



The Pennsylvania Municipal League



Policy Statement 2017



*Our mission is to strengthen, empower, and
advocate for effective local government.*

Table of Contents

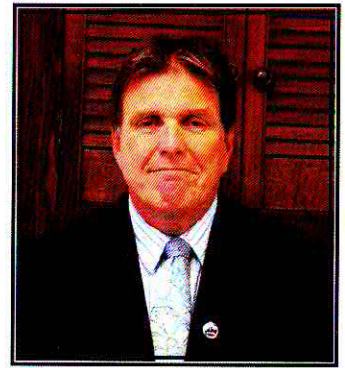
Executive Director Message	1
Introduction and General Principles	2
Local Government Autonomy	2
Unfunded Mandates	2
Municipal Fiscal Health	2
Taxation	3
Local Taxing Structure	3
Local Taxing Authority	3
Local Tax Enabling Act – Act 511 of 1965	3
Non-Tax Revenue Sources	3
Real Property Tax	4
Property Tax Assessment	4
Tax-Exempt Properties	4
Preservation of PA Supreme Court's HUP Case	4
Act 47 – Distressed Municipalities	5
Home Rule	6
Pension Benefits and Home Rule	6
Citizen Involvement	6
Open Meetings – The Sunshine Law	6
Executive Sessions	6
Legal Advertising	7
Proposed Ordinances	7
Relief from Advertising Costs	7
Education	8
High-Quality Pre-K for Pennsylvania	8
Full and Fair Funding for Pennsylvania Public Schools	8
School Violence	8
University Community Relations	8
High-Risk Drinking Among College Students	8
Alcohol Related Fines and Prevention Funds	8
PA State System of Higher Education Campus Police Powers	8
Host Municipality Representation	9
Intergovernmental Relations	10
Intergovernmental Cooperation Act	10
Regional Service Provision	10
State Police Services	10
Shared Municipal Management	10
Commonwealth Tax Information	10
Liquid Fuels Tax	10
Gaming	10
Recreation	10
Pre-Audit Advice	11
Commonwealth's Escheat Law	11
County Seats	11

Boundary Changes	11
Municipal Authorities	12
Infrastructure Improvement Financing	12
Public-Private Partnerships	13
Prevailing Wage Act	13
Public Health	14
Drug Abuse	14
Drug Forfeiture Laws	14
Civil Liability for Drug Dealers	14
Bottle Clubs	14
Licensing of Tattoo Artists	14
Lead Poisoning	14
Accessibility	14
Employee Relations and Benefits	14
Coalition for Sustainable Communities	14
Act 111 Collective Bargaining Reform	15
Municipal Pension Reform for Public Safety Employees	15
Municipal Pension Funding	15
Act 205 Funding Formula	15
Actuarial Assumptions of Municipal Pension Plans	15
State Consolidated Municipal Healthcare and Pension Plans	15
Statewide Municipal Pension System	16
Fiduciary Standards	16
Pension Benefits for Non-Uniformed Employees	16
Heart and Lung Benefit	16
Workers' Compensation	16
Police Officers' Bill of Rights	16
Firefighter Cancer Presumption	16
Public Safety Services	17
Delivery of Emergency Services	17
Fire and Emergency Medical Services	17
Police	17
Paid Firefighters	17
Volunteer Firefighters	17
Sheriffs' Powers	17
Firearm Regulations	17
Firearms in Municipal Buildings and Parks	18
Constables	18
Local Use of Radar	18
Community and Economic Development	19
Community Development	19
Downtown Revitalization	19
Economic Development	19
Local Tax Revenue for Economic Development	19
Site Reuse	19
Liquor Licenses and the Liquor Code	19
Industrial Heritage Parks	20
The Commonwealth's Role in Economic Revitalization	20
Aged and Blighted Housing	21
Delinquent Tax Sales	21
Maintenance of Property	21
Fines for Non-Compliance with Local Ordinances	21
Fire Damaged Properties	21

Land Use, Zoning and Planning	21
Growth Management	22
Uniform Codes and Licensing	22
Adoption of New Codes	22
Green Building Construction	22
Historic Properties and Fire and Panic Laws	22
Regulatory Takings	22
Environment and Natural Resources	23
Streetlights	23
Solid Waste Management and Recycling	23
Environmental Hearings	23
Sinkholes and Mine Subsidence	23
Clean Air and Water	23
Storm Water Management	24
Chesapeake Bay Program	24
Reclaimed Water	24
Transportation	24
Public Transportation	24
State Highway Turn Back Program	25
State Reimbursement for Services	25
Storm Drain Maintenance on State Roads	25
Traffic Signalization on State Roads	25
Maintenance of State Roads	25
Local Traffic Control Devices	25
Snow Removal	25
Communications	26
Municipal Utilities	26
Utility Lines	26
Distributed Antenna Systems	26
Local Cable Franchising Authority	26
Cellular Tower Site Planning	26
Broadband Implementation	26
Local Elected Officials	27
Personal Liability of Elected Officials	27
Workers' Compensation for Elected Officials	27
Cross-Filing by Local Candidates	27



A Message from the Executive Director



I am pleased to provide the modernized and restructured Pennsylvania Municipal League Policy Statement for 2017. The statement is consistent with our strategic plan in the advocacy area.

We are proud of our position as a member-driven association. This policy statement is a clear example, as its formulation starts with the introduction of resolutions at our district meetings and concludes at the annual business meeting convened at our summit.

This document is the result of the policy review committee (see page 28) working with the PML Board, Officers and staff. I am greatly appreciative of their time, expertise and effort.

The new and refreshed "look" is attributable to the PML Communications team led by Debbie Bitting. Lastly, I acknowledge the remarkable work in compiling the statement by Amy Sturges, PML Director of Governmental Affairs and Karey Molnar, PML Legislative Analyst.

Sincerely,

A handwritten signature in black ink that reads "Richard J. Schuettler". The signature is written in a cursive, flowing style.

Richard J. Schuettler

Introduction and General Principles

Several overall principles guide PML's advocacy for local government entities:

Local Government Autonomy

Local governments must comply with an endless stream of rules and regulations in performing their prescribed duties. Each local government has its own unique needs and must adopt methods to adequately address those needs. PML supports granting local governments the autonomy, flexibility and control necessary to effectively govern.

Unfunded Mandates

PML is opposed to unfunded mandates. Federal and state mandates passed down to local governments whether through legislation, regulation or court order must come with a funding source or the authority for the local governments to fund the mandates as they deem appropriate.

PML supports a constitutional amendment limiting the Commonwealth's ability to impose new mandates without adequate funding. PML also supports full funding of current mandates. As one method of deterring unnecessary costs, independent fiscal impact statements should be required on all legislation or regulation imposing a mandate on local government.

In addition, subsidies for mandated programs should be paid annually at a specific time to permit municipalities to properly plan, budget and utilize such payments.

