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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2542 Session of  
2020

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INTRODUCED BY CEPHAS, KENYATTA, GALLOWAY, A. DAVIS, KINSEY,  
SCHWEYER, YOUNGBLOOD, DELLOSO, HILL-EVANS, BOYLE, ROZZI AND  
GAINEY, MAY 21, 2020

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REFERRED TO COMMITTEE ON COMMERCE, MAY 21, 2020

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AN ACT

1 Exempting small, minority-owned and women-owned businesses from  
2 the payment of certain business fees.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the  
7 Disadvantaged Business Fee Exemption Act.

8 Section 2. Definitions.

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

12 "Business fee." A fee required to be paid to the  
13 Commonwealth or a political subdivision for starting or opening  
14 a business in this Commonwealth. The term does not include a fee  
15 for maintaining a license or other requirement for continuing to  
16 operate a business.

17 "Department." The Department of General Services of the

1 Commonwealth.

2 "Disadvantaged business." A minority-owned business or  
3 women-owned business with less than 100 employees that has been  
4 certified as a disadvantaged business by a third-party  
5 certifying organization.

6 "Third-party certifying organization." An organization that  
7 certifies a business as a minority-owned business or women-owned  
8 business as authorized by the department.

9 Section 3. Fee exemption.

10 (a) Fee exemption.--A disadvantaged business shall be exempt  
11 from the payment of business fees.

12 (b) Proof of status.--In order to be eligible for the fee  
13 exemption under subsection (a), a disadvantaged business must  
14 provide the department or the licensing authority of a political  
15 subdivision to which the owner is applying with proof of the  
16 business's status as a disadvantaged business by providing  
17 certification from a third-party certification organization.

18 (c) Status.--The Bureau of Diversity, Inclusion and Small  
19 Business Opportunities of the department, in consultation with  
20 other Commonwealth agencies, shall determine an applicant's  
21 eligibility under subsection (a) for exemption from Commonwealth  
22 agency fees.

23 (d) Offenses.--The following shall apply:

24 (1) A person who fraudulently obtains a business fee  
25 exemption commits a misdemeanor of the third degree.

26 (2) A person who assigns, transfers or attempts to  
27 assign or transfer a business fee exemption or uses or  
28 attempts to use a business fee exemption contrary to this act  
29 commits a misdemeanor of the third degree.

30 (e) Reporting.--The department, in consultation with other

1 Commonwealth agencies, shall annually determine the total number  
2 of business fee exemptions applied for and issued and the total  
3 dollar amount of the exemptions under this act and submit a  
4 report to the chairperson and minority chairperson of the  
5 Community, Economic and Recreational Development Committee of  
6 the Senate and the chairperson and minority chairperson of the  
7 Commerce Committee of the House of Representatives. The report  
8 may be submitted electronically.

9 Section 4. Effective date.

10 This act shall take effect in 60 days.