## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 259

Session of 2023

INTRODUCED BY MASTRIANO, BARTOLOTTA AND ROTHMAN, JANUARY 31, 2023

SENATOR COLEMAN, INTERGOVERNMENTAL OPERATIONS, AS AMENDED, NOVEMBER 13, 2023

## 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	<u>REGULATORY REVIEW</u>
18	Sec.

- 1 4401. Legislative intent.
- 2 4402. Definitions.
- 3 4403. Establishment.
- 4 4404. Reporting by pilot agencies.
- 5 4405. Reporting.
- 6 4406. Report required.
- 7 4407. Regulatory catalogs of executive agencies.
- 8 4408. 4406. 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 <u>workers and returning residents FORMERLY INCARCERATED</u> <--

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- 13 <u>INDIVIDUALS</u> of this Commonwealth who want to enter the workforce
- 14 <u>in an occupation requiring a license AS A CONDITION OF</u> <--
- 15 EMPLOYMENT.
- 16 § 4402. Definitions.
- 17 The following words and phrases when used in this chapter
- 18 shall have the meanings given to them in this section unless the
- 19 context clearly indicates otherwise:
- 20 "Office." The Governor's Office of the Budget.
- 21 "Pilot agencies." The following entities:
- 22 (1) The Bureau of Professional and Occupational Affairs
- in the Department of State of the Commonwealth.
- 24 (2) The Pennsylvania Parole Board.
- 25 (3) THE DEPARTMENT OF CORRECTIONS OF THE COMMONWEALTH. <--
- 26 "Program." The regulatory reduction pilot program
- 27 <u>established under section 4403 (relating to establishment).</u>
- 28 "Regulation." Any rule or regulation, or order in the nature
- 29 of a rule or regulation, promulgated by an agency under
- 30 statutory authority in the administration of any statute

- 1 administered by or relating to the agency or amending, revising
- 2 or otherwise altering the terms and provisions of an existing
- 3 regulation, or prescribing the practice or procedure before the
- 4 agency. THE TERM SHALL NOT INCLUDE A PROCLAMATION, EXECUTIVE <--
- 5 ORDER, DIRECTIVE OR SIMILAR DOCUMENT ISSUED BY THE GOVERNOR, BUT
- 6 SHALL INCLUDE A REGULATION WHICH MAY BE PROMULGATED BY AN
- 7 AGENCY, ONLY WITH THE APPROVAL OF THE GOVERNOR.
- 8 "Regulatory requirement." An action required to be taken or
- 9 <u>information required to be provided in accordance with a statute</u>
- 10 or regulation in order to access government services or operate
- 11 and conduct business by a regulated entity.
- 12 <u>"Secretary." The Secretary of the Budget.</u>
- 13 <u>§ 4403.</u> Establishment.
- 14 (a) Direction and duration of program. -- The office shall be
- 15 <u>under the direction of the secretary</u>, who shall administer a
- 16 three-year regulatory reduction pilot program beginning July 1, <--
- 17 <del>2023, and ending July 1, 2026, for pilot agencies.</del> AFTER THE
- 18 EFFECTIVE DATE OF THIS SUBSECTION AND ENDING 36 MONTHS AFTER THE
- 19 EFFECTIVE DATE OF THIS SUBSECTION.
- 20 (b) Program focus and reduction. -- The program shall focus on
- 21 regulations promulgated and administered by pilot agencies. The
- 22 stated goal of the program shall be to reduce unnecessary
- 23 regulatory requirements, compliance costs and regulatory burden
- 24 across pilot agencies by <del>July 1, 2026</del> 25% WITHIN 36 MONTHS.
- 25 (c) Baseline regulatory catalog. -- The secretary shall ensure
- 26 that pilot agencies develop a baseline regulatory catalog by <--
- 27 October 1, 2023, NO LATER THAN SIX MONTHS AFTER THE EFFECTIVE <--
- 28 DATE OF THIS SUBSECTION that identifies:
- 29 <u>(1) The total number and type of regulations and</u>
- 30 regulatory requirements currently promulgated or administered

