THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 995

Session of 2019

INTRODUCED BY LEWIS, KENYATTA, GROVE, ROTHMAN, RYAN, STRUZZI, BERNSTINE, OTTEN, McNEILL, KEEFER, McCLINTON, HILL-EVANS, NEILSON, HERSHEY, FITZGERALD, CEPHAS, MULLINS, O'MARA, MERSKI, HOHENSTEIN, FRANKEL, BURGOS AND ECKER, APRIL 5, 2019

REFERRED TO COMMITTEE ON STATE GOVERNMENT, APRIL 5, 2019

AN ACT

1 2 3 4	Amending Title 71 (State Government) of the Pennsylvania Consolidated Statutes, providing for regulatory review and for regulatory reduction pilot program; and making an editorial change.
5	This act shall be referred to as the Fighting Chance Act.
6	The General Assembly of the Commonwealth of Pennsylvania
7	hereby enacts as follows:
8	Section 1. The heading of Part V of Title 71 of the
9	Pennsylvania Consolidated Statutes is amended to read:
10	PART V
11	BOARDS, COMMISSIONS AND OFFICES
12	Section 2. Title 71 is amended by adding chapters to read:
13	CHAPTER 42
14	PRELIMINARY PROVISIONS
15	(Reserved)
16	CHAPTER 44
17	REGULATORY REVIEW
18	Sec.

- 1 <u>4401</u>. <u>Legislative intent</u>.
- 2 4402. Definitions.
- 3 4403. Establishment.
- 4 4404. Reporting by pilot agencies.
- 5 <u>4405</u>. <u>Reporting</u>.
- 6 4406. Report required.
- 7 <u>4407</u>. Regulatory catalogs of executive agencies.
- 8 4408. Agency tracking of regulations.
- 9 <u>§ 4401. Legislative intent.</u>
- 10 It is the intent of the General Assembly through this
- 11 <u>legislation to reduce barriers for small business owners</u>,
- 12 workers and returning residents of this Commonwealth who want to
- 13 enter the workforce in an occupation requiring a license.
- 14 § 4402. Definitions.
- The following words and phrases when used in this chapter
- 16 shall have the meanings given to them in this section unless the
- 17 context clearly indicates otherwise:
- 18 "Office." The Governor's Office of the Budget.
- 19 "Pilot agencies." The following entities:
- 20 (1) The Bureau of Professional and Occupational Affairs
- in the Department of State of the Commonwealth.
- 22 (2) The Pennsylvania Board of Probation and Parole.
- 23 "Program." The regulatory reduction pilot program under
- 24 <u>section 4403 (relating to establishment).</u>
- 25 "Regulation." Any rule or regulation, or order in the nature
- 26 of a rule or regulation, promulgated by an agency under
- 27 statutory authority in the administration of any statute
- 28 <u>administered by or relating to the agency or amending, revising</u>
- 29 or otherwise altering the terms and provisions of an existing
- 30 regulation, or prescribing the practice or procedure before the

- 1 agency. The term shall also include actions of the Pennsylvania
- 2 Liquor Control Board that have an effect on the discount rate
- 3 for retail licensees.
- 4 "Regulatory requirement." An action required to be taken or
- 5 information required to be provided in accordance with a statute
- 6 or regulation in order to access government services or operate
- 7 and conduct business by a regulated entity.
- 8 "Secretary." The Secretary of the Budget.
- 9 § 4403. Establishment.
- 10 (a) Direction and duration of program. -- The office shall be
- 11 under the direction of the secretary, who shall administer a
- 12 three-year regulatory reduction pilot program beginning July 1,
- 13 2020, and ending July 1, 2023, for pilot agencies.
- 14 (b) Program focus and reduction goal. -- The program shall
- 15 <u>focus on regulations promulgated and administered by pilot</u>
- 16 agencies. The stated goal of the program shall be to reduce
- 17 regulatory requirements, compliance costs and regulatory burden
- 18 across pilot agencies by 25% by July 1, 2023.
- 19 (c) Baseline regulatory catalog. -- The secretary shall ensure
- 20 pilot agencies develop a baseline regulatory catalog by October
- 21 1, 2020, that identifies:
- 22 <u>(1) The total number and type of regulations and</u>
- 23 regulatory requirements currently promulgated or administered
- 24 <u>by the pilot agencies.</u>
- 25 (2) Any specific Federal or State mandates or statutory
- 26 <u>authority that requires the regulations and associated</u>
- 27 <u>requirements.</u>
- 28 <u>(d) Catalog data report to office. -- The catalog data shall</u>
- 29 be reported to the office in a manner specified by the office
- 30 <u>and transferred to the Legislative Reference Bureau for</u>

