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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 54 Session of  
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INTRODUCED BY DOWLING, GROVE, RYAN, SCHEMEL, ORTITAY, FRITZ,  
WALSH, ROTHMAN, BERNSTINE, KAUFFMAN, WHEELAND, ZIMMERMAN,  
MILLARD, IRVIN, COOK, HELM AND GAYDOS, MARCH 14, 2019

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REFERRED TO COMMITTEE ON STATE GOVERNMENT, MARCH 14, 2019

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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) The State Athletic Commission.

6           (5) 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:

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

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

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

7           (C) The Division of Elections and Voter  
8 Services.

9           (D) The Division of Statewide Uniform Registry  
10 of Electors.

11          (ii) The State Athletic Commission.

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

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

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

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

29           (ii) All personnel, allocations, appropriations,  
30 equipment, files, records, contracts, agreements,

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

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

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

19 § 4714. Redesignation.

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

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

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

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

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

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

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

29           (5) The department shall continue to use the name  
30           "Department of Community and Economic Development" on its



1 computer systems until the time of routine upgrades in each  
2 computer system in the department. The change in name shall  
3 be made at the time of the routine upgrade to the computer  
4 systems.

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

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

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

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

19 (2) A reference to the Department of State in a statute  
20 or regulation shall be deemed a reference to the department.

21 (3) To provide an efficient and cost-minimizing  
22 transition, licenses, contracts, deeds and other official  
23 actions of the department, board or commission specified in  
24 this subsection shall not be affected by the use of the  
25 designation as the Department of State. The department may  
26 continue to use the name "Department of State" on badges,  
27 licenses, contracts, deeds, stationery and other official  
28 documents until existing supplies are exhausted. The  
29 Department of State may substitute the title "Department of  
30 Local Government and Community Affairs" for "Department of

1 State," for those responsibilities transferred under this  
2 chapter, on its documents and materials on a schedule that is  
3 deemed appropriate.

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

8 (5) The department shall continue to use the name  
9 "Department of State" on its computer systems until the time  
10 of routine upgrades in each computer system in the  
11 department. The change in name shall be made at the time of  
12 the routine upgrade to the computer systems.

13 § 4715. (Reserved).

14 § 4716. Secretary.

15 (a) Nomination.--No later than 30 days after the submittal  
16 of the strategic plan under section 4718 (relating to strategic  
17 plan), the Governor shall nominate an individual to serve as  
18 acting secretary until the individual or another individual is  
19 confirmed as secretary by the Senate under section 8 of Article  
20 IV of the Constitution of Pennsylvania. The acting secretary  
21 shall have the same authority as the secretary.

22 (b) Appointments.--The secretary shall appoint the deputy  
23 secretaries, commission or office within the department. Each  
24 deputy secretary shall possess appropriate qualifications to  
25 serve in that capacity.

26 (c) Transfer of duties.--The secretary shall perform all the  
27 duties and exercise all the authority of the Secretary of the  
28 Commonwealth on and after one year following the effective date  
29 of this section.

30 § 4717. Office of Local Government Consultant.

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

3 (b) Executive director.--The office shall be headed by an  
4 executive director who shall be appointed by the secretary and  
5 who shall report to the secretary.

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

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

9 (1) Assist local governments in complying with  
10 regulations promulgated by the department or an executive  
11 agency.

12 (2) Assist local governments in complying with the  
13 requirements for the application process for a grant from an  
14 executive agency.

15 (e) Cooperation by executive agencies.--

16 (1) All executive agencies shall cooperate with the  
17 office.

18 (2) Executive agency heads shall identify key staff to  
19 form local government compliance teams. The following shall  
20 apply:

21 (i) Each compliance team shall work with the office  
22 to assist local governments in complying with regulations  
23 promulgated by the executive agency.

24 (ii) Each compliance team shall work with the office  
25 to assist local governments in complying with rules and  
26 requirements of the executive agency for the application  
27 for a grant required to be overseen by the executive  
28 agency.

29 § 4718. Strategic plan.

30 (a) Development.--Within 60 days of the effective date of

1 this section, the Governor shall:

2 (1) subject to subsection (b), contract with a qualified  
3 third party to develop a strategic plan under this section;

4 or

5 (2) execute a memorandum of understanding with the Joint  
6 State Government Commission to develop a strategic plan under  
7 this section.

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

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

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

15 (3) utilizes continuous improvement process systems to  
16 strengthen the efficiency and delivery of service of agencies  
17 or corporations undergoing a merger.

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

22 (1) A 20% reduction in administrative costs.

23 (2) The consolidation of similar programs.

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

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

28 (5) A continuous improvement process system throughout  
29 executive agencies.

30 (6) Financial transparency to residents of this

1 Commonwealth.

2 (7) A uniform accounting system and prudent financial  
3 management throughout executive agencies.

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

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

10 Section 3. Except as otherwise provided in 71 Pa.C.S. Ch.  
11 47, all activities regarding the powers and duties under 71  
12 Pa.C.S. Ch. 47 which were initiated under the Department of  
13 Community and Economic Development or the Department of State  
14 shall continue and remain in full force and effect and may be  
15 completed under 71 Pa.C.S. Ch. 47. Orders, regulations, rules  
16 and decisions which were made under the authority of the  
17 Department of Community and Economic Development or the  
18 Department of State regarding the powers and duties under 71  
19 Pa.C.S. Ch. 47 and which are in effect on the effective date of  
20 71 Pa.C.S. Ch. 47 shall remain in full force and effect until  
21 revoked, vacated or modified under 71 Pa.C.S. Ch. 47. Contracts,  
22 obligations and collective bargaining agreements entered into  
23 under the authority of the Department of Community and Economic  
24 Development or the Department of State are not affected nor  
25 impaired by the transfer of powers and duties under 71 Pa.C.S.  
26 Ch. 47.

27 Section 4. Any expenditures needed to implement this act  
28 shall be paid using encumbered money of the respective executive  
29 agency.

30 Section 5. Within 10 days of the nomination under 71 Pa.C.S.

1 § 4716(a), the Secretary of the Commonwealth shall transmit  
2 notice of the nomination to the Legislative Reference Bureau for  
3 publication in the Pennsylvania Bulletin.

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

5 (1) The following shall take effect immediately:

6 (i) This section and section 5.

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

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