

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 47 Session of 2021

INTRODUCED BY DOWLING, GROVE, SCHEMEL, RYAN, KAUFFMAN, KEEFER, MOUL AND GLEIM, JANUARY 11, 2021

AS REPORTED FROM COMMITTEE ON STATE GOVERNMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, JANUARY 27, 2021

AN ACT

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

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 47

13 DEPARTMENT OF LOCAL GOVERNMENT AND COMMUNITY AFFAIRS

14 Subchapter

15 A. General Provisions

16 B. Departmental Administration

17 SUBCHAPTER A

18 GENERAL PROVISIONS

19 Sec.

20 4701. Scope of chapter.

1 4702. Definitions.

2 § 4701. Scope of chapter.

3 This chapter relates to the Department of Local Government
4 and Community Affairs.

5 § 4702. Definitions.

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

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

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

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

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

30 (3) Involving executive agency employees at all levels

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

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

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

12 "Department." The Department of Local Government and
13 Community Affairs established under section 4711 (relating to
14 establishment of department).

15 "Executive agency." Any of the following:

16 (1) The Governor's Office.

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

20 (3) The Office of Lieutenant Governor.

21 (4) An independent department.

22 (5) An independent agency.

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

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

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

30 (2) The General Assembly or an agency of the General

1 Assembly.

2 "Independent department." Any of the following:

3 (1) The Department of the Auditor General.

4 (2) The Treasury Department.

5 (3) The Office of Attorney General.

6 (4) A board or commission of an entity under paragraph
7 (1), (2) or (3).

8 "Office." The Office of Local Government Consultant
9 established under section 4717 (relating to Office of Local
10 Government Consultant).

11 "Secretary." The Secretary of Local Government and Community
12 Affairs.

13 SUBCHAPTER B

14 DEPARTMENTAL ADMINISTRATION

15 Sec.

16 4711. Establishment of department.

17 4712. Organization of department.

18 4713. General duties of department and transfer provisions.

19 4714. Redesignation.

20 4715. (Reserved).

21 4716. Secretary.

22 4717. Office of Local Government Consultant.

23 4718. Strategic plan.

24 § 4711. Establishment of department.

25 The Department of Local Government and Community Affairs is
26 established as an administrative department within the executive
27 branch of the government of the Commonwealth.

28 § 4712. Organization of department.

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

1 (1) The Bureau of Local Government.

2 (2) The Bureau of Local Government Grants and
3 Development.

4 ~~(3) The Bureau of Election Management and Oversight.~~ <--

5 ~~(4) (3) The State Athletic Commission.~~ <--

6 ~~(5) (4) The Office of Local Government Consultant.~~ <--

7 (b) Supervision.--

8 (1) Each entity under subsection (a) shall be headed by
9 an executive director appointed by the secretary.

10 (2) Each executive director shall be under the
11 supervision of the secretary.

12 § 4713. General duties of department and transfer provisions.

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

16 (1) The Department of Community and Economic
17 Development. The powers and duties transferred from the
18 Department of Community and Economic Development shall be
19 limited to a bureau or program which pertains to the
20 following:

21 (i) The Center for Local Government Services.

22 (ii) The Center for Community Enhancement.

23 (iii) The Center for Community Development
24 Operations.

25 (iv) Training and assistance for local government
26 entities.

27 (v) Local government tax credits and grants.

28 (2) The Department of State. The powers and duties
29 transferred from the Department of State shall be limited to
30 the following:

<--

~~(i) The Bureau of Commissions, Elections and
Legislation, including:~~

~~(A) The Division of Campaign Finance and
Lobbying Disclosure.~~

~~(B) The Division of Commissions, Legislation and
Notaries.~~

~~(C) The Division of Elections and Voter
Services.~~

~~(D) The Division of Statewide Uniform Registry
of Electors.~~

~~(I) (RESERVED).~~

<--

~~(ii) The State Athletic Commission.~~

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

~~(1) The powers and duties vested in the Secretary of
Community and Economic Development and the Secretary of the
Commonwealth as specified in this chapter are transferred to
the secretary, who shall exercise the powers and perform the
duties that those secretaries exercised or performed prior to
the effective date of this section. Any reference to the
Secretary of Community and Economic Development or the
Secretary of the Commonwealth under a statute or regulation
which was in effect before the effective date of this section
and which concerns the powers or duties specified in this
chapter shall be deemed a reference to the secretary.~~

~~(2) The following are transferred to the office:~~

~~(i) All bureaus, organizations and divisions in the
Department of Community and Economic Development and the
Department of State responsible for the functions
specified in this chapter.~~

~~(ii) All personnel, allocations, appropriations,~~

1 equipment, files, records, contracts, agreements,
2 obligations and other materials which are used, employed
3 or expended by the Department of Community and Economic
4 Development and the Department of State in connection
5 with the functions transferred by this chapter to the
6 department in the first instance and as if these
7 contracts, agreements and obligations had been incurred
8 or entered into by the department.

