



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 2022

PRINTERS NO. 2780

PRIME SPONSOR: Peifer

### COST / (SAVINGS)

| FUND         | FY 2011/12        | FY 2012/13        |
|--------------|-------------------|-------------------|
| General Fund | See Fiscal Impact | See Fiscal Impact |

**SUMMARY:** Establishes the Pennsylvania Business Permitting Portal within the Department of Community and Economic Development (DCED); and creates the Pennsylvania Business Permitting Portal Advisory Board. This legislation shall take effect in 60 days.

**ANALYSIS:** This legislation provides for the establishment of “one-stop” services to assist businesses in identifying and securing appropriate permits, licenses, applications, forms and registrations needed to establish and operate a business in the Commonwealth. The Permitting Portal will provide an online electronic single access point.

**Permitting Portal Function:** The Permitting Portal shall, at a minimum, allow for the following:

- The creation of an individual business account to store general information on the business, which will be used to automatically fill in recurring fields on a permit application.
- The electronic submission of a permit application, fees, or fines.
- The tracking of status of payments from Commonwealth agencies to contractors and pending permit applications.
- The recording of electronic signatures.
- Access to customized, agency-created “to-do” checklists specific to a business account.
- Online interaction with the DCED to resolve difficulties with the Permitting Portal as well as Commonwealth agencies to resolve questions relating to permit applications.
- The protection of the confidentiality of all information submitted through the Portal.
- The recording of backup records of all activities, including time-stamp information on the submission of permit applications.
- The listing of information relating to local permit application information for relevant local permitting authorities.

DCED shall coordinate with the Commonwealth agencies to identify and integrate permits that are compatible, or that may be made compatible, for inclusion in the Permitting Portal.

**Preservation of Commonwealth Agency Authority:** This legislation shall not supersede any existing regulatory authority granted to any Commonwealth agency. The appropriate Commonwealth agency shall:

- Determine the permits appropriate for inclusion on the Permitting Portal.
- Approve or deny permits according to applicable law.
- Determine the requirements for submission and payment of permitting fees and fines.

**Advisory Board:** This legislation establishes the Pennsylvania Business Permitting Portal Advisory Board within DCED. The board shall advise DCED on ways to ensure that the Permitting Portal system is operated in an effective and user-friendly manner for existing and potential business owners. The Advisory Board will consist of the following members (7 total):

- The Secretary of DCED (chairperson)
- One member appointed by the President pro tempore of the Senate
- One member appointed by the Minority Leader of the Senate
- One member appointed by the Speaker of the House
- One member appointed by the Minority Leader of the House
- Two members appointed by the Governor with one member representing small business and one member representing business or industry

Members shall serve without compensation at the pleasure of the appointing authority, but shall be reimbursed for expenses.

**FISCAL IMPACT:** According to the Office of Administration, there would be 2 options regarding implementation of this legislation:

**Option 1:** Consolidate all current agency functions that support business activities into a single website to complete the necessary permitting and/ or licensing. The site would direct the user to the correct location leveraging the technology of the PA Open for Business portal. The site would need significant technical upgrades to maintain current functionality. The total cost of this option would be \$2,457,200, which is comprised of \$457,200 in contractor costs and \$2,000,000 in hardware/ software upgrades. This option would take 6 to 9 months to implement.

**Option 2:** Establish a single registration-application that would allow the user to apply for multiple permits/ licenses at one time, make payment and track status. This alternative not only would require the development of a sophisticated front end application but also would necessitate the modification or development of all the backend systems required to support the new application. The total cost of this option would be \$10,241,600, which is comprised of \$5,241,600 in contractor costs and \$5,000,000 in hardware/ software upgrades. This option would take 3 to 5 years to implement.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** February 6, 2012

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*