed on the House calendar. The
7	Senate and the House of Representatives shall each have 30
8	calendar days or ten legislative days, whichever is longer, from
9	the date on which the agency requested the concurrent resolution
10	to consider the concurrent resolution. If the General Assembly
11	does not adopt the concurrent resolution in the time prescribed
12	in this subsection, the final-form regulation or final-omitted
13	regulation shall be deemed not approved and the regulation shall
14	not take effect.
15	(b) This section shall not apply to emergency-certified
16	regulations adopted under section 6(d).
17	Section 7. This act shall apply to any regulation prepared
18	in final form on or after the effective date of this section.
19	Section 8. This act shall take effect in 60 days.

- 10 -