Municipal Fiscal Health

Pennsylvania's urban communities are confronted with many issues not facing their rural counterparts that impact municipal fiscal health. A large percentage of tax-exempt entities; a land-locked tax base; an older housing stock; older residents of lower economic means; a higher tax burden; difficulty attracting new residents and business; and service costs that exceed tax revenue to name a few. To assist urban communities struggling to remain fiscally sound or struggling to re-invent themselves to regain fiscal health, PML advocates for a direct and comprehensive fiscal urban policy. Each administration, its agencies and the General Assembly should be invested in this policy and the success of the Commonwealth's urban communities. It is imperative to the Commonwealth's own fiscal health that state policies, programs and legislative actions recognize the unique value of urban areas and support their success.



Taxation

Local Taxing Structure

PML seeks legislative reform of the archaic and rigid local taxing structure imposed on local governments. Developed in the 1960's and relying heavily on Real Property and Earned Income Taxes, the current system is difficult to administer, regressive and unresponsive to changing local needs. Local flexibility would allow for a more even distribution of the tax burden and relieve the fiscal burden brought about by declining tax bases, increased mandates, and the rising costs of public services. To that end, we continue to strive toward a legislative solution that will bring more flexibility with locally tailored tax structures to meet the individual needs of our communities.

Local Taxing Authority

Aside from local flexibility to determine the best sources of local revenue, PML offers the following positions concerning local taxing authority.

- Support for a statewide local drink tax or a shift to a sales tax on the consumer, rather than a tax on the licensee.
- Support for a Local Option Hotel Use Tax and elimination of the tax exemption that occurs after 30 days of a continuous hotel stay.
- Support for a regional tax, such as a 1% Local Option County Sales Tax collected on a county-wide basis and redistributed to counties and their municipalities.
- Support for legislation that curbs circumvention of the Realty Transfer Tax, particularly on commercial properties.
- Support for legislation permitting municipalities to levy special purpose taxes for specific services, such as police and fire.
- Support for repeal of the prohibition to levy or increase the rate of the Business Privilege/Mercantile Tax.
- Support for a funding mechanism on a regional basis for service and infrastructure needs in urban areas.
- Opposition to the use of referendum procedures to adjust local tax structures.
- Opposition to legislatively imposed spending limitations on municipalities as they have no relationship to the demand for or level of public services required or mandated by federal and state laws.
- Opposition to state pre-emption of current local taxing authority.

Local Tax Enabling Act – Act 511 of 1965

PML supports the preservation of the current local taxing authority in the Local Tax Enabling Act. We also support the following updates to the Law.

- Authorization for municipalities to levy a full one percent Earned Income Tax (EIT) with no school district sharing requirement. The exception being Home Rule and Act 47 communities who have greater EIT taxing authority.
- Authorization for municipalities to levy a Payroll Tax.
- Authorization to increase the levy of the Local Services Tax up to \$156 annually.
- Restoration of the Mercantile/Business Privilege taxing authority that existed prior to *Wilsbach Distributors, Inc. v. City of Harrisburg (1986)*. This ruling pre-empts local taxation of industries under “pervasive state regulation.” This pre-emption has only been applied to banks and beer distributors.
- Authorization for a form of tax base sharing of the Earned Income Tax paid by nonresidents in a job-hosting municipality.

Non-Tax Revenue Sources

The costs of providing municipal services can easily outpace the amount of tax revenue collected. This is especially true in our older, core communities that carry the expense of full-time police and fire service, an abundance of tax-exempt properties, and state and federal mandates, all while trying to keep an eroded tax base from getting worse.

In response to the complex needs of urban municipalities, PML supports the following measures providing options for non-tax revenue.

- Support for local implementation of service fees on all properties within a municipality to cover the cost of tangible municipal services, such as police, fire and street maintenance.
- Sustained funding levels for PennDOT's Liquid Fuels Program.
- Preservation of the local impact fee for natural gas development as authorized in Act 13 of 2012.

Real Property Tax

Property Tax Assessment

The property tax assessment function in Pennsylvania needs to be addressed. Many of the deficiencies in the system reflect most heavily on and to the detriment of urban centers through assessments that are not responsive to changing conditions and ratios set for non-urban center needs.

PML supports property tax assessment reform containing:

- modernized assessment practices, including the concept of a uniform ratio of assessment, preferably at 100 percent of actual market value;
- regular county-wide reassessments and substantial penalties for counties that do not perform regular reassessments;
- sufficient funding for counties to perform reassessment;
- a limit on the amount of tax reduction incident to an assessment appeal to 25% in the first year and a phase in at 25% increments over the following three years; and
- an update to the composition of the County Assessment Appeals Board by requiring that boards be comprised of no less than five members.

Tax-Exempt Properties

Urban areas carry the burden of large amounts of tax-exempt property. This can be as high as 75% in some municipalities. Granted tax-exempt by federal and state law, such entities, by their nature, do not contribute directly to a municipality's tax base. Yet they require the expenditure of funds to provide vital services, such as police and fire protection.

PML seeks legislative relief from the burden of tax-exempt property. Possible solutions include:

- spreading the cost of providing services to a tax-exempt entity over the service area of the entity;
- establishing a system of payments in lieu of taxes for state and federal government facilities; including state-owned and state-related educational institutions;

- authorizing a municipal services fee for services to tax-exempt property, such as fire and police protection; and
- establishing a fund at the state level to reimburse municipalities based on the amount of tax-exempt property within their borders.

Preservation of PA Supreme Court's "HUP" Case

In 1985, the PA Supreme Court decided the "HUP" case and set out a five-pronged standard for determining when an entity qualifies as a purely public charity. In 1997, the PA General Assembly developed a test for tax-exempt status in Act 55. This is a less strict standard. In 2012, the PA Supreme Court reaffirmed the HUP case as the Constitutional minimum standard for designation as a purely public charity.

Since the 2012 decision, legislation granting the General Assembly the sole authority in establishing the standard for tax exemption has been under consideration. PML is fearful the General Assembly's Act 55 standard would allow for more entities to be designated as tax exempt. More tax-exempt properties in our older, core communities would have an adverse fiscal effect on the taxpayers in those communities paying for municipal services.

As a result, PML opposes legislation that would override the HUP case standard set forth by the PA Supreme Court in 1985 and again in 2012.



Act 47 — Distressed Municipalities

It is in the best interest of the Commonwealth to promote municipal self-reliance and provide the tools necessary for all communities to prosper. Helping to avoid municipal distress should be a priority for the Commonwealth by updating current laws and giving municipalities the tools they need to succeed.

The Municipalities Financial Recovery Act or Act 47 was enacted in 1987 to foster the fiscal integrity of the Commonwealth's municipalities large and small. A municipality in fiscal distress cannot adequately provide for the health, safety and welfare of its citizens. The stigma of a financially unhealthy community emanates beyond its borders and has a negative impact on the region, as well as the Commonwealth.

Once a municipality enters Act 47, it is difficult to get out. Taxing authority and other avenues of fiscal relief, not available outside of Act 47, make staying in Act 47 attractive. The majority of Act 47 entrants have lingered in the Program for years because fiscal stability without the Program's tools remains out of reach.