- 1 by the pilot agencies- WITH A SPECIFIC FOCUS OF REGULATIONS <--
- 2 THAT AFFECT SMALL BUSINESS OWNERS, WORKERS AND FORMERLY
- 3 INCARCERATED INDIVIDUALS OF THIS COMMONWEALTH WHO WANT TO
- 4 <u>ENTER THE WORKFORCE IN AN OCCUPATION REQUIRING A LICENSE AS A</u>
- 5 CONDITION OF EMPLOYMENT.
- 6 (2) Any specific Federal or State mandates or statutory
- 7 <u>authority that requires the regulations and associated</u>
- 8 <u>requirements.</u>
- 9 (d) Catalog data report to office. -- The catalog data shall
- 10 be reported to the office in a manner specified by the office
- 11 and transmitted to the Legislative Reference Bureau for
- 12 <u>publication in the NEXT AVAILABLE ISSUE OF THE Pennsylvania</u> <--
- 13 Bulletin.
- 14 (e) Reduction. -- A THE 25% reduction GOAL under subsection <--
- 15 (b) shall be based on the total number of regulations and
- 16 regulatory requirements as provided by the baseline regulatory
- 17 catalog. A reduction under subsection (b) shall be measured by
- 18 the number of regulations and regulatory requirements that are
- 19 either eliminated or streamlined through regulatory or other
- 20 action.
- 21 § 4404. Reporting by pilot agencies.
- 22 (a) Initial report. -- The pilot agencies shall report all
- 23 regulations and regulatory requirements initially identified for
- 24 elimination, amendment or streamlining to the office, the
- 25 Governor and the General Assembly by July 1, 2024 NO LATER THAN <--
- 26 12 MONTHS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION,
- 27 including:
- 28 (1) Any regulation proposed for elimination or
- 29 <u>modification that requires a change in State law.</u>
- 30 (2) Initiation of any reforms, through a rulemaking or

- 1 nonregulatory action, that produce a reduction of the
- 2 regulations and regulatory requirements contained in the
- 3 pilot agencies baseline regulatory catalog.
- 4 (b) Follow up report. The pilot agencies shall report all <--
- 5 regulations and regulatory requirements initially identified for
- 6 elimination, amendment or streamlining to the office by July 1,-
- 7 2025, including:
- 8 (1) Any regulation proposed for elimination or
- 9 <u>modification that requires a change in State law.</u>
- 10 (2) Initiation of any reforms, through a rulemaking or
- 11 nonregulatory action, that produce a reduction of the
- 12 <u>regulations and regulatory requirements contained in the</u>
- 13 <u>pilot agencies baseline regulatory catalog.</u>
- 14 <del>(c)</del> (B) Final report.--The pilot agencies shall report all <--
- 15 regulations and regulatory requirements initially identified for
- 16 elimination, amendment or streamlining to the office by July 1, <--
- 17 <del>2026</del> NO LATER THAN 36 MONTHS AFTER THE EFFECTIVE DATE OF THIS
- 18 SUBSECTION, including:
- 19 (1) Any regulation proposed for elimination or
- 20 modification that requires a change in State law.
- 21 (2) Initiation of any reforms, through a rulemaking or
- 22 nonregulatory action, that produce a reduction of the
- 23 regulations and regulatory requirements contained in the
- 24 pilot agencies baseline regulatory catalog.
- 25 (d) Failure to meet reduction. -- If a pilot agency is unable
- 26 to produce a reduction of the regulations and regulatory
- 27 requirements under subsection (a)  $\tau$  OR (b)  $\frac{1}{2}$  OR, the pilot

- 28 agency shall provide a separate report to the Governor, the
- 29 General Assembly and the secretary stating the reasons for not
- 30 producing a reduction.

