## Pennsylvania Municipal League

## 2017 Resolutions



## Please bring this book to the:

## 2017 Resolutions Committee Meeting

Friday, October 6, 2017 Bayfront Convention Center 11:00 a.m. – 12 noon

## and the:

## **2017 Annual Business Meeting**

Saturday, October 7, 2017
General Session Luncheon and Annual Business Meeting
Bayfront Convention Center
12:30 p.m. – 2:30 p.m.

## 2017 Resolutions Committee Meeting

Friday, October 6, 2017 Bayfront Convention Center

11:00 a.m. – 12 noon

## Agenda

- I. Call to Order C. Kim Bracey, Mayor, City of York, Chair
- II. Review Rules of Conduct C. Kim Bracey, Mayor, City of York, Chair
- III. Roll Call
- IV. Consideration of Resolutions
- V. Adjourn

## Pennsylvania Municipal League 2017 Resolutions Committee Meeting

## Rules for the Conduct of Business

- The Resolutions Committee is chaired by PML's First Vice President, C. Kim Bracey, Mayor, City of York.
- Each member municipality of PML was given the opportunity to appoint a representative to be a Resolutions Committee member.
- Each Resolutions Committee member has a designated seat. Alternates may sit in the designated seating, if taking the place of a Committee member; otherwise they must sit with observers in the audience.
- Only Resolutions Committee members may make motions and vote.
- Only Resolutions Committee members and PML staff may be recognized to speak at the meeting.
- Resolutions will be voted as a group. If there is a motion to suspend voting on particular resolutions, they will be set aside and a vote will be taken on the remaining resolutions. Resolutions that were set aside will be considered one at a time in numerical order.
- Late resolutions presented in accordance with PML By-Laws will be considered after a vote has been taken on all other resolutions.
- A simple majority vote of those members of the Resolutions Committee present and voting will be required to take action.
- No proxy votes are allowed. If a member of the Committee is required to leave the meeting, the designated alternate may take the member's seat, be recognized to speak, make motions and vote.
- Resolutions considered by the 2017 Resolutions Committee will come from the following sources only:
  - Those advanced by action of the PML Board of Directors.
  - Those advanced by action of the six PML districts.
  - Those advanced by the PML Legislative Committee.
  - Those received by PML by the August 31, 2017, deadline for submitting resolutions.
  - Those received by PML by the late resolution process.

## Pennsylvania Municipal League

## By-Laws

#### Article VIII - Annual Convention

Section 5. Convention Committees

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#### b. Resolutions Committee

The Resolutions Committee shall be appointed at least ninety (90) days prior to the convening of the Annual Convention. At least one (1) member of said committee shall be a municipal solicitor. The Resolutions Committee shall meet on the opening day of the convention to consider submitted resolutions. Resolutions shall be submitted for the Committee's consideration at the District Meetings or to the League office at least forty-five (45) days prior to the convening of the convention.

Resolutions so submitted shall be forwarded by the League under the signature of the Chair of the Resolutions Committee to each member municipality at least thirty (30) days prior to the convening of the convention.

The report of the Resolutions Committee shall be submitted to the convention at the time called for in the convention program. Resolutions which are favorably reported by the Resolutions Committee shall be adopted upon the approval of a majority of the appointed delegates present and voting. At the request of a sponsor of a resolution not favorably reported by the Resolutions Committee, such resolution, following a reading in full, and co-sponsored by seven (7) appointed delegates present and voting, shall be put to a vote and shall be adopted upon the approval of two-thirds (2/3) majority of the appointed delegates present and voting.

The rules and procedures governing adoption of resolutions may be temporarily suspended by a two-thirds (2/3) vote of consent of the delegates present and voting for the purpose of considering a resolution of extraordinary importance to League policy. Such resolutions shall be typewritten and be co-sponsored by ten (10) appointed delegates present and voting. Such resolutions shall be adopted by the affirmative vote of two-thirds (2/3) majority of the delegates present and voting.

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# Resolution 1

#### Resolution #1-2017

### **Submitted by: PML Legislative Committee**

## Adoption of National League of Cities' 2017 Legislative Priorities

Whereas, Pennsylvania's municipalities are concerned with a wide range of issues on the federal level; and

Whereas, when appropriate, PML sets forth these issues in correspondence with the members of the Pennsylvania congressional delegation; and

Whereas, the era of federal devolution has pushed the responsibilities for funding and administration of many programs onto states and localities; and

Whereas, federal devolution and the federal budget process continue to result in fewer dollars available for municipal programs; and

Whereas, municipalities cannot continue to meet the growing fiscal and societal demands for services and programs without their federal partner; and

Whereas, PML as a State Municipal League member of the National League of Cities (NLC) takes its lead on federal issues from the NLC; and

Whereas, the National League of Cities, in its 2017 Legislative Priorities, is asking Congress to work in partnership with local government to maximize support for programs vital to cities and towns across America.

Therefore, be it resolved: the Pennsylvania Municipal League reaffirms as its basic policy on federal issues the 2017 National Municipal Policy Statement of the National League of Cities; and

Be it further resolved: the Pennsylvania Municipal League reaffirms as its 2017 federal agenda, the National League of Cities' 2017 Legislative Priorities as adopted by the NLC Board of Directors in January 2017 and as follows:

### **Public Safety**

Public safety is crucial to safe communities and a strong economy. Annually, local expenditures on law enforcement operations total more than \$64 billion. Investments made by local, state and federal partnerships have resulted in a significant reduction of violent crime in the last 25 years, but in many communities crime continues to be a barrier to safety, quality of life, and social cohesion. Trust between the police and public is key to ensuring healthy communities with stable local economies. To strengthen community efforts further, NLC supports:

- Expanded technical assistance programs within the Department of Justice that could assist hundreds of cities and towns in developing evidenced-based community policing programs that build trust, improve community relations, and reduce racial tensions and crime rates;
- Sufficient funding to support coordination and cooperation between federal, state and local law enforcement agencies; and
- Action to reduce the epidemic of gun violence that plagues our nation.

#### **Infrastructure Investment**

Infrastructure investment drives economic growth by supporting businesses and workers. Historically, federal infrastructure investment cultivated successful communities. Today, however, federal investment is lagging for both traditional and 21<sup>st</sup> century needs. Critical transportation and water infrastructure are in a state of disrepair and neglect; and information technology is still not readily available to all Americans.

Investments in our infrastructure will set the foundation for economic progress in the next century. To help modernize our nation's infrastructure, we ask Congress to:

- Act as a champion for tax-exempt municipal bonds, the primary financing mechanism for state and local infrastructure projects. Any policy to alter the tax-exempt status of these bonds will cost local governments billions of dollars and prevent many projects from going forward;
- Support adequate and reliable long-term funding for infrastructure reflecting local needs and priorities;
- Support a vibrant web of connected transportation options from transit and air to railways, roads, and waterways as a means to reduce congestion, protect the environment, and stimulate economic development; and
- Encourage and promote deployment of broadband networks in a competitive and technologically neutral manner, while preserving local authority to take action to ensure that residents have access to high-speed Internet and other communications services.

#### **Economy**

Municipalities create conditions that drive new business, spur innovation, and attract talent and investment. While economic conditions have improved since 2008, there are many economic indicators that are lagging, such as slow productivity, suppressed wages, unemployment, a shortage of affordable housing, and an increased need for food banks.

These disparities need to be resolved. All levels of government must work together to cultivate a 21<sup>st</sup> century workforce that is prepared to meet employer needs. The success of our communities is directly tied to the quality of our workforce.

The federal government also has a vital role to play in supporting the entrepreneurs and small businesses that make our local economies centers of innovation and economic reinvention. Entrepreneurs and small businesses not only create well-paying jobs, they deliver vital goods and services, generate sales tax revenue, and contribute to the unique character and livability of neighborhoods. To help strengthen the economy, we ask Congress to:

- Increase federal funding for workforce development and training programs that provide basic skills training and opportunities to upgrade skills to adjust to changing job market demands;
- Leverage federal resources to support universal pre-K, afterschool programs and other initiatives that ensure that all children and youth have an opportunity to graduate from high school prepared for post-secondary education or employment; and
- Support federal economic development tools such as New Markets Tax Credits and the Community Development Block Grant (CDBG) program, which allow communities to drive investment in struggling neighborhoods, attract and retain businesses, and grow jobs.

This resolution reflects the National League of Cities' 2017 Advocacy Priorities and adopts the 2017 National League of Cities' policy as contained in the 2017 National Municipal Policy Statement.



#### 2017 Federal Action Agenda

**Public safety** is crucial to building strong, safe communities and creating an economy that works for all residents. Cities and towns annually spend more than \$64 billion on law enforcement operations alone. A majority of these funds go to employing more than 600,000 law enforcement professionals on a full-time basis.

Taken together, investments by cities and the federal government have had a clear and measurable impact in making America's streets safer and our communities stronger. The partnership among local, state and federal governments has produced significant reductions not only in overall crime rates, but particularly in the rates of violent crime and property crime. Recent FBI statistics indicate that the national rate of violent crime today is roughly half of what it was in 1993, and it is continuing to decline.

While cities have made tremendous progress through adoption of community policing strategies for positive, proactive engagement with the public, there is much more to be done. Although crime is down nationally, in many cities across the country, crime continues to be a significant barrier to individual and family safety, quality of life, and social cohesion, particularly in racially diverse and disadvantaged neighborhoods.

A key to improving public safety and quality of life and ensuring stability for local economies is building trust between police and the public. With recent events across the nation showing the need for stronger police community relations, government must work together at all levels to bolster community oriented policing programs in cities. This will require a challenging mix of research, policy reform and political capital. In partnership with the federal government, cities are committed to evaluating police performance and taking all necessary steps to make our cities safer for all residents.

As recent events have demonstrated, good relations between police and the communities they serve are vital to a healthy city. Local leaders have played an essential role in bringing together police chiefs, frontline officers, civic leaders, stakeholders, nonprofits and associations to help develop effective policy to build trust between communities and law enforcement.

To strengthen city efforts to improve public safety, we ask the administration to:

- Expand technical assistance programs within the Department of Justice that could assist
  hundreds of cities and towns in developing evidenced-based community policing programs
  that build trust, improve community relations, and reduce racial tensions and crime rates;
- Provide sufficient funding to support coordination and cooperation between federal, state and local law enforcement agencies; and
- Take action to reduce the epidemic of gun violence that plagues our nation.

**Infrastructure investment** is essential to driving economic growth at all levels. Improvements in transportation, water and broadband draw new businesses and jobs to cities and their regions, while creating a better climate for current businesses to expand and add workers.

U.S. government policy plays a formative role in supporting the infrastructure that cultivates successful cities. History shows how forward thinking leadership on infrastructure at the federal level can pave the way for a strong economy. The Federal Highway Act of 1956 connected America's cities and towns and supported the growth and success of our regional and national economies. The Clean Water Act of 1972 and the Safe Drinking Water Act of 1974 restored America's waterways and ensured the availability of clean water — making America's cities more livable and more attractive for business.

But today, it appears we have forgotten about the essential role of infrastructure investment in supporting quality of life and robust economic growth. Critical infrastructure across the nation is in a state of neglect and disrepair. 32 percent of America's major roads are rated as being in poor or mediocre condition, and that number is only expected to grow as we continue to under invest by nearly half of what is needed to keep our roads in a state of good repair. Likewise, much of our water infrastructure was built in the post-World War II period and is in need of critical updates - an estimated 240,000 water main breaks happen each year in our country.

Furthermore, we must reexamine how federal infrastructure dollars are supporting 21st century economic trends. Since 1992, roughly 80 percent of all federal transportation funding has been reserved for the highway system, at the expense of alternative modes. In 2014, rush-hour commuters spent an estimated 6.9 billion hours in traffic, up from 6.4 billion in 2010, at significant cost to the nation. In addition, at a time in our economic history where access to information is paramount to opportunity and prosperity, our nation's broadband system is failing many communities across the country. Around 15 percent of U.S. households—or approximately 47 million Americans do not have Internet in their homes.

Adding to these problems is the impact of extreme weather events. Heat waves, droughts, heavy downpours, floods, and hurricanes are straining existing infrastructure and introducing new challenges.

The investments our federal leaders make to strengthen and modernize our nation's infrastructure will set the foundation for the next century of economic progress. To preserve our economic leadership in the world, the next president must make a priority addressing the woeful state of U.S. infrastructure and make the investments needed to support continued — and accelerated — growth in cities and throughout the country.

Cities are the engine of our nation's **economy**. From roads and transit to parks and libraries, to law enforcement and emergency services, cities create the conditions that drive new business, spur innovation, and attract talent and investment.

Six years after the Great Recession, the nation's economy has turned a corner in many respects. According to NLC's 2015 survey of local economic conditions, the economy is improving in nearly all cities, with 28 percent of cities reporting vast improvement, and 65 percent reporting at least slight improvement.

While job growth, increasing residential property values, and improved retail sector health stabilize local economies, these rising tides have failed to lift all boats. The state of our economy today is a tale of two cities. We see an economy that continues to outpace the rest of the world in innovation, but also one that is weighed down by slow productivity growth, suppressed wages and stubborn unemployment.

The recovery of the housing market in many cities is a double-edged sword. Rising home prices are helping to replenish local tax bases, but at the same time exacerbating the affordable housing crisis. According to the NLC 2015 survey, the median income of residents has increased in 53 percent of cities, but demand for survival services, such as food banks and homeless shelters, also has risen.

Cities work best when the economy works for everyone. A critical task facing the next president will be resolving these disparities. To start, all levels of government must work together to cultivate a skilled workforce to meet 21st century employer needs. The economic competitiveness and long-term success of our cities are directly tied to the quality and skills of the workforce.

The federal government also has a vital role to play in supporting the entrepreneurs and small businesses that make our local economies centers of innovation and economic reinvention. Entrepreneurs and small businesses not only create well-paying jobs, they deliver vital goods and services, generate sales tax revenue, and contribute to the unique character and livability of city neighborhoods.

Local leaders are in a unique position to support solutions to our nation's complex economic challenges. Cities stand ready to work with the next president to do what cities do best: create environments that support workers, grow businesses, and strengthen local, state and national economies.

To help cities strengthen the economy, we ask the administration to:

- Increase federal funding for workforce development and training programs that provide basic skills training and opportunities to upgrade skills to adjust to changing job market demands;
- Leverage federal resources to support universal pre-K, afterschool programs and other initiatives that ensure that all children and youth have an opportunity to graduate from high school prepared for post-secondary education or employment; and
- Support federal economic development tools such as New Markets Tax Credits and the Community Development Block Grant (CDBG) program, which allow cities to drive investment in struggling neighborhoods, attract and retain businesses, and grow jobs.

# Resolution 2

#### Resolution #2-2017

## Submitted by: PML Legislative Committee

#### **State Legislative Priorities**

Whereas, the Pennsylvania Municipal League establishes and/or affirms legislative priorities at each Annual Summit; and

Whereas, these legislative issues and other concerns continue to gain the attention and interest of municipal officials; and

Whereas, the Commonwealth's urban municipalities continue to seek remedies for fiscal distress; and

Whereas, the Commonwealth's urban municipalities struggle to maintain and preserve local autonomy to meet the needs of the local citizenry.

Therefore, be it resolved: the Pennsylvania Municipal League affirms as its legislative policy the objectives outlined in the 2017 Policy Statement; and

Be it further resolved: the Pennsylvania Municipal League sets forth the following legislative platform:

#### Reform of Collective Bargaining and Municipal Public Safety Pensions

PML has partnered with the business community as a founding member of the Coalition for Sustainable Communities (CSC). The CSC's current priorities are collective bargaining and municipal pension reform.

#### **Collective Bargaining**

Act 111 of 1968, the Police and Fireman Collective Bargaining Act, has not been updated in 48 years. Since the late 1960's, the standards of public safety employee pay and benefits have increased significantly. The General Assembly must make reasonable amendments to Act 111 to reset the standards and level the playing field to meet today's fiscal realities. PML, through its work with the CSC, supports the following amendments:

- remove pensions and post-retirement health care from bargaining;
- require arbitration awards to reflect findings of fact and the record of evidence;
- expand the scope of a court's review to current case law and the absence of an award reflecting the findings of fact;
- expand the arbitration strike list provided by the AAA and reverse the sequence of striking;
- require the costs of the neutral arbitrator to be shared equally by both parties; and
- require the Act 111 evidentiary hearings be open to the public.