Amendments to Act 47 in 2014 now place a time limit on the number of years a municipality may stay in the Program. A failure to regain footing and move out of Act 47 in the newly prescribed time frames could result in receivership or even disincorporation.

Only the PA Legislature can resolve the underlying causes of municipal distress.

The PA Municipal League, as an advocate for local government fiscal health and stability, sets forth the following in regards to municipal fiscal distress and the Commonwealth's Act 47 Program.

- The Commonwealth must establish a new local government taxing structure that provides local flexibility and is not reliant solely on the Property Tax and Earned Income Tax.
- The Commonwealth must find a solution to the burden of large numbers of tax-exempt entities impeding the ability of communities to generate enough revenue to cover the cost of services.
- The Commonwealth must promote a regional perspective to local services, especially for distressed municipalities. This perspective goes hand-in-hand with adopting a new local taxing structure that draws resources from a larger area.
- The Commonwealth must reform the Act 111 and pension mandates to be fair, affordable and predictable.
- New taxes authorized under Act 47 must be allowed to remain in place after the designation is lifted, especially if there are no new revenue tools available to municipalities outside of Act 47.
- The Commonwealth must appropriate more money to the Act 47 recovery program for services that get pushed aside when budgets are in trouble. Distressed communities need grant funding to make visual improvements to the community – remediation and demolition of blighted properties, code enforcement, clean-up of transportation gateways, clean-up of parks, etc. have an immediate and positive impact on residents and visitors.
- Funding from the Commonwealth is also needed to help Act 47 communities attract and competitively compensate qualified, professional employees, especially fiscal officers and economic development professionals.
- Grants to Act 47 communities should be available without the requirement of a local match.
- Monetizing municipal assets is a last resort for distressed communities. Moreover, only a few communities have an asset valuable enough to place them on firm financial footing. The Commonwealth should only view this avenue as an option, not a panacea.
- Financial stability is just one piece of the puzzle. Without a new economic base to generate revenue and support necessary services, fiscal stability will not last. The Act 47 Program must also concentrate on creative solutions to help municipalities re-invent themselves – moving to a new economy, making the most of all their assets and incorporating a focus on economic development initiatives.

The majority of Act 47 entrants have lingered in the Program for years because fiscal stability without the Program's tools remains out of reach.

- State appointed Act 47 coordinators must be knowledgeable of Pennsylvania local government and not influenced by state or local politics. PML supports the recent requirement for coordinators to be evaluated.
- In some cases the fees of the state appointed coordinators have been excessive. Fees must be carefully managed as efficiencies in the Program would allow more money to be available to assist participating municipalities.
- State intervention needs to be flexible and balanced, allowing local leaders input into the decisions that will impact residents.
- If a participating municipality is following its recovery plan, the new time limitations for staying in the program should be re-evaluated.

Home Rule

PML supports the maintenance and protection of the rights of Home Rule municipalities as provided under Act 62 of 1972, the Home Rule Charter and Optional Plans Law.

PML encourages municipal leaders to consider Home Rule for their municipalities.

It is an effective tool for reorganizing local governments for increased effectiveness and citizen participation. Scores of communities in Pennsylvania have set aside their original form of government to become more autonomous Home Rule municipalities. In each case, citizens have participated in the process of studying Home Rule, developing a local charter to guide the reorganization and administration of the municipality, and adopting that charter in lieu of the statutory municipal code. The concept of Home Rule allows municipalities to act, unless specifically limited by state law or their own charters.

From an advocacy perspective, PML supports preservation of local autonomy for Home Rule communities, as well as an understanding that new authorizations given to the traditional forms of local government also apply to Home Rule.

Pension Benefits and Home Rule

Home Rule and Optional Plan municipalities often provide pension benefits that differ from those contained in current statute. These benefits are provided under the authority granted by the Home Rule Charter and Optional Plans Law. The Auditor General's office has issued findings that penalize Home Rule municipalities for the differing pension benefits. PML supports the authority of Home Rule communities to design and administer pension plans which vary from the state mandated plans.

Citizen Involvement

Open Meetings – The Sunshine Law

PML supports the democratic principle of citizen involvement and participation in government activities through an open public meeting process.

The Sunshine Law, Act 84 of 1986, requires public agency deliberations to be open to the public. Deliberative processes leading to any formal action must be performed in a public meeting.

The public's right to open meetings must be balanced with government's ability to function effectively and cost efficiently. PML opposes any legislation that exceeds reasonable requirements for assuring open and public proceedings, including legislation that places restrictions on government managing its own meetings and agendas.

PML supports legislation requiring the General Assembly to adhere to the same provisions of the Sunshine Law required of municipalities.

Executive Sessions

The Sunshine Law provides several exceptions to its open meetings requirement. One of these exceptions is executive sessions. Government may hold executive sessions for consideration, consultation or negotiation of specific issues outside of public view prior to taking public action. PML supports the addition of discussions and negotiations concerning construction of facilities, housing and redevelopment projects, emergency preparedness, and the sale of municipal property to the list of issues authorized to be discussed in executive session.

PML does not support legislation taking the negotiation of collective bargaining contracts out of executive session. This would hinder the negotiation process. However, PML is supportive of opening up to the public the evidentiary hearings leading up to contract negotiations.

PML does not support legislation requiring executive sessions to be recorded. This requirement would have a chilling effect on the free exchange of ideas during important discussions/negotiations and is completely at odds with the purpose of executive sessions.

PML supports legislation requiring the General Assembly to adhere to the same provisions of the Sunshine Law required of municipalities.

Legal Advertising

Proposed Ordinances

Municipalities are required to publish notice of proposed ordinances in a newspaper of general circulation at least seven days prior to passage. They have the option of publishing the full text of the ordinance or printing the title with a brief summary of the ordinance. In the latter case, the municipality must provide the full text of the ordinance to the newspaper and county law library. PML supports authorization for the publication of the ordinance title only with a requirement that the full text of the ordinance be made available to the public at the municipal office during normal business hours.

Relief from Advertising Costs

Municipalities are required to advertise notice of public meetings, proposed ordinances, contracts, requests for proposals and other official business in a newspaper of general circulation. In most instances, there is only one newspaper of general circulation in each municipality, eliminating the ability to seek competitive pricing.

PML supports authorization for municipalities to use cost effective alternatives to traditional newspapers, such as penny-savers, merchandisers and other low cost local newspapers, or to advertise on a municipal or statewide website.

PML also supports authorization for municipalities to advertise dates, times and the nature of business in a newspaper of general circulation, while allowing them to make copies of the full text available at the municipal office during business hours or by placing the full text on the municipal website.



Education

Schools and communities must work together through citizenship and student/community interaction. A knowledge of local government is essential to the well being and preservation of American democracy. Schools are urged to make the study of local government a priority in preparing students to assume the vital role of citizen. PML supports the implementation of a local government curriculum in all private and public schools using our Civics and You e-book.

High-Quality Pre-K for Pennsylvania

PML supports a statewide effort to expand access to high-quality Pre-K education for all three and four-year-old children in Pennsylvania.