9 (c) Apportionment.--The personnel, appropriations, equipment
10 and other items and material transferred to the department by
11 this section shall include an appropriate portion of the general
12 administrative, overhead and supporting personnel,
13 appropriations, equipment and other material of the Department
14 of Community and Economic Development or the Department of State
15 and shall also include, where applicable, Federal grants and
16 money and other benefits from any Federal program.

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

20 § 4714. Redesignation.

21 (a) Department of Community and Economic Development.--For
22 those powers and duties transferred under this chapter:

23 (1) The Department of Community and Economic Development
24 shall be known as the Bureau of Local Government or the
25 Bureau of Local Government Grants and Development under the
26 department. The following shall apply:

27 (i) The powers and duties of the Department of
28 Community and Economic Development transferred to the
29 department shall be divided between the Bureau of Local
30 Government and the Bureau of Local Government Grants and

1 Development.

2 (ii) The strategic plan under section 4718 (relating
3 to strategic plan) shall provide a clear division of the
4 powers and duties transferred from the Department of
5 Community and Economic Development to the department and
6 the bureaus specified in this subsection.

7 (2) A reference to the Department of Community and
8 Economic Development in a statute or regulation shall be
9 deemed a reference to the department.

10 (3) To provide an efficient and cost-minimizing
11 transition, licenses, contracts, deeds and other official
12 actions of the Department of Community and Economic
13 Development or any bureau specified in this subsection shall
14 not be affected by the use of the designation as the
15 Department of Community and Economic Development. The
16 department may continue to use the name "Department of
17 Community and Economic Development" on badges, licenses,
18 contracts, deeds, stationery and other official documents
19 until existing supplies are exhausted. The Department of
20 Community and Economic Development may substitute the title
21 "Department of Local Government and Community Affairs" for
22 "Department of Community and Economic Development," for those
23 responsibilities transferred under this chapter, on its
24 documents and materials on a schedule that is deemed
25 appropriate.

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

30 (5) The department shall continue to use the name

1 "Department of Community and Economic Development" on its
2 computer systems until the time of routine upgrades in each
3 computer system in the department. The change in name shall
4 be made at the time of the routine upgrade to the computer
5 systems.

6 (b) Department of State.--For those powers and duties
7 transferred under this chapter:

8 ~~(1) The Department of State shall be known as the Bureau <--~~
9 ~~of Election Management and Oversight and the State Athletic~~
10 ~~Commission under the department. The following shall apply:~~

11 ~~(i) The powers and duties of the Department of State~~
12 ~~transferred to the department shall be divided between~~
13 ~~the Bureau of Election Management and Oversight and the~~
14 ~~State Athletic Commission.~~

15 ~~(ii) The strategic plan under section 4718 shall~~
16 ~~provide a clear division of the powers and duties~~
17 ~~transferred from the Department of State to the~~
18 ~~department and a bureau or commission specified in this~~
19 ~~subsection.~~

20 ~~(1) THE POWERS AND DUTIES OF THE DEPARTMENT OF STATE <--~~
21 ~~TRANSFERRED TO THE DEPARTMENT SHALL BE IN THE STATE ATHLETIC~~
22 ~~COMMISSION. THE STRATEGIC PLAN UNDER SECTION 4718 SHALL~~
23 ~~PROVIDE A CLEAR DIVISION OF THE POWERS AND DUTIES TRANSFERRED~~
24 ~~FROM THE DEPARTMENT OF STATE TO THE DEPARTMENT AND A~~
25 ~~COMMISSION SPECIFIED IN THIS SUBSECTION.~~

26 ~~(2) A reference to the Department of State STATE <--~~
27 ~~ATHLETIC COMMISSION in a statute or regulation shall be~~
28 ~~deemed a reference to the department.~~

29 ~~(3) To provide an efficient and cost-minimizing~~
30 ~~transition, licenses, contracts, deeds and other official~~

1 ~~actions of the department, board or commission specified in~~ <--
2 ~~this subsection shall not be affected by the use of the~~
3 ~~designation as the Department of State. The department may~~ <--
4 ~~continue to use the name "Department of State" on badges,~~
5 ~~licenses, contracts, deeds, stationery and other official~~
6 ~~documents until existing supplies are exhausted. The~~
7 ~~Department of State may substitute the title "Department of~~
8 ~~Local Government and Community Affairs" for "Department of~~
9 ~~State," for those responsibilities transferred under this~~
10 ~~chapter, on its documents and materials on a schedule that is~~
11 ~~deemed appropriate.~~

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

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

21 § 4715. (Reserved).