#### **Municipal Public Safety Pensions**

Public safety pensions must be reformed prospectively and provide a level of sustainability and predictability. The cost of municipal pension benefits is one of the most pressing financial challenges facing local government today and far into the future. The CSC supports a "cash balance" pension proposal which reduces employer pension costs over time and has the potential to provide a stream of revenue devoted to paying the unfunded liability of current pension plans. Alternatively, the CSC supports a straight defined contribution plan for new hires.

#### **Tax-Exempt Entities**

Municipalities across the Commonwealth host a multitude of non-profit, tax-exempt entities. Tax-exempt entities, while representing important community services such as hospitals, universities and government, do not contribute to the tax base of the communities in which they are located. In core communities, the sheer number of tax-exempt entities tips the balance of revenue generation off-center; and the taxable entities, citizens and businesses pay an inequitable share of the property taxes that provide essential services to the entire base.

PML urges the General Assembly to address the burden of tax-exempt entities by:

- requiring regular reassessment and providing tools to assist in this effort, such as low interest loans and assessment technology;
- exploring the concept of tax-exempt property assessment based on the amount of payroll paid, rather than property value; and
- authorizing local governments to assess service fees on all property owners, including tax exempts, to pay for specific services such as street cleaning, sidewalk cleaning, snow plowing, and street lighting.

#### **Tax-Exempt Designation**

Considering the fiscal impact of numerous tax-exempt entities, PML supports a high threshold to earn the designation of tax-exempt. PML opposes legislation seeking a Constitutional amendment to allow the General Assembly to determine the criteria for meeting the definition of a purely public charity because it will utilize a less stringent definition and more entities will be considered tax-exempt. This designation has a direct impact on the taxpayer and business owner who foots the bill for municipal services utilized by all.

#### **Local Tax Reform**

Local governments must get relief from the archaic, regressive taxing structure established for them by the Commonwealth over forty-five years ago. Municipalities have very little choice in how they generate revenue to pay for services. The Property Tax and Earned Income Tax are historically the chief sources of local revenue. Without other options, municipalities are forced to place a high burden on their taxable entities or cut services. An elastic taxing structure with local or regional flexibility would relieve some of the burden brought about by declining tax bases and increased service costs.

PML believes there must be more taxing options available locally to pay for services. Local government officials accept the responsibility for levying new taxes, but authorization is needed from the General Assembly in order to move forward.

PML supports the following local taxing alternatives:

- An increase of the Local Services Tax levy to \$156 per year.
- A Payroll Tax instead of the Business Privilege Tax.
- A County Option 1% Local Sales Tax distributed on a formula basis to each county that levies the tax and its municipalities.
- A statewide 6% alcoholic beverage tax.
- A Sugared Drink Tax tied to local health, wellness and recreational programs.
- A special purpose tax for police services.

#### Urban Revitalization

The Commonwealth must invest in its core, urban communities. Without the stability of single family homes, urban centers will always be at a disadvantage in creating livable communities. Job creation, public money to leverage private investment, venture capital, business tax credits and low-interest loan financing are key economic development tools that urban municipalities must continue to be able to access.

#### **Investment in Public Education**

Investment in education is important to the entire Commonwealth, but especially to our older urban communities. Substandard schools are the number one reason young professionals with school age children leave our urban communities for the suburbs. Being able to offer a quality education in a safe setting is vital to rebuilding urban neighborhoods. PML supports access to high quality, publically funded pre-K for all three and four year olds. PML also supports the use of a full and fair funding formula for the Commonwealth's public schools.

This resolution sets forth the primary goals and objectives for the League's legislative program for 2018. Resolutions adopted at the 118<sup>th</sup> Annual Summit will be incorporated into the 2018 Policy Statement and, as appropriate, the League's 2018 Legislative Priorities will be modified.



## Pennsylvania Municipal League 2017 Legislative Priorities

#### Reform of Collective Bargaining and Municipal Public Safety Pensions

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- remove pensions and post-retirement health care from bargaining;
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- expand the scope of a court's review to current case law and the absence of an award reflecting the findings of fact;
- expand the arbitration strike list provided by the AAA and reverse the sequence of striking;
- require the costs of the neutral arbitrator to be shared equally by both parties; and
- require the Act 111 evidentiary hearings be open to the public.

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PML urges the General Assembly to address the burden of tax-exempt entities by:

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Local governments must get relief from the archaic, regressive taxing structure established for them by the Commonwealth over forty-five years ago. Municipalities have very little choice in how they generate revenue to pay for services. The Property Tax and Earned Income Tax are historically the chief sources of local revenue. Without other options, municipalities are forced to place a high burden on their taxable entities or cut services. An elastic taxing structure with local or regional flexibility would relieve some of the burden brought about by declining tax bases and increased service costs.

PML believes there must be more taxing options available locally to pay for services. Local government officials accept the responsibility for levying new taxes, but authorization is needed from the General Assembly in order to move forward.

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#### **Urban Revitalization**

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#### **Investment in Public Education**

Investment in education is important to the entire Commonwealth, but especially to our older urban communities. Substandard schools are the number one reason young professionals with school age children leave our urban communities for the suburbs. Being able to offer a quality education in a safe setting is vital to rebuilding urban neighborhoods. PML supports access to high quality, publically funded pre-K for all three and four year olds. PML also supports the use of a full and fair funding formula for the Commonwealth's public schools.

Please contact Amy Sturges, Director of Governmental Affairs, at (717) 236-9469 x225 or <u>asturges@pml.org</u> with questions and/or comments.

# Resolution 3

#### Resolution #3-2017

**Submitted by: PML Legislative Committee** 

### Commitment to Equity, Fairness, Inclusion and Justice

Whereas, the Pennsylvania Municipal League supports the values of equity, fairness, inclusion and justice; and

Whereas, we recognize the rights of individuals to live their lives with dignity and free from discrimination of any kind; and

Whereas, municipal officials play a significant leadership role in their communities; and

Whereas, the National League of Cities' Racial Equity and Leadership initiative is working to provide leadership support and training to local officials in Pennsylvania and across the nation; and

Whereas, the PA Municipal League supports local officials in their endeavors to advance the principles of equity, fairness, inclusion and justice; and

Whereas, a successful and demonstrated commitment to social inclusion fosters health, safety and prosperity for all.

Therefore, be it resolved: the Pennsylvania Municipal League is committed to the values of equity, fairness, inclusion and justice and will continue to be an advocate and conduit for local leadership aimed at advancing these values.

This resolution affirms PML's commitment to the values of equity and inclusion.

# Resolution 4

#### Resolution #4-2017

## Submitted by: PML Legislative Committee

#### **Growing Greener III**

Whereas, through the success of Growing Greener I and II, over \$1.9 billion has been invested in environmental projects across the Commonwealth since 2002; and

Whereas, eligible project categories have been broad addressing many areas such as, farmland preservation, state park renovations, water and sewer upgrades, watershed protection, abandoned mine reclamation, abandoned oil and gas well plugging, river and stream clean-up, industrial site clean-up, preservation of open space, community revitalization projects, and state park and local recreation enhancements; and

Whereas, Growing Greener II was authorized through 2012; and

Whereas, Growing Greener funds are at an all-time low; and

Whereas, the Growing Greener Coalition has identified over \$315 million in annual needs to build upon the conservation and preservation efforts begun under Growing Greener I and II; and

Whereas, Senate Bill 705 of 2017 has been introduced with significant bi-partisan support authorizing Growing Greener III; and

Whereas, Growing Greener III addresses environmental priorities in the following areas: conserving land and water resources, restoring damaged waterways and land, and creating prosperous and sustainable communities; and

Whereas, Growing Greener III offers many programs and funding opportunities, including many that will directly benefit the PML membership, such as: land use and economic development tools, tourism support, MS4 management, community park upgrades, development of urban parks and riverfronts, historic preservation and green community development projects; and

Whereas, Senate Bill 705 does not yet identify a funding source to support an annual investment of \$315 million.

Therefore, be it resolved: the Pennsylvania Municipal League supports Senate Bill 705, as well as a funding mechanism to implement the Growing Greener III proposal.

This resolution supports Growing Greener III and a funding mechanism that will meet the contemplated investment needs of the program.

#### THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 705

Session of 2017

INTRODUCED BY KILLION, ALLOWAY, McILHINNEY, ARGALL, BAKER, BARTOLOTTA, BLAKE, BOSCOLA, BREWSTER, COSTA, DINNIMAN, FONTANA, GORDNER, GREENLEAF, HAYWOOD, LANGERHOLC, McGARRIGLE, MENSCH, RAFFERTY, RESCHENTHALER, SABATINA, SCHWANK, STEFANO, VULAKOVICH, WARD, WHITE AND YUDICHAK, MAY 24, 2017

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, MAY 24, 2017

#### AN ACT

Amending Title 27 (Environmental Resources) of the Pennsylvania

2 Consolidated Statutes, in environmental stewardship and watershed protection, further providing for legislative 3 4 findings, for the Environmental Stewardship Fund, for agencies and for Commonwealth indebtedness and establishing 5 duties for the Department of Community and Economic 6 7 Development, the Pennsylvania Fish and Boat Commission, the Pennsylvania Game Commission and the Pennsylvania Historical 8 and Museum Commission. 9 10 The General Assembly of the Commonwealth of Pennsylvania 11 hereby enacts as follows: 12 Section 6102 of Title 27 of the Pennsylvania 13 Consolidated Statutes is amended to read: § 6102. Legislative findings. 14 15 The General Assembly hereby determines, declares and finds as follows: 16 17 Ninety-six percent of the water-quality-impaired 18 watersheds in this Commonwealth are polluted because of 19 nonpoint sources of pollution such as past mining activities, 20 urban and agricultural runoff, atmospheric deposition, on-lot sewage systems and earthmoving.

- 2 (2) The Commonwealth continues to have unmet needs in 3 the area of water and sewer infrastructure. New and improved 4 water sources, treatment and distribution systems are 5 necessary for public drinking water supplies.
  - (3) The Commonwealth owns approximately 2.4 million acres of State park and State forest lands and many of these lands suffer from past environmental problems, including unreclaimed mines, acid mine drainage and abandoned oil and gas wells.
  - (4) Open space, greenways, recreational trails, river corridors, fish and wildlife habitats, parks and recreation areas and scenic environments protect the environment, conserve natural resources and add value to communities.
  - (5) State programs and State funding should provide maximum flexibility for elected county and municipal governmental officials to identify, prioritize and address local environmental concerns, including odor abatement problems at sewage treatment plants.]
  - (1) As stated in section 27 of Article I of the Constitution of Pennsylvania:

The people have a right to clean air, pure water, and to the preservation of the natural, scenic, historic and esthetic values of the environment. Pennsylvania's public natural resources are the common property of all the people, including generations yet to come. As trustee of these resources, the Commonwealth shall conserve and maintain them for the benefit of all the people.

30 greater investments to conserve land and water resources,

(2) The Commonwealth has an obligation to provide

1	restore damaged waterways and land, and create prosperous and
2	sustainable communities.
3	(3) Clean water is vital:
4	(i) to the continued economic growth of this
5	Commonwealth;
6	(ii) to support tourism, agriculture, industry,
7	power generation and recreation;
8	(iii) for drinking water supplies; and
9	(iv) to protect public health and aquatic life.
10	(4) This Commonwealth has over 19,000 miles of streams
11	and rivers that do not meet Federal and State water quality
12	standards to protect aquatic life and provide swimmable
13	rivers and drinkable water supplies.
14	(5) Nonpoint sources of pollution continue to have a
15	negative impact on this Commonwealth's environment.
16	(6) This Commonwealth continues to have water and sewer
17	infrastructure needs. New and improved water sources,
18	treatment and distribution systems are necessary for public
19	drinking water supplies.
20	(7) As noted in the Commonwealth's award-winning 2014-
21	2019 Pennsylvania Statewide Comprehensive Outdoor Recreation
22	Plan, our 5,600 local parks and recreation areas are the most
23	frequently visited recreational assets in this Commonwealth,
24	and most need additional funding to address aging
25	infrastructure, deferred maintenance and capacity to carry
26	out programs and services.
27	(8) The Commonwealth owns approximately 2.5 million
28	acres of State park and State forest lands. Our State park
29	system has estimated many of these parks have environmental
30	projects and infrastructure and deferred maintenance needs,

1	such as dams, roads, bridges, water and wastewater treatment
2	facilities, buildings and boat launches.
3	(9) Conservation of public and private forest lands is a
4	cost-effective method for protecting water quality. Forest
5	lands function as a reserve of clean water for this
6	Commonwealth, including municipalities that rely on public
7	water supplies drawn from water resources on public and
8	private forested properties. Forest lands act as groundwater
9	recharge areas, protect surface water quality, reduce soil
10	erosion, enhance fish and wildlife habitats and provide
11	opportunities for fishing, boating, hunting and trapping.
12	(10) Abandoned mines remain across 189,000 acres in 43
13	counties and are the cause of more than 5,500 miles of
14	biologically compromised streams.
15	(11) More than 2,000 working farms remain on county
16	waiting lists to be preserved for continued agricultural use.
17	(12) Open space, greenways, recreational trails, river
18	corridors, fish and wildlife habitats, parks and recreation
19	areas and scenic areas protect the environment, conserve
20	natural resources and add quality of life value that attracts
21	jobs, are essential to Pennsylvania's outdoor recreation and
22	tourism industries and improve public health.
23	(13) Investments in urban parks, trails, greenways,
24	riverfronts, green infrastructure and other natural assets
25	are increasingly understood to be advantageous to local
26	economies, attracting and retaining residents and providing
27	opportunities to creatively address significant challenges
28	such as storm water and flooding.
29	(14) State programs and State funding should provide
30	opportunity and flexibility for elected county and municipal

- 1 government officials and authorized organizations to
- 2 <u>identify</u>, <u>prioritize</u> and <u>address</u> <u>local</u> <u>environmental</u>
- 3 concerns.
- 4 Section 2. Section 6104(d)(6) of Title 27 is amended and the
- 5 subsection is amended by adding a paragraph to read:
- 6 § 6104. Fund.
- 7 \* \* \*
- 8 (d) Allocation. -- The money appropriated in subsection (c)
- 9 shall be allocated annually as follows:
- 10 \* \* \*
- 11 (6) For fiscal [year 2007-2008 and each year thereafter]
- 12 <u>years 2007-2008, 2008-2009, 2009-2010, 2010-2011, 2011-2012,</u>
- 13 <u>2012-2013</u>, <u>2013-2014</u>, <u>2014-2015</u>, <u>2015-2016</u> and <u>2016-2017</u>,
- 14 moneys in the fund shall be allocated in accordance with
- paragraph (2).
- 16 (7) For fiscal year 2017-2018 and each year thereafter.
- moneys in the fund shall be allocated as follows:
- 18 <u>(i) Twenty-eight and nine-tenths percent to the</u>
- 19 <u>Department of Conservation and Natural Resources, which</u>
- shall use the allocation as follows:
- 21 (A) At least 50% for grants for projects of
- 22 <u>which the recipient is a county or other</u>
- 23 <u>municipality, council of governments, conservation</u>
- 24 <u>district or authorized organization.</u>
- 25 (B) At least 10% for land trust projects.
- 26 <u>(C) At least 4.5% for the Heritage Areas</u>
- 27 <u>Program.</u>
- 28 (D) For fiscal years 2017-2018, 2018-2019, 2019-
- 29 <u>2020, 2020-2021, 2021-2022 and 2022-2023, at least</u>
- 30% for projects and programs located within the

1	<u>watershed of the Susquehanna River and its</u>
2	tributaries.
3	(ii) Thirty-eight and two-tenths percent to the
4	Department of Environmental Protection, which, for fiscal
5	years 2017-2018, 2018-2019, 2019-2020, 2020-2021, 2021-
6	2022 and 2022-2023, shall use at least 40% of its funds
7	for projects and programs within the watershed of the
8	Susquehanna River and its tributaries.
9	(iii) Nineteen and seven-tenths percent to the
10	Department of Agriculture, which shall use the allocation
11	as follows:
12	(A) At least 12% for grants to authorized
13	organizations to preserve farmland.
14	(B) For fiscal years 2017-2018, 2018-2019, 2019-
L5	2020, 2020-2021, 2021-2022 and 2022-2023, at least
16	40% for projects and programs located within the
L7	watershed of the Susquehanna River and its
18	tributaries.
L9	(iv) Four and six-tenths percent to the authority,
20	which, for fiscal years 2017-2018, 2018-2019, 2019-2020,
21	2020-2021, 2021-2022 and 2022-2023, shall use at least
22	40% of its funds for projects and programs located within
23	the watershed of the Susquehanna River and its
24	tributaries.
25	(v) Three and six-tenths percent to the Department
26	of Community and Economic Development.
27	(vi) Two and six-tenths percent to the Pennsylvania
28	Fish and Boat Commission.
<u>.</u> 9	(vii) One and three-tenths percent to the
10	Pennsylvania Game Commission.