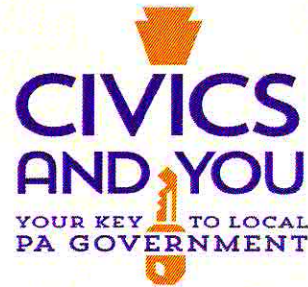
Full and Fair Funding for Pennsylvania Public Schools

PML supports full and fair funding for all public schools in the Commonwealth. The new state funding formula must be based on

the real costs necessary to meet state academic standards and must use accurate school district and community data that reflect factors such as poverty, English language proficiency, school enrollment, and other objective measures that impact the cost of education.

School Violence

PML supports cooperative and on-going emergency planning and preparedness between school districts and the municipalities they serve.



University Community Relations

High-Risk Drinking Among College Students

A majority of PML members host institutions of higher learning where the issue of underage drinking and binge drinking is prevalent. Excessive alcohol consumption affects the quality of life for residents and students and is an ever-present public safety concern for host municipalities. PML supports statewide efforts to solve the problem of high risk drinking among college students.

PML urges the General Assembly to adopt legislation that will offer new solutions to municipalities and universities to protect and preserve communities, such as:

- providing eligible municipalities with an equitable reimbursement for liquor law enforcement expenses;
- providing municipalities with more than one liquor license per 3,000 residents with the authority to enforce Pennsylvania's liquor laws;
- requiring the State System of Higher Education universities and state-related universities to provide quarterly reports to their host community detailing how they have handled students breaking laws within the community;

- subject to applicable laws, requiring all Pennsylvania institutions of higher education to inform parents of the institution's notification policy for students violating laws related to drug and alcohol use; and
- requiring a joint state commission to be formed to study how other states handle parental notification rights under federal statutes.

Alcohol Related Fines and Prevention Funds

PML supports legislation authorizing county-wide Alcohol Offense Prevention Accounts funded by the collection of a \$100 court fee and shared with the municipalities in the county in proportion to the conviction of underage alcohol related offenses.

PA State System of Higher Education Campus Police Powers

Act 48 of 2003 recognizes that there may be times when state system university campus police are needed to assist host municipality police with quality of life issues that place extra demands on police and emergency services, such as crime, vandalism, assaults, noise and student drinking. Act 48 authorizes

the state system to enter into cooperative police services agreements with municipalities overlain or abutting its campuses in accordance with 42 Pa.C.S. 8953 relating to statewide municipal police jurisdiction.

Under such agreements, campus police would have the same powers, immunities and benefits granted to municipal police officers. Even with this authorization, the state system has prohibited the negotiation of local service agreements. PML urges the General Assembly to amend Act 48 to clarify that state system universities are not only authorized, but obligated, to enter into negotiations with host municipalities and impacted municipalities to grant campus police the authority to patrol and enforce off campus, subject to a local agreement.

PML also supports cooperative police service agreements between private universities and their host municipalities.

Host Municipality Representation

PML supports providing host municipalities with representation on the Board of Governors of the State System of Higher Education and each University Council of Trustees.



Intergovernmental Relations

The relationship between federal, state and local government has a significant impact on citizens. Cooperation, sharing services and regionalizing efforts for efficiency and cost savings are all important goals to work toward whenever possible.

Intergovernmental Cooperation Act

PML encourages and supports the principles of the Intergovernmental Cooperation Act allowing for joint agreements between municipalities for the delivery of services and programs where not specifically limited by law. One method of promoting this cooperation is through Council of Governments (COGs) and other regional entities. PML also supports the use of resolutions, rather than ordinances, to enter into agreements making cooperation quicker, easier and less costly.

Regional Service Provision

PML urges the Commonwealth to encourage municipalities to work together and provide services on a regional basis by offering economic incentives to those municipalities willing to cooperate and share services.

State Police Services

One-half of the Commonwealth's municipalities rely on the State Police for local police protection. These municipalities levy little to no Real Property Tax. Meanwhile, municipalities that provide full-time police coverage rely on the Real Property Tax to cover the cost of police protection which can be more than one-half of a municipal budget. In these communities, property owners are paying for their own police protection, in addition to the services of the State Police in those communities that have chosen not to have their own police force.

PML supports legislation requiring all municipalities relying on State Police services to reimburse the Commonwealth for the full cost of those services. Such funds should not be placed in the Commonwealth's General Fund, but should be transferred directly to the State Police.

Furthermore, one-half of the fine revenue from violations issued by the State Police are distributed back to all municipalities. PML does not support municipalities relying on the State Police receiving fine revenue. This revenue should be put toward reimbursement of the State Police for services provided.

Shared Municipal Management

PML supports legislation authorizing municipalities to share or regionalize municipal management services. This can be accomplished by allowing a person, partnership, association or

professional corporation to hold the office of municipal manager. PML also supports municipalities, especially those with insufficient resources to hire dedicated municipal managers, to explore regional cooperation and cost efficient delivery of services through shared municipal management services.

Commonwealth Tax Information

The collection of local taxes, such as the Business Privilege Tax and the Earned Income Tax, rely heavily on the Commonwealth's Income Tax rolls to determine the proper amount of local tax due. However, the Commonwealth does not provide tax information in a timely fashion to political subdivisions. PML supports making the tax rolls available electronically, such as through a secured website, for more efficient sharing of information.

Liquid Fuels Tax

Distribution of the Liquid Fuels Tax to local governments is based on a formula of 50 percent population and 50 percent road mileage. PML supports a revision of the liquid fuels formula to more adequately reflect the needs of populated municipalities where there is greater utilization of the street system. PML advocates for a formula based on the amount of lane miles, rather than linear miles, alleyways and traffic density.

PML also supports maintenance of the current levels of liquid fuels funding; historically 20% has been passed on to local government.

Finally, payment of liquid fuels funds to local governments is not required in the same year as collection. PML supports a revision to this procedure requiring collection and disbursement in the same year.

Gaming

The Commonwealth is increasingly turning to gaming as a way to close budget gaps. Gaming activities create challenges for municipalities in terms of demands for services and enforcement. PML supports a consistent public policy for all forms of gaming, including providing local government with a portion of the proceeds from any statewide gaming activity.

Recreation

PML supports efforts to provide grants for the maintenance and development of recreational and cultural programs despite trends at the federal and state levels to reduce funding to municipalities. PML also encourages the state to provide stable and dedicated funding for parks and recreation and other multi purpose public facilities.

Pre-Audit Advice

It is necessary for municipalities to understand the applications and interpretations of state regulations to ensure equitability when making decisions on the utilization of state funds. Municipalities, however, have no source of pre audit advice from the Auditor General's office. This can result in actions which are made in good faith, but are subject to severe penalties.

PML strongly urges the establishment of a pre-audit advisory source to assist municipalities in understanding the interpretations and applications of regulations by the Auditor General's office.

PML also encourages the Auditor General's office to perform regular and consistent audits and that the final audit reports be returned to municipalities within six months of the completion of the field audit work.

Commonwealth's Escheat Law

PML supports an amendment to the Commonwealth's Escheat Law permitting municipalities that maintain and secure unclaimed property to dispose of such property by public auction after a specified period of time.

