## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 259

Session of 2023

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

REFERRED TO INTERGOVERNMENTAL OPERATIONS, JANUARY 31, 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.
19	4401. Legislative intent.

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

- 1 "Regulatory requirement." An action required to be taken or
- 2 information required to be provided in accordance with a statute
- 3 or regulation in order to access government services or operate
- 4 and conduct business by a regulated entity.
- 5 <u>"Secretary." The Secretary of the Budget.</u>
- 6 § 4403. Establishment.
- 7 (a) Direction and duration of program. -- The office shall be
- 8 under the direction of the secretary, who shall administer a
- 9 three-year regulatory reduction pilot program beginning July 1,
- 10 2023, and ending July 1, 2026, for pilot agencies.
- (b) Program focus and reduction. -- The program shall focus on
- 12 regulations promulgated and administered by pilot agencies. The
- 13 stated goal of the program shall be to reduce unnecessary
- 14 regulatory requirements, compliance costs and regulatory burden
- 15 across pilot agencies by July 1, 2026.
- 16 (c) Baseline regulatory catalog. -- The secretary shall ensure
- 17 that pilot agencies develop a baseline regulatory catalog by
- 18 October 1, 2023, that identifies:
- 19 (1) The total number and type of regulations and
- 20 regulatory requirements currently promulgated or administered
- 21 by the pilot agencies.
- 22 (2) Any specific Federal or State mandates or statutory
- 23 <u>authority that requires the regulations and associated</u>
- 24 requirements.
- 25 (d) Catalog data report to office. -- The catalog data shall
- 26 be reported to the office in a manner specified by the office
- 27 <u>and transmitted to the Legislative Reference Bureau for</u>
- 28 publication in the Pennsylvania Bulletin.
- 29 (e) Reduction.--A reduction under subsection (b) shall be
- 30 based on the total number of regulations and regulatory

- 1 requirements as provided by the baseline regulatory catalog. A
- 2 reduction under subsection (b) shall be measured by the number
- 3 of regulations and regulatory requirements that are either
- 4 <u>eliminated or streamlined through regulatory or other action.</u>
- 5 § 4404. Reporting by pilot agencies.
- 6 (a) Initial report. -- The pilot agencies shall report all
- 7 regulations and regulatory requirements initially identified for
- 8 <u>elimination</u>, <u>amendment or streamlining to the office</u>, the
- 9 Governor and the General Assembly by July 1, 2024, including:
- 10 (1) Any regulation proposed for elimination or
- 11 modification that requires a change in State law.
- 12 (2) Initiation of any reforms, through a rulemaking or
- 13 <u>nonregulatory action, that produce a reduction of the</u>
- 14 <u>regulations and regulatory requirements contained in the</u>
- 15 <u>pilot agencies baseline regulatory catalog.</u>
- 16 (b) Follow-up report. -- The pilot agencies shall report all
- 17 regulations and regulatory requirements initially identified for
- 18 elimination, amendment or streamlining to the office by July 1,
- 19 2025, including:
- 20 (1) Any regulation proposed for elimination or
- 21 modification that requires a change in State law.
- 22 (2) Initiation of any reforms, through a rulemaking or
- 23 nonregulatory action, that produce a reduction of the
- 24 regulations and regulatory requirements contained in the
- 25 pilot agencies baseline regulatory catalog.
- 26 (c) Final report. -- The pilot agencies shall report all
- 27 regulations and regulatory requirements initially identified for
- 28 elimination, amendment or streamlining to the office by July 1,
- 29 <u>2026</u>, including:
- 30 (1) Any regulation proposed for elimination or

