

FISCAL NOTE

February 24, 2023

| Bill No: SB | 0 3 3 0 | Printer's No: | 271 | Sponsor: | Phillips-Hill |
|-------------|---------|---------------|-----|----------|---------------|

COST / (SAVINGS)

| Fund (s) | 2022-23 | 2023-24 |
|--------------|-------------------|-------------------|
| General Fund | See Fiscal Impact | See Fiscal Impact |
| Federal Fund | See Fiscal Impact | See Fiscal Impact |

SUMMARY: SB 350 establishes the Permit Administration Act.

ANALYSIS: SB 350 lays out duties and timeframes for State agencies (defined as any office, department, authority, board, or commission of the executive branch which issues permits): within 60 days after the effective date of this act, review the agency's permit decisions and permit decision delays during the immediately preceding calendar year and submit a report to the General Assembly; within 90 days, an agency shall compile, maintain, and make available a complete list of all types of permits issued by the agency and submit to the Legislative Reference Bureau for publication in the PA Bulletin and shall be posted on the agency's website; within 180 days, agencies shall establish, maintain, and make available a secure tracking system for applicants to track the status of applications on their website, including permit processing times and the statute or regulation establishing them, dates associated with receipt of each permit, completeness review, technical review, elevated review if necessary and final permit decision, estimated time remaining for each incomplete phase of the permit approval process, and contact information for agency employees assigned to answer questions; and within 180 days of the effective date, agencies shall establish a permit program to review permit decision delays and resolve issues causing permit decision delays and contract with a third-party professional to administer this program who will be paid from fees collected from applications subject to a permit decision delay.

Delayed applications will be sent to the third party for review and resolution no later than three business days after the application becomes subject to permit decision delay. The applications will then be transmitted to the agency for issuance of the permit. Within five business days after receiving an application, agencies shall notify an applicant of the receipt of the application and provide information on the tracking system.

Applicants will be made aware of incomplete applications within 10 business days and of the information necessary for completion If an application is determined to be incomplete. If the application is determined to be technically deficient, the agency shall notify them within 20 business days after the conclusion of a completeness review. Permit holders will be notified 60 days before a permit's expiration and any change to statute, regulation, or permit fees. Permits issued prior to the effective date of a statute or regulation shall remain valid under the provisions by which the permit was granted. No later than January 31 of each year, each State agency shall submit a report to the General Assembly on permit application data.



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This act shall take effect in 60 days.

FISCAL IMPACT:

| Agency | Current FY IT | Current FY | Next FY IT | Next FY | Total |
|----------------|----------------|------------------------------|---------------|----------------|----------------|
| | | Personnel | | Personnel | |
| Environmental | \$1.7 Million | \$12.8 Million \$1.8 Million | | \$13.8 Million | \$30.1 Million |
| Protection | | | | | |
| PennDOT | \$5.6 Million | \$11.1 Million | | \$11.1 Million | \$27.8 Million |
| Labor and | \$1.6 Million | \$812 Thousand | \$1.6 Million | \$812 Thousand | \$4.8 Million |
| Industry | | | | | |
| Human Services | \$5.0 Million | | | | \$5 Million |
| Agricultural | | \$25.8 Million | \$2 Million | \$31.5 Million | \$59.3 Million |
| Health | \$2.5 Million | \$800 Thousand | | \$1.5 Million | \$4.8 Million |
| Community and | | \$100 Thousand | | \$100 Thousand | \$200 Thousand |
| Economic | | | | | |
| Development | | | | | |
| Total | \$16.4 Million | \$51.4 Million | \$5.4 Million | \$58.8 Million | \$132 Million |

This legislation would lead to significant costs for agencies (which could be a high number, as the definition of "permit" is vague) in personnel, IT systems, and contracts with third-party professionals for review of delayed applications, as well as turning over permit fees for review to the third-party. This could also compromise the commonwealth's role as the primary enforcer of federal regulation and thus could affect federal funding. This is due to the fact that this bill would effectively eliminate public participation, leaves inadequate timeframes for review, the third-party contractor provisions, which inappropriately delegates essential governmental functions, and language regarding mandatory issuance after third party review. The governor's recently issued Executive Order regarding permitting and licensing (Executive Order 2023-07) could also affect the fiscal impact of this legislation.



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| <u>Activity</u> | DEP | DOT | <u>PDA</u> | <u>L&I</u> | DHS | DOH | DCED |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Initial review of | Not |
| permits by | currently |
| agencies of permit decisions and permit deicision delays during the | perfoming |
| preceding | | | | | | | |
| calendar year. | NI - 4 | NI - 4 | NI - 1 | NI - 4 | Net | NI - 1 | NI-1 |
| Compile list of permits that includes the permit the program is issued | Not currently perfoming |
| under, authority for each permit, time frame for issuing a permit, and average time | | | | | | | |
| frame that the | | | | | | | |
| permit is actually issued in. | | | | | | | |
| Establish and maintain tracking system for permit applications | - | Not currently perfoming | Not currently perfoming | Not currently perfoming | Not currently perfoming | Not currently perfoming | Not currently perfoming |
| Notify applicants | Not |
| of incomplete and technically deficient applications. | currently perfoming |
| Notify permit holders of permit changes and expiration. | | Not currently perfoming | Not currently perfoming | Not currently perfoming | Not currently perfoming | Not currently perfoming | Not currently perfoming |
| Third-party review of permit decisions that are subject to permit decision delay. | Not currently perfoming |
| Annual report to the General Assembly on permit applications. | Not currently perfoming |