County Seats

PML is concerned with county offices being relocated outside the boundaries of county seat municipalities. Such relocation has a direct and negative impact on the economics of the municipalities serving county seats.

PML encourages counties to keep their offices in county seat municipalities and opposes legislation which would permit the relocation of county courts, row offices or other county functions outside the boundaries of the county seat.

The relationship between federal, state and local government has a significant impact on citizens.

Boundary Changes

Article IX, Section 8, of the Pennsylvania Constitution, as amended by the 1968 Constitutional Convention and ratified by Pennsylvania voters, required the General Assembly, within two years following adoption of the Article, to enact uniform legislation establishing procedures for consolidation, merger or change of municipal boundaries.

To date, the General Assembly has not complied with this constitutional requirement. Current law is a hodgepodge of contradictory requirements intermingled among various municipal codes. A uniform consolidation law would lessen the complexity of local government and provide the means for increasing cost efficiency of government services.

PML supports legislation authorizing boundary change through annexation, merger or consolidation provided the following provisions are included:

- uniformity of annexation implemented by action of the legislative bodies of the two municipalities involved;
- a method of annexation implemented by a majority petition of property owners in the area to be annexed and by ordinance of the annexing municipality and, if the annexation will provide a higher level of municipal services to property and citizens being annexed, then subject to standards determined and applied by an independent agency;
- uniformity of procedures for all classes of municipalities as provided by the Constitution; and
- study and initiation of annexation proceedings by an independent agency established by law as provided in the Constitution.

Financially distressed municipalities may have no other means of existence without merger, consolidation or annexation. PML

supports additional options for independent recovery, beyond the Municipalities Financial Recovery Act, such as facilitating additional options for merger, consolidation or annexation, as well as promoting and incentivizing merger, consolidation and/or annexation with urban communities.

PML also supports incentives for existing delivery systems to service broader areas through regional cooperation, boundary changes and/or merger of municipalities.

Municipal Authorities

The Municipality Authorities Act of 1945 has led to much confusion and litigation at the local level concerning appointment and removal powers of authority board members. Authorities are created by municipalities and are municipal corporations accountable to the public. However, the standard for removal of authority board members which is for cause by the Court of Common Pleas is too restrictive. PML supports a less restrictive standard to ensure a level of accountability to the municipality and residents that created the authority.

Another point of confusion is the lack of clarity in the Third Class City Optional Charter Law and the Home Rule and Optional Plans Law concerning the separation of powers between the chief executive and council when it comes to appointing authority board members. PML seeks clarification that appointments be vested in the chief executive with the advice and consent of council. Additionally, language should be

included to allow board seats to be declared vacant sixty days after a term expires and that council must reject appointment nominations by official action.

Finally, PML does not support rate regulation by the Public Utility Commission of water and sewer authorities when they are providing service to neighboring municipalities who are not represented on the authority board.

Specific to housing authorities, county appointments have become embroiled in political stalemates that impact the ineffectiveness of the authority. Housing authorities and their executive directors need to be responsive to the local decision making process. PML supports legislation reforming the state's Housing Authority Law to provide more protection of urban interests. To assist in establishing responsive authorities, state civil service procedures for housing authority executive directors should be removed.



Infrastructure Improvement Financing

Local governments have massive needs to rebuild and expand their existing infrastructure. Water and sewer improvements, storm water management, and road projects are needed to continue basic services, as well as to attract new commercial and industrial development. Infrastructure improvements by their very nature are costly and these costs are increased exponentially by mandates to comply with federal and state regulations. Municipalities need flexibility and local discretion to decide the most appropriate way to pay for infrastructure costs.

As one avenue, PML supports an infrastructure development program for municipalities which combines the fiscal resources of existing state and federal programs, general fund appropriations and state bond authority. Such a program should feature low or no interest loans, as well as grants. PML also supports funding on a statewide basis that encourages partnerships among various stakeholders including regional municipal partnerships to more effectively upgrade systems and make the best use of available funds.

Finally, PML urges the Commonwealth to review its local project permitting process and streamline the process among its various

agencies in order to allow for a more efficient and timely review and permitting process of local infrastructure projects.

Public-Private Partnerships

Public-Private Partnerships (P3s) are arrangements between government units or authorities and private entities to collaborate on projects designed to meet the needs of the public while not relying entirely on tax revenue or municipal bonds.

P3s allow the government unit or authority to maintain a high-level of involvement with the project while sharing the financial, technological or operational responsibility with private sector

experts. Act 88 of 2012 authorized Public-Private Transportation Partnerships in Pennsylvania.

PML supports legislation that authorizes P3 arrangements at the sole option of local governing bodies. PML supports the continued adherence to existing local procurement laws in respect to P3 agreements.



Prevailing Wage Act

The Pennsylvania Prevailing Wage Act was enacted in 1961 exempting projects under \$25,000 from prevailing wage requirements. The \$25,000 cap does not reflect inflation over the past five decades. PML supports legislation to increase the prevailing wage exemption for local governments to at least \$185,000 with an annual inflationary adjustment to keep the rate on par with future costs.

Additionally, PML takes the following positions on prevailing wage.

- Support for a municipal option to decide if prevailing wage will be paid.
- Support for an exemption for projects in Enterprise, LERTA, KOZ and TIF Zones.
- Support for calculation of the prevailing wage on a county, rather than regional basis, to better reflect the local market.
- Support for a reversal of the current definition of “maintenance work.” This would remove projects, such as road surfacing and repair; bridge cleaning, resurfacing and painting; replacement of guide rails and curbs; and line painting from the current wage requirement and restore the meaning of the definition prior to the 2008 PA Supreme Court case *Borough of Youngwood v. Prevailing Wage Appeals Board*.
- Opposition to any regulatory changes to prevailing wage that would significantly alter the scope or intent of the law.

Public Health

Local officials must be aware of the many and varying public health issues impacting their communities. From chronic diseases, to outbreaks of disease, drug abuse, violence, environmental health and generational health – the list is long and ever changing. Public officials must educate themselves, their emergency services personnel and their constituents to ensure adequate preparedness and response measures are in place to appropriately address issues in a timely manner.

Drug Abuse

Drug abuse has become the nation's top social problem and has placed staggering demands on public and private resources. PML supports a concerted and coordinated national, state and local approach to combating drug abuse.

Drug Forfeiture Laws

Significant assets are seized during drug raids. These assets, however, are controlled solely by district attorneys with no requirement to use such assets to help offset the cost to municipalities of staffing drug task forces. PML supports legislation to require a portion of all seized assets be dedicated to municipalities participating in the task forces. Furthermore, such assets should also be subject to certified audit.

Civil Liability for Drug Dealers

Drug users are not the only people harmed by drug abuse. Families, employers, insurers and society-at-large suffer financial and emotional losses from the actions of drug users and drug dealers. In light of this, PML supports legislation that imposes civil liability on drug dealers for the economic and emotional damages ultimately caused by their illegal actions.