1 (viii) One and one-tenth percent to the Pennsylvania

2 <u>Historical and Museum Commission.</u>

3 \* \* \*

- 4 Section 3. Sections 6105 and 6115(d)(4) of Title 27 are
- 5 amended to read:
- 6 § 6105. Agencies.
- 7 (a) The Department of Conservation and Natural Resources.--
- 8 (1) The Department of Conservation and Natural Resources
- 9 shall utilize money it receives from the fund for the
- 10 following purposes:
- (i) To rehabilitate, repair and develop State park

  and State forest lands and facilities and the acquisition

  of [interior] lands [within] <u>for</u> State parks and State
- forests.
- 15 (ii) To provide grants to a county or other 16 municipality, council of governments, conservation 17 districts and authorized organizations for the purpose of 18 planning, education, acquisition, development, 19 rehabilitation and repair of greenways, recreational 20 trails, including connections between trails, open space, natural areas, river corridors and access to riverfronts, 21 22 watersheds, community [and heritage] parks and recreation 23 facilities; community conservation and beautification
- of forested riparian buffers; heritage areas; and other

projects; forest conservation[;], including conservation

- 26 conservation <u>and recreation</u> purposes. Grants under this
- 27 paragraph may not be used by an authorized organization
- for land acquisition unless the authorized organization
- obtains the approval of all counties in which the land is
- 30 situated. Grant moneys may also be used for the

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acquisition of farmland for the purposes set forth in 1 2 this paragraph. 3 (iii) To provide grants to a county or other 4 municipality and authorized organizations for the purpose 5 of research, planning, inventories and technical 6 assistance intended to protect and conserve the 7 biological diversity of this Commonwealth. 8 (iv) To support forest conservation easements, 9 including funding for a working forest conservation 10 easement initiative to preserve the availability of privately owned forest land for sustainable, commercial 11 12 timbering and other forest-dependent economic uses. 13 (v) To provide funding to the Wild Resource 14 Conservation Fund for the conservation of nongame wildlife and native wild flora and their habitats, to 15 conduct and support research to preserve this 16 Commonwealth's biodiversity and to educate the public on 17 18 the value of conserving these species and their habitats. 19 (vi) To provide funding for the Heritage Areas 20 Program established under Article XVI-J of the act of 21 April 9, 1929 (P.L.343, No.176), known as The Fiscal 22 Code. 23 The Department of Conservation and Natural Resources may require matching funds as a condition of the award of a 24 25 grant under this subsection. 26 The Department of Environmental Protection. --27 The Department of Environmental Protection shall (1)utilize money it receives from the fund for the following 28 29 purposes: 30

(i)

To implement acid mine drainage abatement and

1 cleanup efforts and abandoned mine land cleanup efforts 2 and plug abandoned and orphan oil and gas wells. 3 To provide funding for technical assistance and 4 financial incentives to facilitate remining. 5 (iii) To provide grants to a county or other 6 municipality, council of governments, county conservation 7 districts, watershed organizations and other authorized organizations for acid mine drainage abatement and 8 9 cleanup, mine and mine land cleanup efforts and well 10 plugging. 11 To provide grants and technical assistance to a (iv) 12 county or other municipality, council of governments, 13 county conservation districts, watershed organizations 14 and other authorized organizations to plan and implement 15 local watershed-based conservation efforts. 16 To improve water-quality-impaired watersheds, 17 including those polluted by past mining activities, 18 agricultural and urban runoff, atmospheric deposition, 19 on-lot sewage systems and earthmoving activities. 20 (vii) For watershed protection. (viii) For the reduction of nonpoint source 21 22 <u>pollution</u> and <u>protection</u> of <u>local</u> drinking water supplies 23 through grants to watershed organizations and other 24 authorized organizations, the creation of forested and 25 other vegetative stream buffers and watershed restoration 26 efforts, including, but not limited to, reducing runoff from agriculture, construction, waste disposal and 27 28 abandoned mine and mine land sites. 29 (ix) For grants to characterize, remediate or

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eliminate environmental hazards at abandoned industrial

_	properties or browniteres and to promote economic
2	development by facilitating the return of these
3	properties to productive use.
4	(x) For nonstructural floodplain management and
5	mitigation measures to minimize flood damage, reclaim and
6	restore the quality of floodplains, remove obstacles and
7	improve the natural functions of stream channels.
8	(xi) For grants to municipalities and municipal
9	authorities to design and build projects and implement
10	best management practices, with an emphasis on green
11	infrastructure, in order to implement Municipal Separate
12	Storm Sewer System (MS4) plans or which count toward the
13	reductions identified in the Pennsylvania Integrated
14	Water Ouality Monitoring and Assessment Report, implement
15	Total Maximum Daily Load Plans or the Chesapeake Bay
16	Total Maximum Daily Load requirements.
17	(xii) For the Pennsylvania Energy Harvest Program
18	for the purpose of providing grants to farms and small
19	businesses for renewable energy systems, including, but
20	not limited to, those using solar, wind and methane
21	digester technologies.
22	(xiii) For funding to participating county
23	conservation districts to assist the owners of farms and
24	other properties in protecting local water quality and
25	improving the soil, water and air through the
26	installation and maintenance of best maintenance
27	practices.
28	(2) County conservation districts may further distribute
29	grants received under this section to watershed organizations
30	and other authorized organizations to assist in the

implementation of this chapter.

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- 2 (3) The Department of Environmental Protection may
  3 require matching funds as a condition of the award of a grant
  4 under this subsection.
  - (4) For the period commencing with the effective date of this chapter and ending June 30, 2004, the Department of Environmental Protection may utilize up to 10% of the money allocated annually to it under section 6104(d) (relating to fund) to provide grants for safe drinking water projects and wastewater treatment projects. Grants under this paragraph shall be made for the same purposes and shall be subject to the same limitations as grants authorized in section 6110.
- 13 (c) Department of Agriculture.--Funds allocated to the
  14 Department of Agriculture under this chapter shall be [deposited
  15 in the] used for the following purposes:
- 16 (1) For counties to preserve farmland through the
  17 Agricultural Conservation Easement Purchase Fund [and are]
  18 subject to the provisions of the act of June 30, 1981
  19 (P.L.128, No.43), known as the Agricultural Area Security
  20 Law.
- 21 (2) For grants to authorized organizations to preserve
  22 farmland through the acquisition of conservation easements
  23 conforming with section 170(h) of the Internal Revenue Code
  24 of 1986 (Public Law 99-514, 26 U.S.C. § 170(h)).
- 25 (3) For disbursement to the State Conservation

  26 Commission for the cost of tax credits for eligible

  27 agricultural operations that implement the best management

  28 practices and meet the requirements of the Resource

  29 Enhancement and Protection Tax Credit under Article XVII-E of

- 1 Reform Code of 1971.
- 2 (4) To provide funding and technical assistance, in
- 3 cooperation with the State Conservation Commission, to assist
- 4 the owners of farms and other properties in protecting local
- 5 water quality and in improving the quality of the soil, water
- 6 and air through the installation and maintenance of best
- 7 management practices. Fifty percent of the funding
- 8 <u>distributed under this paragraph shall</u> be provided to
- 9 <u>participating county conservation districts.</u>
- 10 (5) To encourage new farmers and assure the viability of
- 11 preserved farms by creating financial incentives and
- 12 <u>enhancing access to farmland and capital through a low-</u>
- interest loan program administered by the Department of
- 14 <u>Agriculture</u>.
- 15 (d) The authority. -- The authority shall utilize money it
- 16 receives from the fund to provide financial assistance in the
- 17 form of grants and matching grants for storm water, water and
- 18 sewer infrastructure projects, including construction or
- 19 rehabilitation of collection and conveyance systems. The
- 20 authority shall develop criteria to be used to award grants
- 21 under this subsection. The criteria and proposed changes thereto
- 22 shall be submitted to the Environmental Resources and Energy
- 23 Committee of the Senate and the Environmental Resources and
- 24 Energy Committee of the House of Representatives for review and
- 25 comment. The committees shall have 60 days to submit comments to
- 26 the authority. Criteria shall be reviewed by the authority and
- 27 the committees at least once every three years.
- 28 (d.1) Department of Community and Economic Development. --
- 29 <u>(1) The Department of Community and Economic Development</u>
- 30 <u>shall utilize money it receives from the fund for the</u>

1	following purposes:
2	(i) For grants to fund grassroots community and
3	regional planning efforts that support wise land use
4	decisions by balancing development needs with
5	conservation, recreation and preservation needs.
6	(ii) For grants to support the greening of urban
7	communities, including, but not limited to, bicycle and
8	pedestrian trails, greenways, downtown parks, community
9	gardens, retrofits of significant community buildings for
10	energy efficiency and reuse, streetscape improvements and
11	renewable energy projects. The grants shall have a
12	demonstrable environmental or conservation benefit. The
13	Department of Community and Economic Development shall
14	consult with the Department of Environmental Protection
15	and the Department of Conservation and Natural Resources
16	on recommendations of projects to be funded.
17	(iii) For the Elm Street Program created by the act
18	of February 9, 2004 (P.L.61, No.7), known as the Elm
19	Street Program Act.
20	(iv) For the Main Street Program created by the act
21	of April 23, 2002 (P.L.298, No.39), known as the Main
22	Street Act.
23	(2) The Department of Community and Economic Development
24	may require matching funds as a condition of the award of a
25	grant under this subsection.
26	(d.2) Pennsylvania Fish and Boat Commission Funds
27	allocated to the Pennsylvania Fish and Boat Commission under
28	this chapter shall be used for the following purposes:
29	(1) For improvements to public access areas owned by the
30	commission or grants to municipalities or organizations for

- the purpose of improving public access to the waters of this
- 2 <u>Commonwealth</u>.
- 3 (2) For maintenance and rehabilitation of dams located
- 4 at lakes owned by the commission, including the installation
- of habitat enhancements and improved public access.
- 6 (3) For upgrades and improvements to State fish
- 7 <u>hatcheries to maintain and improve water quality and reduce</u>
- 8 <u>operating costs.</u>
- 9 (4) For grants to organizations that participate in the
- 10 <u>Cooperative Nursery Program.</u>
- 11 (5) For projects to improve fish and aquatic habitat,
- 12 <u>including</u>, but not limited to, instream fish habitat,
- 13 <u>riparian buffers, fish passages and the removal of small</u>
- dams.
- 15 (d.3) Pennsylvania Game Commission. -- Funds allocated to the
- 16 Pennsylvania Game Commission under this chapter shall be used
- 17 for the following purposes:
- 18 <u>(1) To rehabilitate water control structures on State</u>
- 19 game lands in order to improve wetland habitat for water fowl
- and other wildlife and to improve water quality.
- 21 (2) For improvements to facilities on State game lands,
- 22 <u>including</u>, but not limited to, improved road access, enhanced
- 23 <u>access for persons with disabilities and older persons and</u>
- 24 <u>the construction of two wildlife conservation education</u>
- 25 <u>centers.</u>
- 26 (d.4) Pennsylvania Historical and Museum Commission. -- Funds
- 27 <u>allocated to the Pennsylvania Historical and Museum Commission</u>
- 28 <u>under this chapter shall be used for a historic preservation</u>
- 29 <u>project grant program for the planning and development of</u>
- 30 publicly accessible historic resources listed in or eligible for

- 1 <u>listing in the National Register of Historic Places. The grants</u>
- 2 shall support projects that identify, preserve, promote and
- 3 protect historic and archaeological resources of this
- 4 Commonwealth for both the benefit of the public and the
- 5 <u>revitalization of communities.</u>
- 6 (e) Administrative expense limitation. -- The departments,
- 7 <u>commissions</u> and the authority may not expend more than [2.5%] <u>5%</u>
- 8 of the moneys received from the fund on administrative expenses.
- 9 The Department of Environmental Protection may not expend more
- 10 than an aggregate of 2.5% of the moneys received from the fund
- 11 and the moneys directed to the Hazardous Sites Cleanup Fund
- 12 pursuant to section 6104(d)(4) and (5) on administrative
- 13 expenses. Grant recipients that receive moneys from the fund for
- 14 the purposes set forth in this section may not expend more than
- 15 [5%] 7.5% of the moneys received from the fund on administrative
- 16 expenses.
- 17 (f) Expenditure limitation. -- No moneys made available
- 18 through the fund shall be used for any purpose which, directly
- 19 or indirectly, precludes access to or use of any forested land
- 20 for the practice of sustainable forestry and commercial
- 21 production of timber or other forest products. This subsection
- 22 shall not apply to funds used [by the Department of Conservation
- 23 and Natural Resources, counties or municipalities] for the
- 24 purchase or improvement of park land to be used for public
- 25 recreation.
- 26 (g) Regulations. -- The departments, commissions and the
- 27 authority may promulgate regulations necessary to carry out the
- 28 purposes of this chapter.
- 29 § 6115. Commonwealth indebtedness.
- 30 \* \* \*

- 1 (d) Debt retirement.--
- 2 \* \* \*
- 3 (4) The Secretary of the Budget, upon approval by the
- 4 Governor, shall utilize up to \$60,000,000 of the moneys in
- 5 the fund on an annual basis for payment of principle and
- 6 interest for debt service on bonds issued pursuant to this
- 7 section and any other debt incurred by the Commonwealth for
- 8 projects eligible for funding under this chapter. The
- 9 <u>authority of the Secretary of the Budget under this paragraph</u>
- shall expire June 30, 2018.
- 11 \* \* \*
- 12 Section 4. This act shall be known and may be cited as the
- 13 Growing Greener III Act.
- 14 Section 5. This act shall take effect in 60 days.

# Resolution 5

#### Resolution #5-2017

Submitted by: PML Legislative Committee

### Consolidated Collection of the Business Privilege Tax

Whereas, the Business Privilege Tax (also referred to as a Business Gross Receipts Tax) is levied locally under the authority of Act 511, The Local Tax Enabling Act; and

Whereas, only 10% of municipalities levy the Business Privilege Tax (BPT) because new levies were prohibited by the Local Tax Reform Act of 1989; and

Whereas, the levy of a BPT is fact-specific to each locality's ordinance; and

Whereas, BPT collection differs from the Earned Income Tax (also authorized by Act 511) in that it is self-reported, paid annually, and verified by federal and state tax documentation and labor intensive follow-up; and

Whereas, collection of the Earned Income Tax involves employer withholdings from employee paychecks and further remittance to the appropriate home jurisdiction; and

Whereas, Act 32 of 2008 consolidated collection of the Earned Income Tax into countywide collection agencies to streamline collection and remittance to the proper jurisdiction; and

Whereas, the success of Act 32 has led to proposals, such as Senate Bill 653 of 2017, to collect the other Act 511 taxes via the same consolidated countywide system; and

Whereas, most municipalities that levy the BPT are happy with their current collection practices and have concerns that consolidation will result in a loss of local control and perhaps a loss in this important revenue stream.

Therefore, be it resolved: the Pennsylvania Municipal League opposes mandated consolidation of the BPT under Act 32 of 2008.

Be it further resolved: the Pennsylvania Municipal League supports a local option for those municipalities levying a BPT to decide to continue current collection practices or move to consolidated collection with their Earned Income Tax collection agency.

This resolution opposes mandated consolidated collection of the Business Privilege Tax under Act 32 and supports the local option to consolidate collection if a municipality so desires.