- 1 § 4405. Reporting.
- 2 (a) Annual report. -- The secretary shall submit a report
- 3 annually to the President pro tempore of the Senate and the
- 4 Speaker of the House of Representatives no later than October 1, <--
- 5 <del>2024, and October 1, 2025,</del> 12 MONTHS AND 24 MONTHS AFTER THE <--
- 6 EFFECTIVE DATE OF THIS SUBSECTION on the progress of the
- 7 program. The report shall include recommendations on the
- 8 <u>elimination or modification of regulations.</u>
- 9 (b) Failure to meet reduction.—If, by July 1, 2025, the
- 10 program has not achieved a reduction in regulatory requirements
- 11 across both pilot agencies, either by initiating rulemaking
- 12 actions or other streamlining actions, the secretary shall
- 13 <u>include the reasons for not achieving a reduction in the next</u>
- 14 <u>available annual report to the President pro tempore of the</u>
- 15 <u>Senate and the Speaker of the House of Representatives.</u>
- 16 (c) (B) Secretary report. -- The secretary shall report by <--
- 17 August 15, 2026, NO LATER THAN 36 MONTHS AFTER THE EFFECTIVE <--
- 18 DATE OF THIS SUBSECTION to the President pro tempore of the
- 19 Senate and the Speaker of the House of Representatives the
- 20 following information:
- 21 (1) The progress towards achieving a reduction in
- 22 regulations and regulatory requirements.
- 23 (2) Recommendations for expanding the program to other
- 24 agencies.
- 25 (3) Any additional information that the secretary
- determines may be helpful to support the General Assembly's
- 27 <u>regulatory reduction and reform efforts.</u>
- 28 <del>§ 4406. Report required.</del>
- 29 <u>(a) Report on failure to achieve program reduction.--If, by</u>

30 October 1, 2026, the program has not achieved a reduction in

- 1 regulations and regulatory requirements across the pilot
- 2 agencies under section 4403(b) (relating to establishment),
- 3 either by initiating rulemaking actions or other streamlining
- 4 actions, the secretary shall direct pilot agencies to report on
- 5 the factors leading to why the pilot agency could not achieve a
- 6 reduction in regulations and regulatory requirements across the
- 7 pilot agencies under section 4403(b) and provide recommendations
- 8 for policy and legislative changes required in order for the
- 9 <u>pilot agency to achieve the intent of section 4401 (relating to</u>
- 10 <del>legislative intent).</del>
- 11 <u>(b) Permitted budgetary review of pilot agencies. The</u>
- 12 President pro tempore of the Senate and the Speaker of the House
- 13 <u>of Representatives may also direct the Legislative Budget and</u>
- 14 Finance Committee to initiate a budgetary review of pilot
- 15 agencies. The review shall assess what obstacles exist to
- 16 achieving a reduction under section 4403(b).
- 17 (c) Legislative Budget and Finance Committee review. -- The
- 18 President pro tempore of the Senate and the Speaker of the House
- 19 of Representatives shall direct the Legislative Budget and
- 20 Finance Committee to review the regulatory reduction efforts of
- 21 pilot agencies as part of the program and report to the General
- 22 Assembly any findings and recommendations regarding:
- 23 (1) Whether a reduction in regulations and regulatory
- requirements are reasonable and achievable.
- 25 (2) Policies, practices and methods that may be adopted
- 26 by agencies to successfully achieve a reduction in
- 27 regulations and regulatory requirements.
- 28 \$ 4407. Regulatory catalogs of executive agencies.
- 29 By July 1, 2025, all executive branch agencies, boards and
- 30 commissions under the policy jurisdiction of the Governor shall

- 1 develop a baseline regulatory catalog and report their catalog
- 2 data to the office, including:
- 3 (1) Any specific Federal or State mandates.
- 4 <u>(2) The statutory authority that requires the</u>
- 5 regulations and associated regulatory requirements.
- 6 § 4408 4406. Agency tracking of regulations.
- 7 (a) Tracking and reporting agency compliance. -- The office
- 8 shall track and report on the extent to which agencies comply
- 9 with existing requirements to periodically review all
- 10 regulations every four years and report the office's findings to
- 11 the Governor, the General Assembly and the Independent Fiscal
- 12 Office.
- 13 (b) Agency schedule of review. -- Agencies shall provide to
- 14 the office a schedule listing each regulation that shall be
- 15 reviewed in each of the four years and transmitted to the
- 16 Legislative Reference Bureau for publication in the NEXT
- 17 AVAILABLE ISSUE OF THE Pennsylvania Bulletin.
- 18 Section 3. This act shall take effect in 60 days.