Bottle Clubs

Bottle clubs are not subject to Liquor Control Board regulations. These clubs encourage customers to bring their own alcoholic

beverages and often contribute to underage drinking. Generally, these clubs operate between 2:00 a.m. and 8:00 a.m., disrupting communities and posing a public safety threat. Court decisions have restricted the ability of municipalities to enforce local regulation of such clubs. PML supports local authorization to curtail the operation of bottle clubs and the consumption of alcohol in non-licensed facilities.

Licensing of Tattoo Artists

The sanitary conditions of tattoo parlors are not regulated by the Pennsylvania Department of Health, risking the health of those obtaining tattoos. Many professionals are required to pass an examination and obtain a license prior to being permitted to practice their chosen profession. PML supports legislation requiring every tattoo artist to pass a written examination and obtain a license from the Pennsylvania Department of Health prior to being able to practice this profession.

Lead Poisoning

Lead poisoning in children is one of the most common, preventable pediatric health issues. The persistence of lead poisoning is a constant challenge to public health authorities, clinicians, regulatory agencies and families. PML supports a comprehensive lead reduction law designed to establish a cost effective prevention program at the state and local levels in an effort to reduce this preventable and dangerous disease.

Accessibility

PML supports legislation providing grants and financial incentives for property owners to meet handicapped accessibility standards for structures built prior to establishment of such standards.

Employee Relations and Benefits

Coalition for Sustainable Communities

PML's 2010 Core Communities in Crisis Taskforce Report set forth the priorities of reforming Act 111, municipal pensions and the current local tax structure. In 2011, PML began a partnership with several local chambers of commerce as a

founding member of the Coalition for Sustainable Communities. The Coalition is actively working to raise awareness of the fiscal plight of our core communities and introduce legislation to reform Act 111 and



municipal pensions. As a founding member, PML supports the efforts of the Coalition and is committed to its goals.

Act 111 Collective Bargaining Reform

Act 111, the Police and Fireman Collective Bargaining Act of 1968, is outdated, vague and has been broadly construed by the Courts in favor of the public safety unions it protects. Under the law, police and fire unions are entitled to binding arbitration to settle contract negotiation impasses in lieu of striking.

Act 111 needs to be updated to put employers on a level playing field with public safety employees because contract awards have far-reaching impacts on the future costs of pensions and other employee benefits. A minor change of a pension benefit today, often results in significant future expense.

PML supports the following commonsense amendments to Act 111:

- require evidentiary hearings to be open to the public;
- require a thorough, reasoned justification for a binding arbitration award based on the evidence presented and specific findings of fact;
- prohibit post-retirement healthcare and pension benefits, not required by law, from being the subject of collective bargaining;
- start the collective bargaining process earlier in the year and require arbitration to be requested earlier in the process;
- expand the list from which the third, neutral arbitrator is selected and provide an equal chance at being the first side to start the selection process;
- require the cost of the neutral arbitrator to be shared equally by both sides; and
- codify the avenues for appeal of an award by either side.

Municipal Pension Reform for Public Safety Employees

PML supports reform of the future pension benefits provided to police officers and firefighters. The current mandated defined benefit plans are not sustainable for a number of reasons including an early retirement age, the impact of Act 111 agreements and awards, and the placement of investment risk solely on the employer. PML supports a defined contribution or cash balance plan for new hires that removes Act 111 from pensions, requires an employee contribution and reduces benefits resulting in future plans that are affordable and sustainable.

Municipal Pension Funding

Most municipal pension benefits are mandated by state law, including those for uniformed employees. In addition, Act 111 collective bargaining agreements and awards strongly influence future pension benefits.

Today, many pension plans, large and small, are underfunded. The Auditor General has estimated the amount of municipal unfunded pension liability to be \$8 billion. Local pension plans and the taxpayers that pay for them, cannot sustain changes that result in more expenses. As such, PML opposes any new pension benefit from the state that is not fully funded.

Act 205 Funding Formula

The Municipal Pension Plan Funding Standard and Recovery Act of 1984, commonly known as Act 205, provides a distribution formula for municipal pension state aid. The revenue is derived from a 2% tax on foreign casualty insurance premiums. After more than 30 years, there is a wide disparity among municipalities in the amount of state aid received.

Efforts to adjust the formula, however, would meet strong opposition and not solve the underlying structural inequities caused by outdated municipal pension laws.

PML has adopted the following principles regarding any change in the Act 205 funding formula:

- municipalities currently receiving a state aid distribution must remain whole;
- additional revenue is necessary and should be generated by an increase in the 2% levy on the Foreign Fire and Casualty Tax; and
- the new revenue should be distributed to municipalities with distressed pension plans under the current formula while the benefit levels of distressed pension plans remain insulated from enhancements under Act 111 or local action.

Actuarial Assumptions of Municipal Pension Plans

One factor affecting the unfunded liability of many municipal pension plans is an unrealistically high assumption of the expected rate of return on investment. A high actuarial assumption not matched by actual growth results in an increase in a plan's unfunded liability and a subsequent increase in the required annual minimum municipal obligation (MMO) paid by the municipality.

PML supports incentives in Act 205 to encourage municipalities to lower their actuarial assumptions without being penalized by increased MMOs. This can be achieved by amortizing the increased costs over ten years or more.

State Consolidated Municipal Healthcare and Pension Plans

PML believes local government can benefit financially and administratively from consolidated healthcare and pension plans. Savings will not be immediate, however, long term benefits could be significant for municipalities and employees. PML supports the Commonwealth in offering statewide, consolidated healthcare and

pension plans for municipalities to join at their option. Furthermore, PML also supports the Commonwealth in offering incentives to municipalities to make joining consolidated healthcare and pension programs attractive financially.

Statewide Municipal Pension System

PML supports, in concept, a statewide municipal pension system. The premise of our support rests on a statewide system eventually offering savings to municipalities from the consolidation of administrative services, as well as increased investment earnings from pooled resources. PML does not support a statewide pension system that increases the benefit levels above the current law for new employees entering a statewide plan. Additionally, PML does not support mandated entry into a statewide pension system, but rather incentives that make entry attractive to municipal employers and worth pursuing at the local level.