## SENATE BILL

No. 653

Session of 2017

INTRODUCED BY BROWNE, BOSCOLA, FOLMER, MENSCH, McGARRIGLE, BARTOLOTTA, SCAVELLO, REGAN, EICHELBERGER, YUDICHAK, BREWSTER, WILLIAMS, LAUGHLIN, MARTIN, WAGNER AND SCHWANK, MAY 24, 2017

SENATOR WAGNER, LOCAL GOVERNMENT, AS AMENDED, JUNE 13, 2017

#### AN ACT

Amending the act of December 31, 1965 (P.L.1257, No.511), entitled "An act empowering cities of the second class, 2 cities of the second class A, cities of the third class, boroughs, towns, townships of the first class, townships of 3 4 5 the second class, school districts of the second class, school districts of the third class and school districts of 6 7 the fourth class including independent school districts, to 8 levy, assess, collect or to provide for the levying, assessment and collection of certain taxes subject to maximum 9 limitations for general revenue purposes; authorizing the 10 establishment of bureaus and the appointment and compensation 11 of officers, agencies and employes to assess and collect such 12 taxes; providing for joint collection of certain taxes, 13 prescribing certain definitions and other provisions for 14 15 taxes levied and assessed upon earned income, providing for 16 annual audits and for collection of delinquent taxes, and 17 permitting and requiring penalties to be imposed and enforced, including penalties for disclosure of confidential 18 information, providing an appeal from the ordinance or 19 resolution levying such taxes to the court of quarter 20 sessions and to the Supreme Court and Superior Court," in 21 local taxes, further providing for collection; in 22 23 consolidated collection of local income taxes, further 24 providing for tax collection committees and for powers and 25 duties of tax officer; in collection of delinquent taxes, further providing for costs of collection; and making a 27 related editorial change.

- The General Assembly of the Commonwealth of Pennsylvania
- 29 hereby enacts as follows:

- 1 Section 1. Section 313(a), Chapter 5 heading, section
- 2 505(a), (A.1), (B), (C), (J) AND (L) and section 509(k) of the <--
- 3 act of December 31, 1965 (P.L.1257, No.511), known as The Local
- 4 Tax Enabling Act, are amended to read:
- 5 Section 313. Collection of Taxes. -- (a) Administrative
- 6 Personnel; Joint Agreements. --
- 7 (1) Except as provided in section 506 and subject to the
- 8 provisions of section 509, any political subdivision is hereby
- 9 authorized to provide by ordinance or resolution for the
- 10 creation or designation of tax bureaus or the appointment and
- 11 compensation of a political subdivision, public employe, tax
- 12 bureau or public or private agency for the assessment and
- 13 collection of taxes imposed under authority of this chapter.
- 14 Each ordinance or resolution under this section authorizing a
- 15 political subdivision, public employe, tax bureau or public or
- 16 private agency to act in the capacity and with the authority of
- 17 a tax collector shall continue in force without annual
- 18 reauthorization unless otherwise repealed or revoked by the
- 19 political subdivision or unless otherwise provided by this act.
- 20 (2) Except as provided in section 506 and subject to the
- 21 provisions of section 509, political subdivisions imposing taxes
- 22 under authority of this chapter are authorized to make joint
- 23 agreements for the collection of such taxes or any of them. The
- 24 same political subdivision, tax bureau or public or private
- 25 agency may be employed by two or more political subdivisions to
- 26 collect any taxes imposed by them under authority of this
- 27 chapter.
- 28 \* \* \*
- 29 CHAPTER 5
- 30 CONSOLIDATED COLLECTION OF LOCAL [INCOME] TAXES

- 1 Section 505. Tax collection committees.
- 2 (a) General rule. -- Subject to the provisions of subsection
- 3 (m) and section 509(k), each tax collection district shall be
- 4 governed by a tax collection committee constituted and operated
- 5 as set forth in this section. Meetings of the tax collection
- 6 committee shall be conducted under 65 Pa.C.S. Ch. 7 (relating to
- 7 open meetings) and the act of June 21, 1957 (P.L.390, No.212),
- 8 referred to as the Right-to-Know Law.
- 9 (A.1) DUTIES.--A TAX COLLECTION COMMITTEE HAS THE FOLLOWING <--
- 10 DUTIES:
- 11 (1) TO KEEP RECORDS OF ALL VOTES AND OTHER ACTIONS TAKEN
- 12 BY THE TAX COLLECTION COMMITTEE.
- 13 (2) TO APPOINT AND OVERSEE A TAX OFFICER FOR THE TAX
- 14 COLLECTION DISTRICT AS PROVIDED IN SECTION 507(A).
- 15 (3) TO SET THE COMPENSATION OF THE TAX OFFICER UNDER
- 16 SECTION 507(C).
- 17 (4) TO REQUIRE, HOLD, SET AND REVIEW THE TAX OFFICER'S
- BOND REQUIRED BY SECTION 509(D).
- 19 (5) TO ESTABLISH THE MANNER AND EXTENT OF FINANCING OF
- 20 THE TAX COLLECTION COMMITTEE.
- 21 (6) TO ADOPT, AMEND AND REPEAL BYLAWS FOR THE MANAGEMENT
- OF ITS AFFAIRS CONSISTENT WITH SUBSECTION (F) AND REGULATIONS
- 23 UNDER SECTION 508.
- 24 (7) TO ADOPT, AMEND AND REPEAL POLICIES AND PROCEDURES
- 25 CONSISTENT WITH THE REGULATIONS UNDER SECTION 508 FOR THE
- 26 ADMINISTRATION OF [INCOME] TAXES <u>UNDER SECTION 509</u> WITHIN THE
- 27 TAX COLLECTION DISTRICT. THE PROCEDURES SHALL SUPERSEDE ANY
- 28 CONTRARY RESOLUTIONS OR ORDINANCES ADOPTED BY A POLITICAL
- 29 SUBDIVISION. THIS AUTHORITY SHALL NOT BE CONSTRUED TO PERMIT
- 30 A TAX COLLECTION COMMITTEE TO CHANGE THE RATE OR SUBJECT OF

- 1 ANY TAX.
- 2 \* \* \*
- 3 (B) DELEGATES.--
- 4 (1) THE GOVERNING BODY OF EACH POLITICAL SUBDIVISION
- 5 WITHIN A TAX COLLECTION DISTRICT THAT IMPOSED AN INCOME TAX
- 6 PRIOR TO JULY 1, 2009, SHALL APPOINT ONE VOTING DELEGATE AND
- 7 ONE OR MORE ALTERNATES TO REPRESENT THE POLITICAL SUBDIVISION
- 8 ON THE TAX COLLECTION COMMITTEE BY SEPTEMBER 15, 2009. THE
- 9 GOVERNING BODY OF EACH POLITICAL SUBDIVISION THAT AFTER JUNE
- 10 30, 2009, IMPOSES [AN INCOME] A TAX [FOR THE FIRST TIME]
- 11 <u>UNDER SECTION 509</u> SHALL APPOINT ONE VOTING DELEGATE AND ONE
- OR MORE ALTERNATES TO REPRESENT THE POLITICAL SUBDIVISION ON
- 13 THE TAX COLLECTION COMMITTEE. A VOTING DELEGATE OR ALTERNATE
- 14 SHALL SERVE AT THE PLEASURE OF THE GOVERNING BODY OF THE
- 15 POLITICAL SUBDIVISION.
- 16 (2) THE GOVERNING BODY OF EACH POLITICAL SUBDIVISION
- WITHIN A TAX COLLECTION DISTRICT THAT PRIOR TO JULY 1, 2009,
- 18 DOES NOT IMPOSE AN INCOME TAX MAY APPOINT ONE NONVOTING
- 19 DELEGATE AND ONE OR MORE ALTERNATES TO REPRESENT THE
- 20 POLITICAL SUBDIVISION ON THE TAX COLLECTION COMMITTEE. IF,
- 21 AFTER JUNE 30, 2009, THE POLITICAL SUBDIVISION IMPOSES [AN
- 22 INCOME] A TAX UNDER SECTION 509, THE NONVOTING DELEGATE SHALL
- 23 BECOME A VOTING DELEGATE TO REPRESENT THE POLITICAL
- 24 SUBDIVISION ON THE TAX COLLECTION COMMITTEE.
- 25 \* \* \*
- 26 (C) VOTING RIGHTS.--
- 27 (1) ONLY A DELEGATE APPOINTED BY THE GOVERNING BODY OF A
- 28 POLITICAL SUBDIVISION MAY REPRESENT A POLITICAL SUBDIVISION
- 29 AT A TAX COLLECTION COMMITTEE MEETING. IF A DELEGATE CANNOT
- 30 BE PRESENT FOR A TAX COLLECTION COMMITTEE MEETING, THE

1 ALTERNATE APPOINTED UNDER THIS SECTION MAY REPRESENT THE

2 POLITICAL SUBDIVISION. EACH DELEGATE OR ALTERNATE SHALL BE

3 ENTITLED TO VOTE UPON ANY ACTION AUTHORIZED OR REQUIRED OF

4 THE TAX COLLECTION COMMITTEE UNDER THIS CHAPTER.

5 (2) FOR THE FIRST MEETING OF THE TAX COLLECTION 6 COMMITTEE, ACTIONS OF THE TAX COLLECTION COMMITTEE SHALL BE 7 DETERMINED BY A MAJORITY VOTE OF THOSE DELEGATES PRESENT. 8 VOTES SHALL BE WEIGHTED AMONG THE GOVERNING BODIES OF THE 9 MEMBER POLITICAL SUBDIVISIONS ACCORDING TO THE FOLLOWING 10 FORMULA: 50% SHALL BE ALLOCATED ACCORDING TO THE PROPORTIONAL 11 POPULATION OF EACH POLITICAL SUBDIVISION IN PROPORTION TO THE POPULATION OF EACH TAX COLLECTION DISTRICT AS DETERMINED BY 12 13 THE MOST RECENT FEDERAL DECENNIAL CENSUS DATA AND 50% SHALL 14 BE WEIGHTED IN DIRECT PROPORTION TO [INCOME] TAX REVENUES 15 COLLECTED IN EACH POLITICAL SUBDIVISION, BASED ON EACH 16 POLITICAL SUBDIVISION'S MOST RECENT ANNUAL FINANCIAL REPORT 17 SUBMITTED TO THE DEPARTMENT OR THE DEPARTMENT OF EDUCATION.

(3) NO LATER THAN SEPTEMBER 1, 2009, THE DEPARTMENT SHALL CALCULATE THE WEIGHTED VOTE FOR EACH POLITICAL SUBDIVISION WITHIN EACH TAX COLLECTION DISTRICT BASED ON THE FORMULA SPECIFIED IN PARAGRAPH (2). BY JULY 1 OF THE YEAR FOLLOWING THE FIRST MEETING, AND OF EACH YEAR THEREAFTER, EACH TAX COLLECTION COMMITTEE SHALL RECALCULATE THE WEIGHTED VOTE UNLESS THE BYLAWS PROVIDE FOR A MORE FREQUENT RECALCULATION.

FOR SUBSEQUENT MEETINGS, VOTES SHALL BE TAKEN IN ACCORDANCE

WITH THIS PARAGRAPH UNLESS THE BYLAWS PROVIDE OTHERWISE.

28 (4) IF A POLITICAL SUBDIVISION WITHIN THE TAX COLLECTION
29 DISTRICT IMPOSES [AN INCOME] A TAX UNDER SECTION 509 FOR THE
30 FIRST TIME, THE TAX COLLECTION COMMITTEE SHALL RECALCULATE

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- 1 THE WEIGHTED VOTE OR OTHER METHOD OF VOTING UNDER THE BYLAWS.
- 2 \* \* \*
- 3 (J) APPEALS BOARD.--
- 4 (1) BY JUNE 1, 2010, EACH TAX COLLECTION COMMITTEE SHALL
- 5 ESTABLISH AN APPEALS BOARD COMPRISED OF A MINIMUM OF THREE
- 6 DELEGATES OR, IN THE CASE OF A TAX COLLECTION COMMITTEE
- 7 ESTABLISHED PURSUANT TO SUBSECTION (M), A MINIMUM OF THREE
- 8 RESIDENTS OF THE COUNTY.
- 9 (2) A DETERMINATION OF THE TAX OFFICER RELATING TO THE
- 10 ASSESSMENT, COLLECTION, REFUND, WITHHOLDING, REMITTANCE OR
- 11 DISTRIBUTION OF [INCOME] TAXES MAY BE APPEALED TO THE APPEALS
- 12 BOARD BY A TAXPAYER, EMPLOYER, POLITICAL SUBDIVISION OR
- 13 ANOTHER TAX COLLECTION DISTRICT.
- 14 (3) ALL APPEALS, OTHER THAN THOSE BROUGHT UNDER
- 15 SUBSECTION (K), SHALL BE CONDUCTED IN A MANNER CONSISTENT
- WITH 53 PA.C.S. §§ 8431 (RELATING TO PETITIONS), 8432
- 17 (RELATING TO PRACTICE AND PROCEDURE), 8433 (RELATING TO
- DECISIONS), 8434 (RELATING TO APPEALS) AND 8435 (RELATING TO
- 19 EQUITABLE AND LEGAL PRINCIPLES TO APPLY).
- 20 (4) A TAX COLLECTION COMMITTEE MAY ENTER INTO AN
- 21 AGREEMENT WITH ANOTHER TAX COLLECTION COMMITTEE TO ESTABLISH
- 22 A JOINT APPEALS BOARD.
- 23 (5) NO MEMBER OF AN APPEALS BOARD OR JOINT APPEALS BOARD
- 24 MAY BE A TAX OFFICER OR AN EMPLOYEE, AGENT OR ATTORNEY FOR A
- 25 TAX OFFICER.
- 26 (6) AN APPEALS BOARD APPOINTED PURSUANT TO THIS SECTION
- 27 SHALL CONSTITUTE A JOINT LOCAL TAX APPEALS BOARD AS PROVIDED
- FOR IN 53 PA.C.S. § 8430 (RELATING TO ADMINISTRATIVE APPEALS)
- 29 FOR PURPOSES OF TAXES COLLECTED UNDER THE SUPERVISION OF THE
- 30 APPOINTING TAX COLLECTION COMMITTEE.

- 1 \* \* \*
- 2 (L) ANNUAL BUDGET REQUIRED.--
- 3 (1) EACH TAX COLLECTION COMMITTEE SHALL ADOPT AN ANNUAL
- 4 BUDGET PROVIDING FOR COMPENSATION OF THE TAX OFFICER AND
- 5 OTHER EXPENSES OF OPERATING THE TAX COLLECTION DISTRICT.
- 6 (2) THE EXPENSES OF OPERATING THE TAX COLLECTION
- 7 DISTRICT SHALL BE SHARED AMONG AND PAID BY ALL POLITICAL
- 8 SUBDIVISIONS WITHIN THE TAX COLLECTION DISTRICT THAT ARE
- 9 REPRESENTED BY VOTING DELEGATES ON THE TAX COLLECTION
- 10 COMMITTEE AND SHALL BE WEIGHTED IN DIRECT PROPORTION TO
- 11 [INCOME] TAX REVENUES COLLECTED IN EACH PARTICIPATING
- 12 POLITICAL SUBDIVISION BASED ON THE POLITICAL SUBDIVISION'S
- MOST RECENT ANNUAL AUDIT REPORT REQUIRED UNDER THIS SECTION.
- 14 \* \* \*
- 15 Section 509. Powers and duties of tax officer.
- 16 \* \* \*
- 17 (k) Collection. -- In addition to the powers and duties
- 18 enumerated in this section, a tax officer:
- 19 (1) shall collect each tax which is authorized under
- 20 <u>sections 301.1 and 303 except tax upon the transfer of real</u>
- 21 property or of an interest in real property; and
- 22 (2) when designated by the tax collection committee, [a
- 23 tax officer] may collect other taxes levied pursuant to [this
- 24 act,] the act of June 27, 2006 (1st Sp.Sess., P.L.1873,
- No.1), known as the Taxpayer Relief Act, or other statutory
- 26 law.
- 27 Section 2. Section 707 heading of the act is amended and the
- 28 section is amended by adding a subsection to read:
- 29 Section 707. Costs of Collection of Delinquent Per Capita,
- 30 Occupation, Occupational Privilege, Emergency and Municipal

- 1 Services, Local Services [and], Income and Payroll Taxes. --\* \* \*
- 2 (d) A contingent fee audit may not be conducted in the
- 3 collection of delinquent taxes.
- 4 Section 3. Nothing in this act shall be construed to
- 5 terminate or modify the terms of a contract in effect on the
- 6 effective date of this act for the term of that contract unless
- 7 otherwise agreed to in writing by the parties to the contract.
- 8 Section 4. This act shall take effect January 1, 2018.