- 1 modification that requires a change in State law.
- 2 (2) Initiation of any reforms, through a rulemaking or
- 3 <u>nonregulatory action, that produce a reduction of the</u>
- 4 <u>regulations and regulatory requirements contained in the</u>
- 5 <u>pilot agencies baseline regulatory catalog.</u>
- 6 (d) Failure to meet reduction. -- If a pilot agency is unable
- 7 to produce a reduction of the regulations and regulatory
- 8 requirements under subsection (a), (b) or (c), the pilot agency
- 9 shall provide a separate report to the Governor, the General
- 10 Assembly and the secretary stating the reasons for not producing
- 11 <u>a reduction.</u>
- 12 <u>§ 4405.</u> Reporting.
- 13 (a) Annual report. -- The secretary shall submit a report
- 14 <u>annually to the President pro tempore of the Senate and the</u>
- 15 Speaker of the House of Representatives no later than October 1,
- 16 2024, and October 1, 2025, on the progress of the program. The
- 17 report shall include recommendations on the elimination or
- 18 modification of regulations.
- 19 (b) Failure to meet reduction. -- If, by July 1, 2025, the
- 20 program has not achieved a reduction in regulatory requirements
- 21 across both pilot agencies, either by initiating rulemaking
- 22 actions or other streamlining actions, the secretary shall
- 23 include the reasons for not achieving a reduction in the next
- 24 available annual report to the President pro tempore of the
- 25 <u>Senate and the Speaker of the House of Representatives.</u>
- 26 (c) Secretary report. -- The secretary shall report by August
- 27 15, 2026, to the President pro tempore of the Senate and the
- 28 Speaker of the House of Representatives the following
- 29 information:
- 30 (1) The progress towards achieving a reduction in

- 1 regulations and regulatory requirements.
- 2 (2) Recommendations for expanding the program to other
- 3 agencies.
- 4 (3) Any additional information that the secretary
- 5 determines may be helpful to support the General Assembly's
- 6 <u>regulatory reduction and reform efforts.</u>
- 7 <u>§ 4406</u>. Report required.
- 8 (a) Report on failure to achieve program reduction. -- If, by
- 9 October 1, 2026, the program has not achieved a reduction in
- 10 regulations and regulatory requirements across the pilot
- 11 agencies under section 4403(b) (relating to establishment),
- 12 either by initiating rulemaking actions or other streamlining
- 13 <u>actions</u>, the secretary shall direct pilot agencies to report on
- 14 the factors leading to why the pilot agency could not achieve a
- 15 reduction in regulations and regulatory requirements across the
- 16 pilot agencies under section 4403(b) and provide recommendations
- 17 for policy and legislative changes required in order for the
- 18 pilot agency to achieve the intent of section 4401 (relating to
- 19 legislative intent).
- 20 (b) Permitted budgetary review of pilot agencies. -- The
- 21 President pro tempore of the Senate and the Speaker of the House
- 22 of Representatives may also direct the Legislative Budget and
- 23 Finance Committee to initiate a budgetary review of pilot
- 24 agencies. The review shall assess what obstacles exist to
- 25 <u>achieving a reduction under section 4403(b).</u>
- 26 (c) Legislative Budget and Finance Committee review. -- The
- 27 President pro tempore of the Senate and the Speaker of the House
- 28 of Representatives shall direct the Legislative Budget and
- 29 Finance Committee to review the regulatory reduction efforts of
- 30 pilot agencies as part of the program and report to the General

- 1 Assembly any findings and recommendations regarding:
- 2 (1) Whether a reduction in regulations and regulatory
- 3 requirements are reasonable and achievable.
- 4 (2) Policies, practices and methods that may be adopted
- 5 by agencies to successfully achieve a reduction in
- 6 regulations and regulatory requirements.
- 7 § 4407. Regulatory catalogs of executive agencies.
- 8 By July 1, 2025, all executive branch agencies, boards and
- 9 <u>commissions under the policy jurisdiction of the Governor shall</u>
- 10 <u>develop a baseline regulatory catalog and report their catalog</u>
- 11 <u>data to the office, including:</u>
- 12 <u>(1) Any specific Federal or State mandates.</u>
- 13 (2) The statutory authority that requires the
- 14 <u>regulations and associated regulatory requirements.</u>
- 15 § 4408. Agency tracking of regulations.
- 16 (a) Tracking and reporting agency compliance. -- The office
- 17 shall track and report on the extent to which agencies comply
- 18 with existing requirements to periodically review all
- 19 regulations every four years and report the office's findings to
- 20 the Governor, the General Assembly and the Independent Fiscal
- 21 Office.
- 22 (b) Agency schedule of review. -- Agencies shall provide to
- 23 the office a schedule listing each regulation that shall be
- 24 reviewed in each of the four years and transmitted to the
- 25 Legislative Reference Bureau for publication in the Pennsylvania
- 26 Bulletin.
- 27 Section 3. This act shall take effect in 60 days.