22 § 4716. Secretary.

23 ~~(a) Nomination.--No later than 30 days after the submittal~~
24 ~~of the strategic plan under section 4718 (relating to strategic~~
25 ~~plan), the Governor shall nominate an individual to serve as~~
26 ~~acting secretary until the individual or another individual is~~
27 ~~confirmed as secretary by the Senate under section 8 of Article~~
28 ~~IV of the Constitution of Pennsylvania. The acting secretary~~
29 ~~shall have the same authority as the secretary.~~

30 ~~(b) Appointments.--The secretary shall appoint the deputy~~

1 secretaries, commission or office within the department. Each
2 deputy secretary shall possess appropriate qualifications to
3 serve in that capacity.

4 (c) Transfer of duties.--The secretary shall perform all the
5 duties and exercise all the authority of the Secretary of the
6 Commonwealth WITH REGARD TO THE STATE ATHLETIC COMMISSION on and <--
7 after one year following the effective date of this section.
8 § 4717. Office of Local Government Consultant.

9 (a) Establishment.--The Office of Local Government
10 Consultant is established within the department.

11 (b) Executive director.--The office shall be headed by an
12 executive director who shall be appointed by the secretary and
13 who shall report to the secretary.

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

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

17 (1) Assist local governments in complying with
18 regulations promulgated by the department or an executive
19 agency.

20 (2) Assist local governments in complying with the
21 requirements for the application process for a grant from an
22 executive agency.

23 (e) Cooperation by executive agencies.--

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

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

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

1 promulgated by the executive agency.

2 (ii) Each compliance team shall work with the office
3 to assist local governments in complying with rules and
4 requirements of the executive agency for the application
5 for a grant required to be overseen by the executive
6 agency.

7 § 4718. Strategic plan.

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

10 (1) subject to subsection (b), contract with a qualified
11 third party to develop a strategic plan under this section;
12 or

13 (2) execute a memorandum of understanding with the Joint
14 State Government Commission to develop a strategic plan under
15 this section.

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

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

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

23 (3) utilizes continuous improvement process systems to
24 strengthen the efficiency and delivery of service of agencies
25 or corporations undergoing a merger.

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

30 (1) A reduction of at least 20% in administrative costs.

1 (2) The consolidation of similar programs.

2 (3) The elimination of redundancy to maximize taxpayer
3 dollars.

4 (4) The improvement of agency services to residents of
5 this Commonwealth at a lower cost to taxpayers.

6 (5) A continuous improvement process system throughout
7 executive agencies.

8 (6) Financial transparency to residents of this
9 Commonwealth.

10 (7) A uniform accounting system and prudent financial
11 management throughout executive agencies.

12 (d) Submittal.--No later than 210 days after the effective
13 date of this section, the strategic plan under this section
14 shall be submitted to the General Assembly for review and any
15 hearings deemed necessary.

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

18 Section 3. Except as otherwise provided in 71 Pa.C.S. Ch.
19 47, all activities regarding the powers and duties under 71
20 Pa.C.S. Ch. 47 which were initiated under the AUTHORITY OF THE <--
21 Department of Community and Economic Development or the
22 Department of State shall continue and remain in full force and
23 effect and may be completed under 71 Pa.C.S. Ch. 47. Orders,
24 regulations, rules and decisions which were made under the
25 authority of the Department of Community and Economic
26 Development or the Department of State regarding the powers and
27 duties under 71 Pa.C.S. Ch. 47 and which are in effect on the
28 effective date of 71 Pa.C.S. Ch. 47 shall remain in full force
29 and effect until revoked, vacated or modified under 71 Pa.C.S.
30 Ch. 47. Contracts, obligations and collective bargaining

1 agreements entered into under the authority of the Department of
2 Community and Economic Development or the Department of State
3 are not affected nor impaired by the transfer of powers and
4 duties under 71 Pa.C.S. Ch. 47.

5 Section 4. Any expenditures needed to implement this act
6 shall be paid using encumbered money of the respective executive
7 agency.

8 Section 5. Within 10 days of the nomination under 71 Pa.C.S.
9 § 4716(a), the Secretary of the Commonwealth shall transmit
10 notice of the nomination to the Legislative Reference Bureau for
11 publication in the Pennsylvania Bulletin.

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

13 (1) The following shall take effect immediately:

14 (i) This section and section 5.

15 (ii) The addition of 71 Pa.C.S. §§ 4701, 4702, 4716
16 and 4718.

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