# Resolution 6

#### Resolution #6-2017

## **Submitted by: PML Legislative Committee**

### **Municipal Electric Systems**

Whereas, thirty-five boroughs in Pennsylvania independently operate their own municipal electric systems and have done so for over one hundred years; and

Whereas, locally provided and managed utilities are more reliable, more responsive and accountable to local concerns and less expensive than traditional electric providers; and

Whereas, a locally managed utility can reduce municipal reliance on a Real Property Tax and help fund municipal services through revenue payments to the municipal general fund; and

Whereas, House Bill 1405 of 2017 seeks to preempt local regulation of borough owned electric systems in lieu of state regulation by: limiting energy revenue use to a borough's expenses in generating and distributing electricity; providing for legal challenges in county court; limiting the frequency of rate changes; and establishing standards for payment agreements and rules for shut offs; and

Whereas, such regulation at the state level will result at a minimum in increased property taxes and a reduction in municipal services in the impacted boroughs.

Therefore, be it resolved: the Pennsylvania Municipal League opposes House Bill 1405 and its preemption of local regulation of municipal electric systems.

Be it further resolved: the Pennsylvania Municipal League supports the efforts of the PA Municipal Electric Association in defending locally managed electric systems.

This resolution supports current borough electric operations and opposes legislation seeking to preempt local practices and force regulation at the state level.

# HOUSE BILL

No. 1405 Session of 2017

INTRODUCED BY BERNSTINE, SNYDER, SAYLOR, SIMS, CHRISTIANA, DUSH, GABLER, METCALFE, PHILLIPS-HILL, ROAE, RYAN, SACCONE, SANKEY, WALSH, WARD, WHEELAND, FITZGERALD, RABB, SOLOMON, BLOOM, CEPHAS, CHARLTON, COOK, COX, BAKER, CUTLER, DAWKINS, DIAMOND, DIGIROLAMO, DOWLING, DUNBAR, ELLIS, ENGLISH, EVANKOVICH, EVERETT, FRITZ, GILLESPIE, GROVE, A. HARRIS, HENNESSEY, HILL-EVANS, IRVIN, KAUFER, KEEFER, M. K. KELLER, KULIK, LAWRENCE, LEWIS, MAHER, MAKO, MARSICO, McCLINTON, McGINNIS, MICCARELLI, MILLARD, MILNE, MOUL, MUSTIO, ORTITAY, PICKETT, PYLE, RADER, ROE, ROTHMAN, SCHLOSSBERG, SIMMONS, STEPHENS, TALLMAN, TOOHIL, TOPPER, WARNER, WARREN, WHITE, D. COSTA, NELSON AND SAMUELSON, MAY 18, 2017

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MAY 18, 2017

#### AN ACT

- 1 Amending Title 8 (Boroughs and Incorporated Towns) of the 2 Pennsylvania Consolidated Statutes, in manufacture and supply
- of electricity, further providing for specific powers and
- 4 providing for security deposits, for payment agreements and
- 5 for restrictions on termination.
- 6 The General Assembly of the Commonwealth of Pennsylvania
- 7 hereby enacts as follows:
- 8 Section 1. Section 24A03(a)(2) of Title 8 of the
- 9 Pennsylvania Consolidated Statutes is amended to read:
- 10 § 24A03. Specific powers.
- 11 (a) Specific powers enumerated. -- In addition to exercising
- 12 its general powers under section 24A02 (relating to general
- 13 powers), a borough, through its governing body, shall have the
- 14 following powers:

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(2) To regulate the use of and the charge for electricity furnished by the borough for use throughout the borough[.], subject to the following:

(i) A borough may fix, establish, maintain and collect or authorize by contract or otherwise the establishment, levying and collection of the rates, fees, rental or other charges, including connection charges, [for the services afforded by or in connection with any properties which the borough constructs, erects, owns, acquires, operates or manages and for the sale or transmission of electric energy and power as it deems necessary, proper, desirable and reasonable.] in the area served by borough facilities at reasonable and uniform rates to be determined exclusively by the borough for the purpose of providing for the payment of the expenses of the borough for the production and distribution of electricity and the construction, improvement, repair, maintenance and operation of the borough's facilities and properties.

uniformity of a rate fixed by a borough or the adequacy, safety and reasonableness of the borough's services, including extensions thereof, may bring suit against the borough in the court of common pleas of the county where the project is located or, if the project is located in more than one county, in the court of common pleas of the county where the principal office of the project is located. The court of common pleas shall have exclusive jurisdiction to determine disputes involving rates or

1 services under this paragraph.

2 (iii) A rate change under this paragraph shall be
3 discussed at a publicly advertised meeting of the borough
4 council prior to adoption of the rate change. A borough
5 may not adjust the rates more than once every three

6 <u>months.</u>

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(iv) A borough may include a purchase power

agreement formula in the calculation of the rates to

adjust for the changing cost of the production of

electricity. The purchase power agreement shall be

published with the rate information.

(v) A borough that generates its own electricity in accordance with the guidelines and regulations promulgated by the Pennsylvania-New Jersey-Maryland Interconnection shall have the power, and is not subject to subparagraphs (i), (ii), (iii) and (iv), to regulate the use of and the charge for electricity furnished by the borough for use throughout the borough. A borough may fix, establish, maintain and collect or authorize by contract or otherwise the establishment, levying and collection of the rates, fees, rental or other charges, including connection charges, for the services afforded by or in connection with any property that the borough constructs, erects, owns, acquires, operates or manages and for the sale or transmission of electric energy and power as the borough deems necessary, proper, desirable and reasonable.

28 \* \* \*

29 Section 2. Title 8 is amended by adding sections to read:

30 § 24A06. Security deposits.

1	(a) General ruleIf a borough electric provider requires a
2	security deposit, the security deposit shall be payable during a
3	90-day period, in an amount that is equal to one-sixth of the
4	applicant's estimated annual bill, from the following:
5	(1) An applicant who previously received utility
6	distribution services and was a customer of the borough and
7	whose service was terminated for any of the following
8	reasons:
9	(i) Nonpayment of an undisputed delinquent account.
10	(ii) Failure to complete payment of a deposit,
11	provide a guarantee or establish credit.
12	(iii) Failure to permit access to meters, service
13	connections or other property of the borough for the
14	purpose of replacement, maintenance, repair or meter
15	reading.
16	(iv) Unauthorized use of the utility service
17	delivered on or about the affected dwelling.
18	(v) Failure to comply with the material terms of a
19	settlement or payment arrangement.
20	(vi) Fraud or material misrepresentation of identity
21	for the purpose of obtaining utility service.
22	(vii) Tampering with a meter, including, but not
23	limited to, bypassing a meter or removal of an automatic
24	meter reading device or other borough equipment.
25	(2) An applicant or customer who is unable to establish
26	creditworthiness to the satisfaction of the borough through
27	the use of a generally accepted credit scoring methodology
28	that employs standards for using the methodology that fall
29	within the range of general industry practice.
30	(3) A customer who fails to comply with a material term

- or condition of a settlement or payment arrangement.
- 2 (b) Cash deposit prohibition. -- Notwithstanding subsection
- 3 (a), no borough may require a customer or applicant that is
- 4 confirmed to be eligible for a customer assistance program to
- 5 provide a cash deposit.
- 6 (c) Third-party guarantor. -- Nothing in this section shall be
- 7 construed to preclude an applicant from furnishing a third-party
- 8 guarantor in lieu of a cash deposit. The guaranty shall be in
- 9 writing and shall state the terms of the quaranty. The quarantor
- 10 shall be responsible for all missed payments owed to the
- 11 borough.
- 12 (d) Deposit hold period. --
- 13 (1) A borough may hold a deposit until a timely payment
- 14 <u>history is established.</u>
- 15 (2) A timely payment history is established when a
- 16 <u>customer has paid in full and on time for 12 consecutive</u>
- months.
- 18 (3) At the end of the deposit holding period as
- 19 established in paragraph (1), the borough shall deduct the
- 20 <u>outstanding balance from the deposit and return or credit any</u>
- 21 <u>positive difference to the customer.</u>
- 22 (4) If service is terminated before the end of the
- 23 <u>deposit holding period</u> as established in paragraph (1), the
- 24 borough shall deduct the outstanding balance from the deposit
- 25 and return any positive difference to the customer within 60
- 26 <u>days of the termination</u>.
- 27 (5) If a customer becomes delinquent before the end of
- the deposit holding period as established in paragraph (1),
- 29 the borough may deduct the outstanding balance from the
- 30 <u>deposit.</u>

1	(6) The borough shall accrue interest on the deposit
2	until it is returned or credited as follows:
3	(i) Interest shall be computed at the simple annual
4	interest rate determined by the Secretary of Revenue for
5	interest on the underpayment of tax under section 806 of
6	the act of April 9, 1929 (P.L.343, No.176), known as The
7	Fiscal Code.
8	(ii) The interest rate in effect when deposit is
9	required to be paid shall remain in effect until the
10	<pre>later of:</pre>
11	(A) the date the deposit is refunded or
12	<pre>credited; or</pre>
13	(B) December 31.
14	(iii) On January 1 of each year, the new interest
15	rate for that year shall apply to the deposit.
16	(e) Adult occupants Prior to providing utility service, a
17	borough may require the applicant to provide the names of each
18	adult occupant residing at the location and proof of their
19	identity.
20	(f) Failure to pay full amount of cash deposit A borough
21	shall not be required to provide service if the applicant or
22	customer fails to pay the full amount of the cash deposit within
23	the time period under subsection (a).
24	(g) Estimated annual bill For purposes of this section, an
25	estimated annual bill shall be calculated on the basis of the
26	annual bill to the dwelling at which service is requested for
27	the prior 12 months or, if unavailable, a similar dwelling in
28	close proximity.
29	(h) Time for paying deposits upon reconnection Applicants
30	and customers required to pay a deposit upon reconnection under

- 1 subsection (a)(1) shall have up to 90 days to pay the deposit.
- 2 § 24A07. Payment agreements.
- 3 (a) General rule. -- A borough may enter into a payment
- 4 <u>agreement with a delinquent customer</u>.
- 5 (b) Length of payment arrangement. -- The length of time for a
- 6 customer to resolve an unpaid balance on an account that is
- 7 subject to a payment arrangement between the borough and the
- 8 <u>customer may not extend beyond:</u>
- 9 (1) Five years, if the customer has a gross monthly
- 10 <u>household income level not exceeding 150% of the Federal</u>
- 11 poverty level.
- 12 (2) Three years, if the customer has a gross monthly
- 13 <u>household income level exceeding 150% and not more than 250%</u>
- of the Federal poverty level.
- 15 (3) One year, if the customer has a gross monthly
- 16 <u>household income level exceeding 250% of the Federal poverty</u>
- 17 <u>level and not more than 300% of the Federal poverty level.</u>
- 18 <u>(4) Six months, if the customer has a gross monthly</u>
- 19 <u>household income level exceeding 300% of the Federal poverty</u>
- 20 level.
- 21 (c) Customer assistance programs. -- Customer assistance
- 22 program rates shall be timely paid and shall not be the subject
- 23 of payment arrangements negotiated or approved by the borough.
- 24 (d) Number of payment arrangements. -- Absent a change in
- 25 <u>income</u>, the borough shall not be required to establish a second
- 26 or subsequent payment arrangement if the customer has defaulted
- 27 on a previous payment arrangement with the borough. The borough
- 28 may, at its discretion, enter into a second or subsequent
- 29 payment arrangement with the customer.
- 30 (e) Extension of payment arrangement. -- If the customer

- 1 <u>defaults on a payment arrangement established under subsections</u>
- 2 (a) and (b) as a result of a significant change in circumstance,
- 3 the borough may reinstate the payment arrangement and extend the
- 4 remaining term for an initial period of six months. The initial
- 5 <u>extension period may be extended for an additional six months</u>
- 6 for good cause shown.
- 7 (f) Failure to comply with payment arrangement. -- Failure of
- 8 <u>a customer to comply with the terms of a payment arrangement</u>
- 9 shall be grounds for the borough to terminate the customer's
- 10 service. The customer shall pay that portion of the bill that is
- 11 not in dispute and subsequent bills that are not in dispute.
- 12 <u>§ 24A08</u>. Restrictions on termination.
- 13 <u>(a) Winter termination.--</u>
- 14 (1) (i) After November 30 and before April 1, a borough
- 15 <u>electric provider may not terminate service to customers</u>
- with household incomes at or below 250% of the Federal
- 17 <u>poverty level except for customers whose actions conform</u>
- 18 to subsection (c)(1).
- 19 (ii) The borough may terminate service in accordance
- with this section to customers with household incomes
- 21 <u>exceeding 250% of the Federal poverty level.</u>
- 22 (2) In addition to the winter termination authority
- 23 <u>specified in paragraph (1), the borough may terminate service</u>
- to a customer whose household income exceeds 150% of the
- 25 <u>Federal poverty level but does not exceed 250% of the Federal</u>
- 26 <u>poverty level and, starting January 1, has not paid at least</u>
- 27 50% of the charges for each of the prior two months unless
- 28 the customer has done one of the following:
- (i) proven that the customer's household contains
- 30 one or more persons who are 65 years of age or older:

1	(ii) proven that the customer's household contains
2	one or more persons 12 years of age or younger; or
3	(iii) paid to the borough an amount representing at
4	least 15% of the customer's monthly household income for
5	each of the last two months.
6	(b) Medical certification A borough may not terminate
7	service to a premises when a customer has submitted a medical
8	certificate to the borough. The customer must obtain a medical
9	certificate verifying the condition and promptly forward the
10	certificate to the borough.
11	(c) Grounds for immediate termination
12	(1) The borough may immediately terminate service for
13	any of the following actions by the customer:
14	(i) Unauthorized use of the service delivered on or
15	about the affected dwelling.
16	(ii) Fraud or material misrepresentation of the
17	customer's identity for the purpose of obtaining service.
18	(iii) Tampering with a meter or other equipment of a
19	public utility.
20	(iv) Tendering payment for reconnection of service
21	that is subsequently dishonored, revoked or canceled and
22	has not been cured or otherwise paid in full, within
23	three business days of the borough's notice to the
24	customer, in accordance with the notice of the dishonored
25	payment.
26	(2) Upon termination, the borough shall make a good
27	faith attempt to provide a post-termination notice to the
28	customer or a responsible person at the affected premises
29	and, in the case of a single-meter, multiunit dwelling, the
30	borough shall conspicuously post the notice at the dwelling,

- 1 <u>including in common areas when possible.</u>
- 2 Section 3. This act shall take effect in 60 days.

# Resolution 7

#### Resolution #7-2017

## Submitted by: PML Legislative Committee

### **UCC Third Party Inspectors**

Whereas, the PA Construction Code, Act 45 of 1999 (the UCC), was enacted to address public safety by requiring new construction and major reconstruction in Pennsylvania to be built to uniform specifications and independently inspected; and

Whereas, under Act 45 municipalities have the option to administer and enforce the UCC themselves, to hire one or more third party inspection agencies, to utilize an intergovernmental approach, such as a Council of Governments, or to opt-out of enforcement all together; and

Whereas, the currently local decision of how to handle UCC administration and enforcement must remain local as municipal officials are ultimately responsible for their constituents' health, safety and welfare and are in the best position to decide which type of enforcement best suits the needs of their community; and

Whereas, legislation in recent sessions has sought to place a mandate on communities that use a third party inspector to require they offer a choice to permit applicants of more than one inspector; and

Whereas, third party agencies work under contract on behalf of the municipalities that hire them; and

Whereas, this unfunded mandate will increase the costs of vetting, contracting with and oversight of additional third party inspectors; and

Whereas, this unfunded mandate also opens the inspection process up to abuse and the ability to "shop" for the most favorable inspector/outcome; and

Whereas, placing the unfunded mandate of additional inspectors on a municipality increases the necessary municipal oversight of inspectors and increases the likelihood of inconsistent application of the UCC.

Therefore, be it resolved: the Pennsylvania Municipal League opposes legislation mandating that a municipality offer more than one third party inspector to administer and enforce the UCC.