Fiduciary Standards

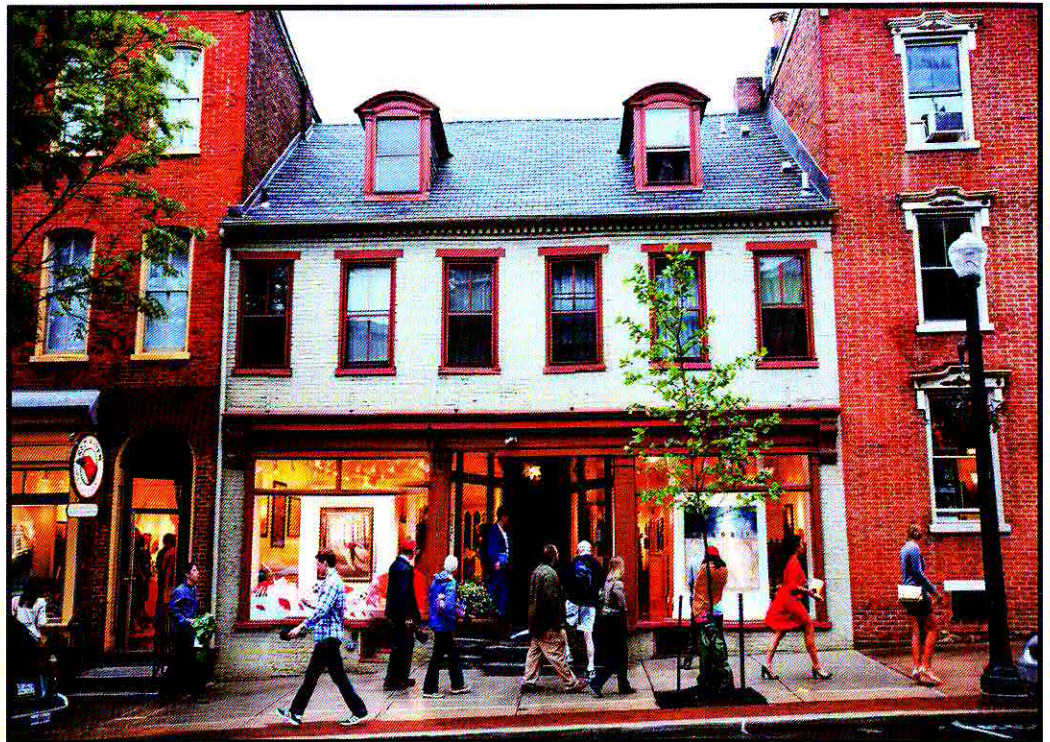
Fiduciary responsibility and liability for local government employee retirement systems is not clearly addressed in statute. Proper standards will protect the assets of retirement plans, as well as protect the taxpayer. PML supports clear and concise legislation establishing fiduciary responsibility and liability criteria.

Pension Benefits for Non-Uniformed Employees

Pension benefits for non-uniform employees differ across forms of local government. Third class cities are required by statute to provide specific benefits, while boroughs and townships are authorized to decide locally what benefits they will provide to their non-uniformed employees. PML supports local control and flexibility in determining the pension benefits municipalities offer their non-uniformed employees. PML supports only prospective changes to non-uniformed pension benefits thereby keeping current employees whole.

Heart and Lung Benefit

Pennsylvania's Heart and Lung Act was intended to provide a temporary monetary payment to public safety employees to close the gap between 100% of their salary and the 66% of salary payable under Workers' Compensation. Today, because of tax law changes, recipients are receiving 125% of salary tax free for indefinite periods of time. The Heart and Lung Act now conflicts with the



Workers' Compensation Act adding expensive delays and acting as a disincentive for employees to return to work.

PML supports a standard procedure for processing Heart and Lung claims utilizing the current, well established Workers' Compensation system as a model, including its administrative practices, procedures and judges. PML also supports defining "temporary disability" in order to limit the length of time an employee can receive the Heart and Lung benefit. Finally, a reduction in the Heart and Lung benefit that will bring the combined benefit received back down to 100% of salary is warranted.

Workers' Compensation

It is PML's position that work programs and any community service work programs created at the county or state level must provide workers' compensation benefits for the program participants when the work is performed for a municipality.

Police Officers' Bill of Rights

PML opposes any new limitations placed on the local administration of police disciplinary proceedings via a Police Officers' Bill of Rights that would preempt the traditional powers of local government as the employer.

Firefighter Cancer Presumption

Act 46 of 2011 granted firefighters the presumption that cancer is an occupational disease caused by fire fighting. The potential for catastrophic claims caused the workers' compensation insurance market to fold and municipalities to transfer their volunteer firefighters to the PA State Workers' Insurance Fund (SWIF) for coverage. In addition to the transfer to SWIF, municipalities have

experienced drastic increases in workers' compensation premiums for firefighter coverage. These increases in premiums are borne by the taxpayers.

PML supports legislative action that would mitigate the costs that Act 46 has imposed upon local governments and their respective taxpayers.

Public Safety Services

Public safety is the most vital service provided to constituents. As the first on the scene, local government must be prepared to respond and deliver service in the face of both natural and man-made crises. To support local needs, there must be a partnership with federal and state government to ensure resources are available, that they are used wisely, and that efforts are coordinated.

Delivery of Emergency Services

The 2003 Senate Resolution 60 Report is a comprehensive look at funding, recruitment and retention, legislative action and service delivery of emergency services in Pennsylvania. The report identifies problems and offers solutions that provide options for funding, delivery and support of volunteer fire and emergency medical services. PML supports the recommendations found in the Senate Resolution 60 Commission Report and will work to implement the recommendations to the greatest extent possible.

Fire and Emergency Medical Services

Many communities are facing threats to the vital services provided by fire and emergency services units. PML supports efforts to properly reimburse life support services for their costs; to incentivize regional delivery of services; to eliminate duplication of services; to encourage cooperative purchasing of equipment; and to encourage health prevention measures, such as community paramedicine programs.

PML supports permanent authorization of the Fire Company and Volunteer Ambulance Service Grant Program which provides paid and volunteer departments with grants for the purchase or repair of equipment, the construction or renovation of facilities and firefighter training.

Police

Police officers play a vital role in the safety of our communities. To support that role, PML is an advocate for the following.

- Continuation of the Municipal Police Officers' Education and Training Program.
- Authorization to use radar as a public safety tool to control speeding.
- Establishment of intergovernmental reciprocal agreements among police and fire departments for regional safety and efficient, comprehensive emergency preparedness.

- Reimbursement to the PA State Police for services provided to municipalities.
- Adoption of police pursuit policies by all police departments.
- Imposition of parental liability for personal injury, theft, willful destruction or loss of property caused by the acts of children under eighteen years of age.

Paid Firefighters

Education and training of paid firefighters enhances public safety and protects the firefighter. Uniform course criteria consistent with established standards promotes consistent operations and practices among departments. Municipalities, however, require financial assistance to provide this training to their firefighters. PML supports a mandatory education and training program for full-time municipal firefighters, if the program includes a state appropriation to carry out the requirements of the mandate.

PML also supports a low interest loan program for the purchase of equipment and facilities for paid fire departments as is now provided for volunteer fire companies.

Volunteer Firefighters

The volunteer fire departments and ambulance services in the Commonwealth are providing invaluable service to their communities. Volunteers are called upon to fight fires, provide emergency medical assistance, clean and maintain equipment, as well as raise funds to remain solvent. They are in need of additional funding to provide apparatus and equipment that they use to protect and secure our communities.

Sheriffs' Powers

PML does not support legislation expanding the powers of sheriffs or deputy sheriffs beyond their current statutory role.

Firearm Regulations

PML supports the following concepts as common sense approaches to effectively address gun violence and the proliferation of illegal handguns throughout Pennsylvania's communities:

- Allow the purchase of no more than one handgun in any 30-day period.

- Mandatory sentencing for violent crime repeat offenders.
- Create a definition of gang offense.
- Require the reporting of a lost or stolen handgun within 24 hours.
- Crack down on illegal “straw” purchases.