- 1 <u>publication in the Pennsylvania Bulletin.</u>
- 2 (e) Reduction goal. -- The 25% reduction goal under subsection
- 3 (b) shall be based on the total number of regulations and
- 4 regulatory requirements as provided by the baseline regulatory
- 5 <u>catalog</u>. Progress towards the stated goal shall be measured by
- 6 the number of regulations and regulatory requirements that are
- 7 either eliminated or streamlined through regulatory or other
- 8 action.
- 9 § 4404. Reporting by pilot agencies.
- 10 (a) Initial report. -- The pilot agencies shall report all
- 11 regulations and regulatory requirements initially identified for
- 12 <u>elimination</u>, <u>amendment or streamlining to the office</u>, the
- 13 Governor and the General Assembly by July 1, 2021, including:
- 14 (1) Any regulation proposed for elimination or
- 15 <u>modification that requires a change in State law.</u>
- 16 (2) Initiation of any reforms, through a rulemaking or
- 17 <u>nonregulatory action, that produce a reduction of the</u>
- 18 equivalent of 7.5% of the regulations and regulatory
- 19 <u>requirements contained in the pilot agencies baseline</u>
- 20 regulatory catalog.
- 21 (b) Follow-up report.--The pilot agencies shall report all
- 22 regulations and regulatory requirements initially identified for
- 23 <u>elimination</u>, <u>amendment or streamlining to the office by July 1</u>,
- 24 2022, including:
- 25 (1) Any regulation proposed for elimination or
- 26 modification that requires a change in State law.
- 27 (2) Initiation of any reforms, through a rulemaking or
- 28 nonregulatory action, that produce a reduction of the
- 29 <u>equivalent of 15% of the regulations and regulatory</u>
- 30 requirements contained in the pilot agencies baseline

- 1 regulatory catalog.
- 2 (c) Final report. -- The pilot agencies shall report all
- 3 regulations and regulatory requirements initially identified for
- 4 <u>elimination</u>, <u>amendment or streamlining to the office by July 1</u>,
- 5 <u>2023</u>, including:
- 6 (1) Any regulation proposed for elimination or
- 7 <u>modification that requires a change in State law.</u>
- 8 (2) Initiation of any reforms, through a rulemaking or
- 9 <u>nonregulatory action, that produce a reduction of the</u>
- 10 <u>equivalent of 25% of the regulations and regulatory</u>
- 11 requirements contained in the pilot agencies baseline
- 12 <u>regulatory catalog.</u>
- 13 (d) Failure to meet reduction goal. -- If a pilot agency is
- 14 unable to reach any of the reduction goals under subsection (a),
- 15 (b) or (c), the pilot agency shall provide a separate report to
- 16 the Governor, the General Assembly and the secretary stating the
- 17 <u>reasons for not meeting the goal.</u>
- 18 § 4405. Reporting.
- 19 (a) Annual report. -- The secretary shall report annually to
- 20 the President pro tempore of the Senate and the Speaker of the
- 21 House of Representatives no later than October 1, 2021, and
- 22 October 1, 2022, on the progress of the regulatory reduction
- 23 <u>pilot program established under this section.</u>
- 24 (b) Failure to meet reduction percentage. -- If, by July 1,
- 25 <u>2022</u>, the regulatory reduction pilot program has achieved less
- 26 than a 15% total reduction in regulatory requirements across
- 27 both pilot agencies, either by initiating rulemaking actions or
- 28 other streamlining actions, the secretary shall include the
- 29 reasons for not meeting the target reduction in the next
- 30 <u>available annual report to the President pro tempore of the</u>