This resolution opposes a mandate on local government to offer a choice of more than one third party inspector to administer and enforce the UCC when third parties are used as the primary source of enforcement.

# SENATE BILL

<sub>No.</sub> 663

Session of 2017

INTRODUCED BY LAUGHLIN, MENSCH, DiSANTO AND RESCHENTHALER, MAY 2, 2017

REFERRED TO LABOR AND INDUSTRY, MAY 2, 2017

#### AN ACT

- Amending the act of November 10, 1999 (P.L.491, No.45), entitled "An act establishing a uniform construction code; imposing 2 powers and duties on municipalities and the Department of 3 Labor and Industry; providing for enforcement; imposing penalties; and making repeals," in adoption and enforcement 5 by municipalities, further providing for administration and 6 enforcement. 7 8 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 10 Section 501(b) of the act of November 10, 1999 11 (P.L.491, No.45), known as the Pennsylvania Construction Code 12 Act, is amended and the section is amended by adding a 13 subsection to read: 14 Section 501. Administration and enforcement. \* \* \* 15 16 (b) Municipal administration and enforcement. -- This act may be administered and enforced by municipalities in any of the 17
- 19 (1) By the designation of an employee to serve as the

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following ways:

20 municipal code official to act on behalf of the municipality

- for administration and enforcement of this act.
- 2 (2) By the retention of [one] three or more construction 3 code officials or third-party agencies to act on behalf of 4 the municipality for administration and enforcement of this 5 act.
  - (3) Two or more municipalities may provide for the joint administration and enforcement of this act through an intermunicipal agreement under 53 Pa.C.S. Ch. 23 Subch. A (relating to intergovernmental cooperation).
    - (4) By entering into a contract with the proper authorities of another municipality for the administration and enforcement of this act. When such a contract has been entered into, the municipal code official shall have all the powers and authority conferred by law in the municipality which has contracted to secure such services.
  - (5) By entering into an agreement with the department for plan reviews, inspections and enforcement of structures other than one-family or two-family dwelling units and utility and miscellaneous use structures.
- 20 (b.1) Fee limitations.--
- 21 (1) A municipality administering and enforcing this act
  22 in accordance with subsection (b)(1) or (3) shall collect
  23 fees that represent the actual administrative costs of code
  24 enforcement.
- 25 (2) A municipality subject to paragraph (1) shall
  26 annually report to the department, on a schedule determined
  27 by the department, the fees collected and the operating costs
  28 of the municipality's code enforcement program. The
  29 department shall have the power to order a municipality to
  30 readjust a fee schedule that the department reasonably

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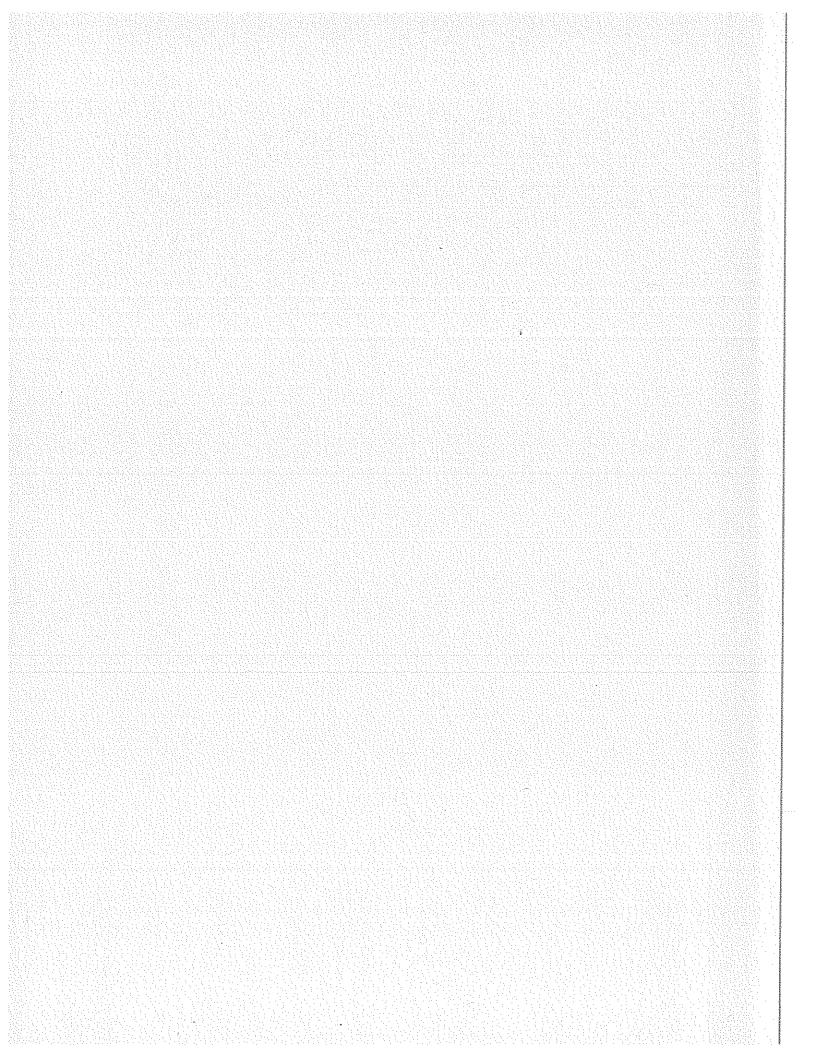
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- believes to be excessive. For the purposes of this paragraph,
- 2 the term "excessive" shall mean annual fees that exceed
- 3 operating costs of the code enforcement program by 10%.
- 4 (3) Municipalities administering and enforcing this act
- 5 <u>in accordance with paragraph (1) shall not require a</u>
- 6 standardized fee schedule and shall permit construction code
- 7 <u>officials or third-party agencies to establish independent</u>
- 8 <u>fee schedules.</u>
- 9 \* \* \*
- 10 Section 2. This act shall take effect January 1, 2018.



# HOUSE BILL

No. 1469 Session of 2017

INTRODUCED BY HEFFLEY, McGINNIS, MILLARD, MALONEY, PHILLIPS-HILL, COX, WHEELAND, ZIMMERMAN AND MICCARELLI, MAY 31, 2017

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 28, 2017

#### AN ACT

Amending the act of November 10, 1999 (P.L.491, No.45), entitled 2 "An act establishing a uniform construction code; imposing 3 powers and duties on municipalities and the Department of Labor and Industry; providing for enforcement; imposing penalties; and making repeals," in adoption and enforcement by municipalities, further providing for administration and enforcement-; AND, IN TRAINING AND CERTIFICATION OF 6 7 8 INSPECTORS, FURTHER PROVIDING FOR TRAINING OF INSPECTORS. 9 The General Assembly of the Commonwealth of Pennsylvania 10 hereby enacts as follows: 11 Section 1. Section 501 of the act of November 10, 1999 12 (F.L. 491, No. 45), known as the Pennsylvania Construction Code Act, is amended by adding a subsection to read: 14 Section 501. Administration and enforcement. 15 16 SECTION 1. SECTION 501(B)(1), (2) AND (3) OF THE ACT OF 17 NOVEMBER 10, 1999 (P.L.491, NO.45), KNOWN AS THE PENNSYLVANIA CONSTRUCTION CODE ACT, ARE AMENDED AND THE SECTION IS AMENDED BY 18 ADDING SUBSECTIONS TO READ: 19

SECTION 501. ADMINISTRATION AND ENFORCEMENT.

- 1 \* \* \*
- 2 (B) MUNICIPAL ADMINISTRATION AND ENFORCEMENT. -- THIS ACT MAY
- 3 BE ADMINISTERED AND ENFORCED BY MUNICIPALITIES IN ANY OF THE
- 4 FOLLOWING WAYS:
- 5 (1) BY THE DESIGNATION OF AN EMPLOYEE TO SERVE AS THE
- 6 MUNICIPAL CODE OFFICIAL TO ACT ON BEHALF OF THE MUNICIPALITY
- 7 FOR ADMINISTRATION AND ENFORCEMENT OF THIS ACT. A MUNICIPAL
- 8 CODE OFFICIAL MAY UTILIZE THIRD-PARTY AGENCIES TO SUPPLEMENT
- 9 THE MUNICIPAL CODE ENFORCEMENT PROGRAM'S PLAN REVIEW AND
- 10 <u>INSPECTION SERVICES OR MAY UTILIZE THIRD-PARTY AGENCIES TO</u>
- 11 PERFORM PLAN REVIEW AND INSPECTION SERVICES IN CATEGORIES
- 12 WHICH ITS PROGRAM DOES NOT POSSESS THE NECESSARY PERSONNEL TO
- 13 <u>ADMINISTER</u>.
- 14 (2) BY THE RETENTION OF ONE OR MORE [CONSTRUCTION CODE
- OFFICIALS OR] THIRD-PARTY AGENCIES TO ACT ON BEHALF OF THE
- 16 MUNICIPALITY FOR ADMINISTRATION AND ENFORCEMENT OF THIS
- 17 ACT[.], EXCEPT THAT THE PROVISIONS OF SUBSECTION (B.1) SHALL
- 18 APPLY IF THE MUNICIPALITY CONTRACTS WITH ONLY ONE THIRD-PARTY
- 19 AGENCY FOR ADMINISTRATION AND ENFORCEMENT.
- 20 (3) TWO OR MORE MUNICIPALITIES MAY PROVIDE FOR THE JOINT
- 21 ADMINISTRATION AND ENFORCEMENT OF THIS ACT THROUGH AN
- 22 INTERMUNICIPAL AGREEMENT UNDER 53 PA.C.S. CH. 23 SUBCH. A
- 23 (RELATING TO INTERGOVERNMENTAL COOPERATION)[.], EXCEPT THAT
- 24 THE PROVISIONS OF SUBSECTION (B.1) SHALL APPLY IF THE
- 25 AGREEMENT PROVIDES FOR ONLY ONE THIRD-PARTY AGENCY FOR
- 26 <u>ADMINISTRATION AND ENFORCEMENT.</u>
- 27 \* \* \*
- 28 (B.1) EXCLUSIVE ADMINISTRATION AND ENFORCEMENT. -- THE
- 29 FOLLOWING APPLY:
- 30 (1) IF A MUNICIPALITY CONTRACTS WITH ONE THIRD-PARTY

1	AGENCY FOR ADMINISTRATION AND ENFORCEMENT OF THIS ACT, AN
2	APPLICANT MAY UTILIZE THE SERVICES OF ANOTHER THIRD-PARTY
3	AGENCY IF THE ALTERNATIVE THIRD-PARTY AGENCY AGREES TO REMIT
4	A SURCHARGE FOR ITS SERVICES TO THE MUNICIPALITY. THE
5	SURCHARGE SHALL BE A PERCENTAGE OF THE TOTAL AMOUNT OF FEES
6	CHARGED BY THE ALTERNATIVE THIRD-PARTY AGENCY. THE PERCENTAGE
7	SHALL BE ESTABLISHED BY THE MUNICIPALITY BY ORDINANCE AS A
8	PERCENTAGE NOT TO EXCEED 10%. IF THE MUNICIPALITY FAILS TO
9	ESTABLISH A SURCHARGE AS SPECIFIED UNDER THIS PARAGRAPH, THE
10	SURCHARGE SHALL BE 1% OF THE TOTAL FEES CHARGED BY THE
11	ALTERNATIVE THIRD-PARTY AGENCY FOR THE ALTERNATIVE THIRD-
12	PARTY AGENCY'S SERVICES ON A PROJECT.
13	(2) IN ACCORDANCE WITH THE MUNICIPALITY'S
14	OVERALL PERMITTING PROCESS FOR A PROJECT, THE MUNICIPALITY
15	SHALL NOTIFY THE APPLICANT THAT THE APPLICANT MAY UTILIZE THE
16	SERVICES OF AN ALTERNATIVE THIRD-PARTY AGENCY OF THE
17	APPLICANT'S CHOICE FOR THE CONSTRUCTION REQUIREMENTS OF THE
18	APPLICATION COVERED BY THIS ACT, INCLUDING ALL PLAN REVIEW
19	AND INSPECTION SERVICES. THE APPLICANT SHALL BE NOTIFIED OF
20	THE INFORMATION REQUIRED UNDER SUBSECTION (B.2).
21	(3) THE APPLICANT SHALL NOTIFY THE MUNICIPALITY AND ITS
22	CONTRACTED THIRD-PARTY AGENCY OF ITS INTENT TO UTILIZE AN
23	ALTERNATIVE THIRD-PARTY AGENCY FOR THE CONSTRUCTION
24	REQUIREMENTS REQUIRED BY THIS ACT FOR A PROJECT. THE
25	APPLICANT SHALL PROVIDE, IN ITS NOTIFICATION, THE NAME OF THE
26	ALTERNATIVE THIRD-PARTY AGENCY THAT WILL BE UTILIZED AND
27	APPROPRIATE CONTACT INFORMATION.
28	(4) BEFORE PERFORMING SERVICES ON A PROJECT, THE
29	ALTERNATIVE THIRD-PARTY AGENCY BEING UTILIZED BY THE

30

APPLICANT SHALL NOTIFY THE MUNICIPALITY AND ITS CONTRACTED

Ţ	THIRD-PARTY AGENCY THAT IT IS PERFORMING SERVICES REQUIRED BY
2	THIS ACT ON THE PROJECT FOR THE APPLICANT. ON THE DATE OF
3	ISSUANCE OF THE PERMIT REQUIRED BY THIS ACT, THE ALTERNATIVE
4	THIRD-PARTY AGENCY SHALL PROVIDE THE MUNICIPALITY AND ITS
5	EXCLUSIVE THIRD-PARTY AGENCY WITH A COPY OF THE PERMIT ISSUED
6	FOR THE PROJECT AND THE APPROVED PLANS OF RECORD FOR THE
7	PROJECT.
8	(5) THE APPLICANT SHALL UTILIZE THE SERVICES OF THE
9	ALTERNATIVE THIRD-PARTY AGENCY FOR ALL REQUIREMENTS OF THIS
10	ACT ASSOCIATED WITH A PROJECT.
11	(6) ON THE DATE OF ISSUANCE OF THE FINAL INSPECTION
12	REPORT FOR A PROJECT, THE ALTERNATIVE THIRD-PARTY AGENCY
13	SHALL FORWARD THE FOLLOWING TO THE MUNICIPALITY AND THE
14	MUNICIPALITY'S THIRD-PARTY AGENCY:
15	(I) THE FINAL INSPECTION REPORT THAT WAS ISSUED FOR
16	THE PROJECT.
17	(II) A SUMMARY OF TOTAL FEES CHARGED TO THE
18	APPLICANT.
19	(III) PAYMENT OF THE SURCHARGE ASSESSED UNDER
20	PARAGRAPH (1).
21	(IV) THE FEE REQUIRED UNDER SECTION 703(A).
22	(V) ANY ADDITIONAL DOCUMENTATION ASSOCIATED WITH THE
23	PROJECT THAT IS REQUESTED BY THE MUNICIPALITY.
24	(7) THE MUNICIPALITY OR ITS CONTRACTED THIRD-PARTY
25	AGENCY, WHICHEVER IS APPLICABLE, SHALL ACCEPT THE FINAL
26	INSPECTION REPORT WITH RESPECT TO THE REQUIREMENTS OF THIS
27	ACT. THE CONTRACTED THIRD-PARTY AGENCY SHALL BE IMMUNE FROM
28	ANY CIVIL LIABILITY ASSOCIATED WITH CONTENTS OF THE FINAL
29	INSPECTION REPORT.
30	(8) THE MUNICIPALITY OR ITS CONTRACTED THIRD-PARTY

1	AGENCY MAY WITHHOLD ISSUANCE OF THE CERTIFICATE OF OCCUPANCY
2	FOR A PROJECT IF THE ALTERNATIVE THIRD-PARTY AGENCY FAILS TO
3	COMPLY WITH PARAGRAPH (6).
4	(9) THE MUNICIPALITY MAY NOTIFY THE DEPARTMENT OF A
5	POSSIBLE VIOLATION OF THIS ACT IF AN ALTERNATIVE THIRD-PARTY
6	AGENCY FAILS TO COMPLY WITH PARAGRAPH (6). UPON RECEIVING
7	NOTICE BY THE MUNICIPALITY, THE DEPARTMENT SHALL CONDUCT AN
8	INVESTIGATION. THE DEPARTMENT MAY CONSIDER AN INTENTIONAL
9	FAILURE TO COMPLY WITH PARAGRAPH (6) AS JUST CAUSE FOR
10	DECERTIFICATION OF THE ALTERNATIVE THIRD-PARTY AGENCY UNDER
11	SECTION 701(H).
12	(10) A PROFESSIONAL SERVICES CONTRACT BETWEEN A
13	MUNICIPALITY AND A THIRD-PARTY AGENCY FOR THE
14	EXCLUSIVE ADMINISTRATION AND ENFORCEMENT OF THIS ACT IN
15	EFFECT BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION SHALL
16	REMAIN IN EFFECT AND THE PROVISIONS OF THIS SUBSECTION SHALL
17	APPLY UPON THE EXPIRATION OF THE ORIGINAL TERMS OF THE
18	PROFESSIONAL SERVICES CONTRACT.
19	(b.1) (B.2) Administration and enforcement by third-party <
20	agencies If a municipality contracts with one or more third-
21	party agencies for the administration and enforcement of this
22	act, the municipality shall have the following duties:
23	(1) Ensuring that the form utilized for a permit
24	application notifies an applicant of all of the following:
25	(i) The authority of a third-party agency exists as
26	a result of a contract approved by the governing body of
27	the municipality, or as a result of intermunicipal
28	agreement under 53 Pa.C.S. Ch. 23 Subch. A entered into
29	by the municipality.
30	(ii) An applicant may inform the governing body of

Τ	the municipality of complaints about a third-party
2	agency's services, including reports of incompetence or
3	gross negligence, a failure to abide by a time period
4	specified under this act, rude or unprofessional behavior
5	or discrimination based on personal bias against the
6	applicant.
7	(iii) The department certifies third-party agencies
8	and investigates complaints about service, including
9	complaints due to violations of this act, incompetence or
10	gross negligence, fraud, deceit or acts of moral
11	<u>turpitude.</u>
12	(iv) The department has a publicly accessible
13	Internet website which includes the form for filing a
14	complaint about service under subparagraph (iii).
15	(2) Maintaining a record of complaints submitted under
16	<pre>paragraph (1)(ii).</pre>
17	* * *
18	SECTION 2. SECTION 701 OF THE ACT IS AMENDED BY ADDING A
19	SUBSECTION TO READ:
20	SECTION 701. TRAINING OF INSPECTORS.
21	* * *
22	(H.1) CODE ADMINISTRATOR COMPLAINTS THE FOLLOWING APPLY:
23	(1) THE DEPARTMENT SHALL ACCEPT AND REVIEW A COMPLAINT
24	SUBMITTED BY A BUILDING PERMIT APPLICANT ABOUT A CODE
25	ADMINISTRATOR AND THE SECRETARY SHALL HAVE THE DISCRETION TO
26	ENFORCE REMEDIAL ACTIONS IF NECESSARY, INCLUDING ACTIONS TO
27	DECERTIFY THE CODE ADMINISTRATOR OR REVOKE THE CODE
28	ADMINISTRATOR'S CERTIFICATION FOR A PERIOD OF TIME AS
29	DETERMINED BY THE SECRETARY. THE DEPARTMENT SHALL REVIEW A
30	COMPLAINT ABOUT A CODE ADMINISTRATOR REGARDING ANY OF THE

1	FOLLOWING ALLEGATIONS:
2	(I) INCOMPETENCE, NEGLIGENCE OR UNETHICAL CONDUCT.
3	(II) FAILURE TO ABIDE BY A DEADLINE SPECIFIED UNDER
4	THIS ACT FOR A CODE ENFORCEMENT ACTION WHICH RESULTS IN
5	AN UNDULY DELAY IN THE PROGRESS OF A PROJECT.
6	(III) DUPLICATIVE, UNDISCLOSED OR EXORBITANT FEES
7	ASSESSED AS A RESULT OF A CODE ENFORCEMENT ACTION.
8	(IV) AN INTERPRETATION OF THE UNIFORM CONSTRUCTION
9	CODE WHICH DEMONSTRATES PROFESSIONAL INCOMPETENCE OR
10	DIFFERS FROM STANDARD PRACTICE, INCLUDING THE
11	ESTABLISHMENT OF A DIFFERENT REQUIREMENT AFTER PLAN
12	APPROVAL.
13	(V) A VIOLATION OF 34 PA. CODE § 401.14 (RELATING TO
14	DECERTIFICATION OR REFUSAL TO CERTIFY).
15	(2) AFTER REVIEWING A COMPLAINT AS SPECIFIED UNDER
16	PARAGRAPH (1), THE DEPARTMENT SHALL HAVE THE FOLLOWING
17	DUTIES:
18	(I) NOTIFYING THE MUNICIPALITY WHERE THE CODE
19	ADMINISTRATOR SUBJECT TO THE COMPLAINT IS BEING UTILIZED
20	AS TO THE EXISTENCE OF THE COMPLAINT AND RECOMMENDING
21	REMEDIAL ACTIONS THAT THE DEPARTMENT DETERMINES TO BE
22	NECESSARY TO CORRECT DEFICIENCIES.
23	(II) NOTIFYING THE CODE ADMINISTRATOR WHO IS THE
24	SUBJECT OF THE COMPLAINT.
25	(III) INVESTIGATING THE COMPLAINT.
26	(3) THE SECRETARY MAY ISSUE AN ORDER TO A MUNICIPALITY
27	TO ALLOW A BUILDING PERMIT HOLDER WHO SUBMITTED A COMPLAINT
28	UNDER THIS SUBSECTION TO UTILIZE ANOTHER THIRD-PARTY AGENCY
29	OF THE BUILDING PERMIT HOLDER'S CHOICE FOR ANY REMAINING CODE
30	ENFORCEMENT ACTIONS NECESSARY TO UTILIZE A PROJECT. THE ORDER

1	MAY ALSO INCLUDE A PROVISION TO ALLOW THE BUILDING PERMIT					
2	HOLDER TO PERMANENTLY UTILIZE A THIRD-PARTY AGENCY OF THE					
3	PERMIT HOLDER'S CHOICE FOR FUTURE PROJECTS IN THE					
4	MUNICIPALITY IF THE SECRETARY DEEMS THAT IT IS POSSIBLE THAT					
5	THE BUILDING PERMIT HOLDER WILL BE RETALIATED AGAINST FOR					
6	FILING A COMPLAINT TO THE DEPARTMENT BY A CODE ADMINISTRATOR.					
7	(4) IF A BUILDING PERMIT APPLICANT MAKES A COMPLAINT TO					
8	THE DEPARTMENT CONCERNING A THIRD-PARTY AGENCY OR CODE					
9	ADMINISTRATOR, THE DEPARTMENT MAY NOT DISCLOSE THE IDENTITY					
10	OF THE BUILDING PERMIT HOLDER'S COMPLAINT WITHOUT THE					
11	BUILDING PERMIT HOLDER'S CONSENT UNLESS DISCLOSURE IS					
12	UNAVOIDABLE AS A RESULT OF AN INVESTIGATION OF A CODE					
13	ADMINISTRATOR UNDER THIS SUBSECTION.					
14	(5) A CODE ADMINISTRATOR MAY NOT DISCRIMINATE, THREATEN,					
15	COERCE OR OTHERWISE RETALIATE AGAINST A BUILDING PERMIT					
16	APPLICANT WHO FILES A COMPLAINT UNDER THIS SUBSECTION. A					
17	PERSON WHO ALLEGES A VIOLATION OF THIS PARAGRAPH MAY BRING A					
18	CIVIL ACTION IN A COURT OF COMPETENT JURISDICTION FOR					
19	APPROPRIATE INJUNCTIVE RELIEF OR DAMAGES WITHIN 180 DAYS OF					
20	OCCURRENCE OF THE ALLEGED VIOLATION.					
21	* * *					
22	Section $\frac{2}{3}$ . The department may issue regulations to <					
23	establish or clarify procedures necessary to effectuate the					
24	intent of this act.					
25	Section 3 4. This act shall take effect in 60 days.					

#### THE GENERAL ASSEMBLY OF PENNSYLVANIA

# SENATE BILL

No. 646

Session of 2017

INTRODUCED BY KILLION, FONTANA, GREENLEAF, MENSCH, RAFFERTY, YAW, YUDICHAK, SCHWANK AND WAGNER, APRIL 20, 2017

AS REPORTED FROM COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 29, 2017

#### AN ACT

Amending the act of July 28, 1988 (P.L.556, No.101), entitled "An act providing for planning for the processing and disposal of municipal waste; requiring counties to submit 3 4 plans for municipal waste management systems within their 5 boundaries; authorizing grants to counties and municipalities for planning, resource recovery and recycling; imposing and 6 7 collecting fees; establishing certain rights for host 8 municipalities; requiring municipalities to implement 9 recycling programs; requiring Commonwealth agencies to 10 procure recycled materials; imposing duties; granting powers to counties and municipalities; authorizing the Environmental 11 12 Quality Board to adopt regulations; authorizing the 13 Department of Environmental Resources to implement this act; 14 providing remedies; prescribing penalties; establishing a fund; and making repeals," in recycling fee, further providing for recycling fee for municipal waste landfills and 15 16 resource recovery facilities and for Recycling Fund. 17 The General Assembly of the Commonwealth of Pennsylvania 18 19 hereby enacts as follows: 20 Section 1. Sections 701(d) and 706(d) of the act of July 28, 21 1988 (P.L.556, No.101), known as the Municipal Waste Planning, 22 Recycling and Waste Reduction Act, are repealed AMENDED TO READ: <--23 Section 701. Recycling fee for municipal waste landfills and 24 resource recovery facilities.

#### Resolution #8-2017

# Submitted by: PML Legislative Committee

### Permanent Authorization of Recycling Fund Tipping Fee

Whereas, Act 101 of 1988, the Municipal Waste Planning, Recycling and Waste Reduction Act, establishes a \$2 per ton tipping fee on solid waste deposited in landfills and resource recovery facilities; and

Whereas, the revenue collected from the fee, approximately \$38 million annually, is deposited in the Recycling Fund in the State Treasury; and

Whereas, the money in the Recycling Fund is awarded to grantees to help finance municipal recycling programs, as well as support planning and environmental protection programs, subsidize state programs for market development, public education, technical assistance and grant administration; and

Whereas, currently under Act 101 the tipping fee is set to expire on January 1, 2020; and

Whereas, a permanent authorization of the fee would eliminate the need for the General Assembly to continually re-visit the fee every few years; and

Whereas, a permanent authorization would protect and preserve important support for municipal, county and state recycling programs in Pennsylvania.

Therefore, be it resolved: the Pennsylvania Municipal League supports a permanent authorization of the per ton tipping fee for recycling programs.

Be it further resolved: the Pennsylvania Municipal League supports the exclusive use the Recycling Fund revenue to support recycling efforts.

This resolution supports permanent authorization of the per ton tipping fee for recycling, as well as exclusive use of the Recycling Fund revenue for recycling efforts.

- 1 \* \* \*
- 2 + (d) Sunset for fee. -- No fee shall be imposed under this
- 3 section on and after January 1, <del>2020.]</del> [2020.] <u>2021.</u>

<--

- 4 Section 706. Recycling Fund.
- 5 \* \* \*
- 6 [(d) Transfer. -- On the first day of the 27th year after the
- 7 fee imposed by section 701 becomes effective, all moneys in the
- 8 Recycling Fund that are not obligated shall be transferred to
- 9 the Solid Waste Abatement Fund and expended in the same manner
- 10 as other moneys in the Solid Waste Abatement Fund. On the first
- 11 day of the 30th year after the fee imposed by section 701
- 12 becomes effective, all moneys in the Recycling Fund that are not
- 13 expended shall be transferred to the Solid Waste Abatement Fund
- 14 and expended in the same manner as other moneys in the Solid
- 15 Waste Abatement Fund.
- 16 \* \* \*
- 17 Section 2. This act shall take effect in 60 days.

#### Resolution #9-2017

## **Submitted by: PML Legislative Committee**

### **Municipal Fees**

Whereas, revenue to fund municipal services is generated from two main sources – the Real Property Tax and the Earned Income Tax; and

Whereas, local municipal officials do not have authority to levy taxes not authorized by the General Assembly; and

Whereas, many communities are host to properties that are tax-exempt thereby reducing the amount of revenue available to pay for services provided to all property owners and placing an additional burden on taxable property; and

Whereas, municipal fees are becoming more and more popular as a way to cover the costs of providing a particular municipal service or program; and

Whereas, fees can be assessed on all properties, individuals or entities benefiting from or impacted by a particular service, such as storm water management, garbage and recycling collection, and rental inspections.

Therefore, be it resolved: the Pennsylvania Municipal League supports the continued and locally determined use of municipal fees as an alternative method to taxes to pay for municipal services.

Be it further resolved: the Pennsylvania Municipal League supports the concept that fees collected for a particular service should be consistent with the actual cost of providing and administering that service. In other words, a fee should not generate revenue above the cost of the program or service it is implemented to fund.

This resolution supports the use of municipal fees to pay for services. It also affirms that a fee should cover the cost of providing a particular service, not generate revenue.

### **Resolution #10-2017**

Submitted by: PML Legislative Committee

## **Preservation of Local Zoning Authority**

Whereas, municipal zoning authority in Pennsylvania is granted by the Pennsylvania Municipalities Planning Code; and

Whereas, zoning is a means by which a municipality protects the health, safety and welfare of its residents and their property by regulating the use of land and buildings; and

Whereas, zoning also guides growth by regulating the extent and character of development; and

Whereas, the use of zoning has evolved over the years from just a tool to protect property owners' rights to a tool to help preserve the natural and historic features of a municipality creating more livable and sustainable communities; and

Whereas, the key to successful zoning is the ability for each municipality to determine its own land use regulations through a comprehensive plan and regulatory scheme; and

Whereas, legislation seeking to pre-empt municipal zoning power by enacting uniform regulations destroys the very premise of local zoning by taking decision making out of the control of local officials and placing it at a state or federal level.

Therefore, be it resolved: the Pennsylvania Municipal League opposes statewide, uniform zoning regulation that pre-empts local control and decision making.

This resolution supports keeping zoning decisions at a local level and opposing any state or federal pre-emption that would take local decision making out of the hands of local municipal officials.

#### **Resolution #11-2017**

### **Submitted by: PML Legislative Committee**

### **Nutrient Reduction Programs**

Whereas, Senate Bill 799 of 2017 establishes a statewide nutrient reduction credit procurement program to reduce the levels of nitrogen and phosphorus in the Chesapeake Bay Watershed; and

Whereas, all municipalities and public storm water authorities that discharge nitrogen and phosphorus into the waters of the Commonwealth would be mandated to participate by paying DEP \$50 million a year for 10 years to raise in the aggregate \$500 million for the program; and

Whereas, in return, DEP is required to transfer responsibility from municipalities and authorities for their Chesapeake Bay and the MS4 storm water nutrient reduction mandates to the credit procurement program; and

Whereas, the \$500 million will be used to pay vendors who procure competitively bid contracts to provide a process or facility that will generate credits toward the necessary nutrient reductions held by DEP; and

Whereas, municipalities and their residents in the Chesapeake Bay Watershed have already made significant financial investments to meet mandated reduction requirements; and

Whereas, MS4 storm water mandated communities are required to provide DEP with their storm water management plans in September 2017, indicating additional local investment and compliance decisions have already been made including the costs of developing a plan; and

Whereas, there are a number of low tech and cost effective approaches being used throughout the Chesapeake Bay Watershed that should be replicated as best management practices before starting a new program.

Therefore, be it resolved: the Pennsylvania Municipal League opposes any statewide nutrient reduction plan that would benefit only one area of the Commonwealth.

Be it further resolved: the Pennsylvania Municipal League opposes the creation of new nutrient reduction programs that require new or additional municipal investment or that will be used to underwrite private interests.

This resolution opposes nutrient reduction programs that require statewide municipal investment for one watershed. This resolution also opposes mandated municipal investment to support private interests.