- 1 Senate and the Speaker of the House of Representatives.
- 2 (c) Secretary report. -- The secretary shall report by August
- 3 15, 2023, to the President pro tempore of the Senate and the
- 4 Speaker of the House of Representatives the following
- 5 <u>information:</u>
- 6 (1) The progress towards identifying the 25% reduction
- 7 goal.
- 8 (2) Recommendations for expanding the program to other
- 9 <u>agencies</u>.
- 10 (3) Any additional information the secretary determines
- 11 <u>may be helpful to support the General Assembly's regulatory</u>
- 12 <u>reduction and reform efforts.</u>
- 13 § 4406. Report required.
- 14 (a) Report on failure to achieve program goal. -- If, by
- 15 October 1, 2023, the program has achieved less than the 25%
- 16 total reduction in regulations and regulatory requirements
- 17 across the pilot agencies under section 4403(b) (relating to
- 18 establishment), either by initiating rulemaking actions or other
- 19 streamlining actions, the secretary shall direct pilot agencies
- 20 to report on the factors leading to why the pilot agency could
- 21 not meet the 25% reduction goal in regulations and regulatory
- 22 requirements across the pilot agencies under section 4403(b) and
- 23 provide recommendations for policy and legislative changes
- 24 required in order for the pilot agency to achieve the intent of
- 25 section 4401 (relating to legislative intent) and goal under
- 26 <u>section 4403(b)</u>. No report shall be required under this
- 27 <u>subsection if the program has achieved a 25% or greater</u>
- 28 reduction in regulations or regulatory requirements across the
- 29 <u>pilot agencies.</u>
- 30 (b) Permitted budgetary review of pilot agencies.--The

- 1 President pro tempore of the Senate and the Speaker of the House
- 2 of Representatives may also direct the Legislative Budget and
- 3 Finance Committee to initiate a budgetary review of pilot
- 4 <u>agencies. The review shall assess what obstacles exist to</u>
- 5 meeting the 25% reduction goal under section 4403(b).
- 6 (c) Legislative Budget and Finance Committee review. -- The
- 7 President pro tempore of the Senate and the Speaker of the House
- 8 of Representatives shall direct the Legislative Budget and
- 9 Finance Committee to review the regulatory reduction efforts of
- 10 pilot agencies as part of the pilot program and report to the
- 11 General Assembly any findings and recommendations regarding:
- 12 (1) Whether the reduction goals are reasonable and
- 13 <u>achievable</u>.
- 14 (2) Policies, practices and methods that may be adopted
- by agencies to successfully achieve the reduction goals.
- 16 § 4407. Regulatory catalogs of executive agencies.
- By July 1, 2022, all executive branch agencies, boards and
- 18 commissions under the policy jurisdiction of the Governor shall
- 19 <u>develop a baseline regulatory catalog and report their catalog</u>
- 20 data to the office, including:
- 21 (1) Any specific Federal or State mandates.
- 22 (2) The statutory authority that requires the
- 23 regulations and associated regulatory requirements.
- 24 § 4408. Agency tracking of regulations.
- 25 (a) Tracking and reporting agency compliance. -- The office
- 26 shall track and report on the extent to which agencies comply
- 27 <u>with existing requirements to periodically review all</u>
- 28 regulations every four years and report the office's findings to
- 29 the Governor, the General Assembly and the Independent Fiscal
- 30 Office.

- 1 (b) Agency schedule of review. -- Agencies shall provide to
- 2 the office a schedule listing each regulation that shall be
- 3 reviewed in each of the four years, to be transmitted to the
- 4 Legislative Reference Bureau for publication in the Pennsylvania
- 5 <u>Bulletin.</u>
- 6 Section 3. This act shall take effect in 60 days.