#### THE GENERAL ASSEMBLY OF PENNSYLVANIA

# SENATE BILL

Session of 2017

INTRODUCED BY ALLOWAY, BARTOLOTTA AND RESCHENTHALER, JUNE 23, 2017

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, JUNE 23, 2017

#### AN ACT

- Establishing the Pennsylvania Clean Water Procurement Program; 1 2
  - providing for powers and duties of the State Conservation
- Commission; and establishing the Watershed Improvement Fund. 3
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- Section 1. Short title.
- 7 This act shall be known and may be cited as the Pennsylvania
- Clean Water Procurement Program Act.
- 9 Section 2. Definitions.
- 10 The following words and phrases when used in this act shall
- 11 have the meanings given to them in this section unless the
- 12 context clearly indicates otherwise:
- 13 "Authority." The Pennsylvania Infrastructure Investment
- 14 Authority.
- 15 "BMP." Pennsylvania Stormwater Best Management Practices
- 16 Manual.
- 17 "Commission." The State Conservation Commission.
- 18 "Department." The Department of Environmental Protection of

- 1 the Commonwealth.
- 2 "Entity." An entity that generates and sells certified
- 3 nutrient credits.
- 4 "Fund." The Watershed Improvement Fund established under
- 5 section 5.
- 6 "Local environmental benefits." Environmental benefits that
- 7 can be directly measured and quantified or modeled, including,
- 8 but not limited to, carbon reductions, pathogens, nutrients and
- 9 sediment to local freshwater and drinking water resources.
- "Nutrient pollutant." Nitrogen or phosphorous.
- 11 "Permittee." A municipality or public storm water authority
- 12 that discharges or releases a TMDL nutrient to surface or ground
- 13 waters of this Commonwealth. The term does not include a person
- 14 engaged in agricultural production as defined in section 3 of
- 15 the act of June 30, 1981 (P.L.128, No.43), known as the
- 16 Agricultural Area Security Law.
- 17 "Program." The Pennsylvania Clean Water Procurement Program
- 18 established under section 3.
- "Request for proposal" or "RFP." A request for proposal
- 20 which defines contract terms, future delivery dates and
- 21 technical specifications issued by the authority in conjunction
- 22 with the department to procure verified TMDL nutrient credits
- 23 from a certified load reduction activity that meets the
- 24 requirements of any applicable offset program in force regarding
- 25 the Chesapeake Bay.
- 26 "Sediment." Soils or other erodible materials transported by
- 27 storm water as a product of erosion.
- 28 "TMDL." Total maximum daily load.
- 29 "TMDL nutrient pollutant." A nutrient pollutant that has
- 30 been identified as a cause of nonattainment of water quality

- 1 standards and for which a TMDL has been developed to set
- 2 allowable annual loading targets.
- 3 "Transfer payment." Payment required of each permittee under
- 4 section 4.
- 5 "Unmet nutrient pollutant TMDL." Total outstanding Federal
- 6 requirements going forward three years.
- 7 "Verified TMDL nutrient credit." A unit of TMDL nutrient
- 8 pollutant load reduction achieved through department
- 9 verification of a certified reduction activity based upon an
- 10 approved verification plan, including modeled BMP reductions
- 11 with approved uncertainty factors as defined by the United
- 12 States Environmental Protection Agency.
- "Water year." The 12-month period beginning October 1 of
- 14 each calendar year.
- 15 Section 3. Pennsylvania Clean Water Procurement Program.
- 16 (a) Establishment. -- The Pennsylvania Clean Water Procurement
- 17 Program is established and shall provide for the purchase of
- 18 verified TMDL nutrient credits from certified nutrient credit
- 19 generators through a competitive bidding process consistent with
- 20 62 Pa.C.S. Pt. I (relating to Commonwealth Procurement Code) and
- 21 any other competitive process determined to be appropriate by
- 22 the department and the commission.
- 23 (b) Powers and duties. -- The commission shall administer the
- 24 program and take any action necessary to effectuate the purposes
- 25 of this act.
- 26 (c) Contracts with verified TMDL nutrient credit sellers.--
- 27 (1) The following shall apply:
- 28 (i) The commission shall, beginning with the water
- year in which this subsection takes effect and the
- following two water years, publish a notice of the unmet

nutrient pollutant TMDL requirements in the Pennsylvania Bulletin.

- (ii) No later than 60 days following publication of the notice under subparagraph (i), the authority shall issue, in consultation with the department, a request for proposals from certified nutrient credit entities under 62 Pa.C.S. Pt. I for the supply of long-term verified TMDL nutrient credits for future delivery in order to fulfill the unmet Federal Chesapeake Bay TMDL parameter requirement for those water years included in the notice.
- (iii) An RFP under subparagraph (ii) shall be for a minimum term of 10 years and shall allow sufficient time for the delivery of verified reductions of TMDL parameters consistent with the time frame necessary for the permitting and development of public or private credit generator facilities.
- (2) Factors to be considered as part of the criteria for evaluation of responses received to an RFP and the weighted percentage to be applied to each factor shall be included by the commission in temporary regulations published under section 6 and in final regulations and shall include:
  - (i) Environmental and recreational benefits to this Commonwealth and local communities resulting from the TMDL nutrient pollutant reduction activities, including verified and modeled green infrastructure benefits and other TMDL parameter reductions to freshwater resources of this Commonwealth and the applicable major watershed.
  - (ii) Additional criteria determined relevant by the commission.
- 30 (3) The award granted for an RFP shall determine the

- 1 adjusted cost of verified TMDL nutrient credits less the
- 2 value of the local environmental benefit or green
- 3 infrastructure reductions.
- 4 (4) The authority will allocate the cost consistent with
- 5 the revenue source adopted under this act based on each
- 6 permittee's percentage of the total nutrient reduction
- 7 mandate sufficient to cover the cost of the program.
- 8 Section 4. Replacement of sector allocation with competitive
- 9 bidding program.
- 10 (a) General rule. -- The department shall transfer the
- 11 nutrient reduction mandates of a permittee to a competitive
- 12 bidding program to enable all certified nutrient credit entities
- 13 that can generate verified TMDL nutrient credits to participate
- 14 in an RFP on a voluntary basis.
- 15 (b) Transfer payment. -- In return for being absolved from the
- 16 TMDL nutrient reduction mandate, the aggregate number of
- 17 permittees shall pay into the program \$50,000,000 annually for
- 18 10 years subject to subsection (c).
- 19 (c) Payment amounts.--Payment amounts under subsection (b)
- 20 shall be adjusted annually based on the cost determination made
- 21 under section 3(c)(2) and (4) as published in the Pennsylvania
- 22 Bulletin.
- 23 (d) Payment in arrears. -- Consistent with 62 Pa.C.S. Pt. I
- 24 (relating to Commonwealth Procurement Code), Federal policy
- 25 recommendations regarding the procurement of results in lieu of
- 26 funding solutions and any applicable State statute, payments to
- 27 entities will be made after the department has verified the
- 28 nutrient pollutant reductions. These verifications will be
- 29 performed monthly based upon required data submissions from
- 30 nutrient credit generators certified by the department.

- 1 (e) Certainty. -- Upon transfer of the nutrient reduction
- 2 mandates under subsection (a), a permittee shall have no ongoing
- 3 liability for the mandated nutrient pollutant reductions.
- 4 (f) Risk factor reduction. -- The department shall attempt to
- 5 reduce risk factors imbedded in legacy policy issues that cannot
- 6 be otherwise mitigated and do not represent environmental
- 7 backsliding by modifying policies consistent with the
- 8 requirements of private sector financing requirements.
- 9 (g) Offset.--Verified TMDL nutrient credits obtained under
- 10 subsection (a) shall be deemed by the department to satisfy
- 11 applicable wastewater and storm water TMDL nutrient pollutant
- 12 permitting requirements.
- 13 Section 5. Watershed Improvement Fund.
- 14 (a) Establishment. -- The Watershed Improvement Fund is
- 15 established within the authority as a special fund.
- 16 (b) Deposits. -- The following shall be deposited into the
- 17 fund:
- 18 (1) Any appropriation made to the fund.
- 19 (2) Transfer payments from permittees in accordance with
- 20 section 4.
- 21 (c) Use. -- The following shall apply:
- 22 (1) Money in the fund shall be used by the commission
- 23 for the purchase of verified TMDL nutrient credits under
- 24 section 3.
- 25 (2) Winning bids will offer 20% of total nutrient
- 26 reduction allotment to be available for participation for 30
- 27 days by small sources that did not participate in the bidding
- 28 process so that a small producer who installs a BMP can
- 29 subscribe to sell their credits into this pool and receive
- 30 the winning bid price absent the need to participate in the

- bidding process.
- 2 Section 6. Regulations.
- 3 The commission may promulgate regulations to carry out the
- 4 provisions of this act.
- 5 Section 7. Effective date.
- 6 This act shall take effect in 30 days.

#### **Resolution #12-2017**

# Submitted by: PML Legislative Committee

## Preservation of Assessment Appeals by Local Taxing Jurisdictions

Whereas, local taxing districts are authorized in Pennsylvania statute (53 Pa. C.S.A. 8855) to appeal any assessment in the same manner and under the same procedure as a taxable person would appeal an assessment; and

Whereas, this authority is a necessary tool for local taxing districts to counteract the negative impact of overdue or irregular countywide reassessments; and

Whereas, in counties where regular reassessments are not occurring, real property taxpayers are burdened with higher taxes in order to cover services to under-assessed properties; and

Whereas, House Bill 1213 of 2017 places limits on assessment appeals has been introduced in the General Assembly; and

Whereas, such legislation would prohibit a taxing body from appealing an assessment based on the purchase or sale of the property; the purchase of a partial or total interest in the property; the financing or refinancing of the property or investments made in the property; and

Whereas, the right to appeal an assessment would be limited to appeals of assessments created during a countywide reassessment and filed by a date certain; appeals when a parcel of land is divided and conveyed in smaller parcels; or appeals when there is a change in the productive use of a parcel; and

Whereas, the Pennsylvania Municipal League supports regular countywide reassessment as a solution to local taxing jurisdictions needing to use the appeals process.

Therefore, be it resolved: the Pennsylvania Municipal League does not support prohibitions or limitations on the current authority of local taxing jurisdictions to use assessment appeals to address discrepancies in real property assessments.

This resolution supports preservation of the current authority of local taxing jurisdictions to appeal real property assessments.

#### THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL

No. 1213 Session of 2017

INTRODUCED BY KAMPF, GODSHALL, McGINNIS, NEILSON, RYAN, ZIMMERMAN, BENNINGHOFF, WHEELAND, MUSTIO, COX AND TURZAI, APRIL 19, 2017

REFERRED TO COMMITTEE ON COMMERCE, APRIL 19, 2017

#### AN ACT

Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, in consolidated county assessment, further providing for short title and scope of chapter and 3 for appeals by taxing districts and providing for standards of redress in appeals. 5 6 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 8 Section 1. Sections 8801(b)(2) and 8855 of Title 53 of the Pennsylvania Consolidated Statutes are amended to read: 10 § 8801. Short title and scope of chapter. 11 \* \* \* 12 (b) Scope.--\* \* \* 13 14 In addition to the applicability under paragraph 15 (1), the following provisions apply to counties of the first 16 and second class: 17 Section 8811(b)(5) (relating to subjects of 18 local taxation). 19 Section 8842(b)(2) (relating to valuation of

1	property).
2	(iii) Section 8855 (relating to appeals by taxing
3	districts).
4	(iv) Section 8855.1 (relating to standards of
5	redress in appeals).
6	§ 8855. Appeals by taxing districts.
7	(a) General rule Subject to the provisions of subsection
8	(b), the following shall apply:
9	(1) A taxing district shall have the right to appeal any
10	assessment within its jurisdiction in the same manner,
11	subject to the same procedure and with like effect as if the
12	appeal were taken by a taxable person with respect to the
13	assessment, and, in addition, may take an appeal from any
14	decision of the board or court of common pleas as though it
15	had been a party to the proceedings before the board or court
16	even though it was not a party in fact.
17	(2) A taxing district [authority] may intervene in any
18	appeal by a taxable person under section 8854 (relating to
19	appeals to court) as a matter of right.
20	(b) Basis of appeals
21	(1) A taxing district may not appeal the assessment of
22	property based on the following:
23	(i) purchase or sale of the property;
24	(ii) purchase or sale of a partial or total interest
25	in the entity holding legal title to the property;
26	(iii) financing or refinancing of the property; or
27	(iv) investments in the property as follows:
28	(A) investments that affect the safety elements
29	of the property, including, but not limited to,
30	operating, lighting, alarm and suppression systems

1	and devices related to fire and security; or
2	(B) investments as required by fair housing or
3	disability laws and regulations.
4	(2) A taxing district has the right to appeal an
5	assessment under section 8855.1 (relating to standards of
6	redress in appeals) only when one or more of the following
7	<pre>are met:</pre>
8	(i) the appeal is from an assessment created during
9	a countywide reassessment and the appeal is filed by
10	September 1 or the annual appeal date provided by the
11	county commissioners under section 8844(c)(3) (relating
12	to notices, appeals and certification of values) of the
13	taxable year following the year for which the newly
14	established values from the countywide reassessment shall
15	<pre>take effect;</pre>
16	(ii) a parcel of land is divided and conveyed in
17	smaller parcels; or
18	(iii) a change has occurred in the productive use of
19	the property or parcel by material alteration in the
20	nature of the use or through alteration or additions that
21	modify the use of the property or parcel.
22	(3) A taxable person shall have the right at any stage
23	of the proceedings to request the dismissal, and the
24	applicable court shall order dismissal of an appeal taken by
25	a taxing district in violation of paragraphs (1) or (2).
26	(4) If an affected taxable person appeals an assessment
27	of property that was granted a preferential assessment under
28	the act of December 19, 1974 (P.L.973, No.319), known as the
29	Pennsylvania Farmland and Forest Land Assessment Act of 1974,
30	the affected taxable person shall not be required to amend

1 the initial application or reapply for the same preferential 2 assessment based solely on the appeal. 3 (5) (i) A taxable person shall have the right to appeal 4 an increased assessment that occurred as a result of an 5 appeal brought by a taxing district prior to the 6 enactment of this subsection and after the date of the most recent applicable countywide reassessment. 7 8 (ii) No affected taxable person shall have the right to appeal an increased assessment if the appeal that was 9 10 brought by the taxing district would have been consistent 11 with paragraph (2). 12 (iii) If an affected taxable person has the right to bring an appeal under this section, the affected taxable 13 14 person shall have the right to have the assessed value of the property changed to the assessed value in effect 15 16 immediately prior to the appeal brought by the taxing 17 district. 18 (iv) The affected taxable person shall not be 19 entitled to a refund of taxes paid for an appeal that has 20 been finally adjudicated as of the effective date of this 21 subsection. 22 (6) This subsection shall apply to appeals brought by a taxing district that have not been finally adjudicated as of 23 the effective date of this subsection. 24 25 Section 2. Title 53 is amended by adding a section to read: 26 § 8855.1. Standards of redress in appeals. 27 (a) General rule. -- In an appeal brought before a board of 28 assessment or court of this Commonwealth, the taxing district 29 seeking to increase the assessment shall have the burden to

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prove that the proposed assessment is not inconsistent with the

- 1 requirements of section 1 of Article VIII of the Constitution of
- 2 <u>Pennsvlvania</u>.
- 3 (b) Constitutionality. -- In determining if a proposed
- 4 assessment would violate the requirements of section 1 of
- 5 Article VIII of the Constitution of Pennsylvania, a taxable
- 6 person or a taxing district may offer into evidence the assessed
- 7 value of the property and need not introduce an appraisal of the
- 8 property. An assessment shall be deemed to comply with section 1
- 9 of Article VIII of the Constitution of Pennsylvania if the
- 10 <u>assessed value is the lesser of either:</u>
- 11 (1) the amount provided by section 8844(e)(2) (relating
- 12 to notices, appeals and certification of values); or
- 13 (2) an amount reasonably consistent with the assessed
- 14 <u>values of similar properties located in the same neighborhood</u>
- or local community.
- 16 (c) Applicability. -- This section shall apply to appeals that
- 17 have not been finally adjudicated as of the effective date of
- 18 this section.
- 19 Section 3. The provisions of this act are severable. If any
- 20 provision of this act or its application to any person or
- 21 circumstance is held invalid, the invalidity shall not affect
- 22 other provisions or applications of this act which can be given
- 23 effect without the invalid provision or application.
- 24 Section 4. This act shall take effect in 60 days.

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