In the absence of statewide legislation concerning the above, PML supports the local option to enact and enforce gun ordinances.

Firearms in Municipal Buildings and Parks

Pennsylvania’s Uniform Firearms Act (18 Pa.C.S. Chapter 61, Subchapter A) prohibits county and municipal regulation of the lawful ownership, possession, and transfer of firearms or ammunition. PML believes there is an important safety consideration in protecting families and citizens utilizing municipal parks and buildings.

PML supports an amendment to the Uniform Firearms Act that prohibits the possession of firearms and ammunition in municipal parks and buildings.

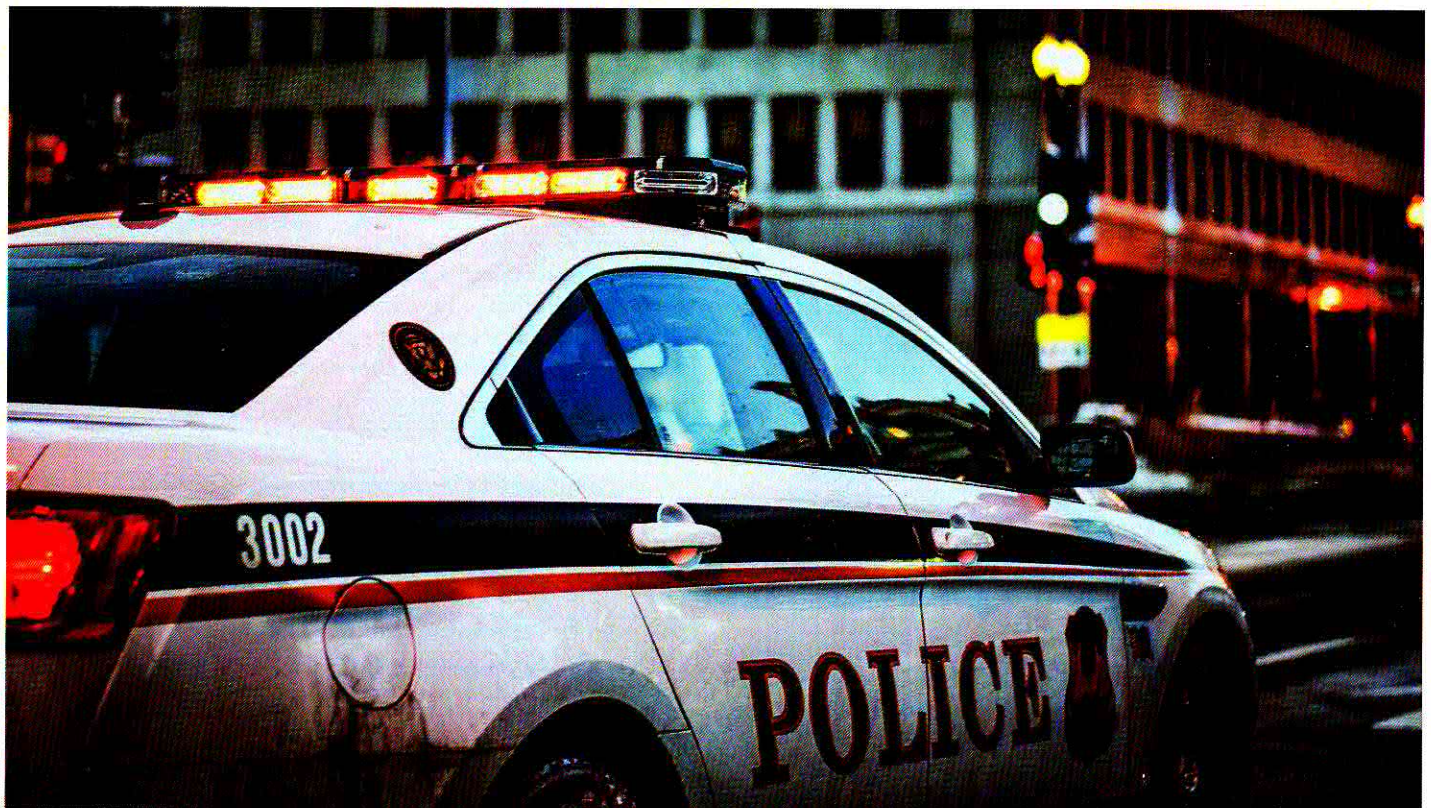
Constables

Constables are servers of process for the Commonwealth’s minor judiciary. They are elected to six-year terms in a municipality, but can serve throughout the Commonwealth. Certified constables have the status of independent contractor and are not employees of the Commonwealth, the judiciary, the municipality or the county in which they work. PML supports the Legislature’s review and implementation of the 2014 Joint State Government Commission report outlining recommended reforms of the Constable Law. These reforms include new training requirements, uniform application of the Constable Law among forms of local government, clarification of conflicts between the office of constable and other professions, arrest authority, the wearing of identifiable uniforms and accountability.

Local Use of Radar

Speed timing devices were introduced into the marketplace in the 1950s. Radar is the most cost-effective, reliable speed-timing device in use today. Pennsylvania’s municipal police are the only law enforcement officials in the country who are not permitted to protect public safety by enforcing local speed limits with radar.

PML supports legislation that will allow municipal police to use radar to enforce local speed limits.



Community and Economic Development

Community and economic development of the Commonwealth's urban, core communities is second only to public safety in terms of fostering attractive, thriving places to live, work and play. Federal, state and local governments must be partners in this on-going endeavor.

Community Development

Municipalities of every size throughout the Commonwealth struggle with the challenges of affordable housing needs, an aging housing stock, blight remediation and prevention, aging infrastructure, crime prevention, job creation, community support services and re-building of the tax base.

PML supports state policies that permit municipalities to directly undertake community and economic development programs, as well as policies that allow the maximum level of local flexibility to achieve local goals.

PML supports Act 179 of 1984, the small communities program that provides federal Community Development Block Grant funds to counties for disbursement to communities meeting federal criteria. PML believes the communities slated to receive funds should have input into their disbursement.

Downtown Revitalization

PML supports policies that encourage the economic development of downtown areas including funds from the Commonwealth for marketing and promotion. More than one downtown in a county should be eligible to receive funds and the funds should be distributed directly to municipalities.

PML encourages the Commonwealth to locate leased and state-owned facilities in downtown areas in accordance with the Downtown Location Law of 2000.

Economic Development

Business location and job creation benefit the entire Commonwealth, not just the municipality or region hosting the new enterprise. Economic development initiatives that bring investment into our core communities, replenish the tax base and find new uses for old industrial sites and vacant retail sites are paramount to revitalization.

PML looks to the federal and state government to be partners in attracting business to Pennsylvania. PML supports financing tools that incentivize investment including but not limited to loans,

grants, tax credits, tax abatements, tax increment financing, special financing, business incubators, public/private partnerships and subsidies. The key to all financing is local input and flexibility that supports local economic goals and initiatives.

PML supports a state plan to reduce the PA Corporate Net Income Tax – one of the highest in the country – to make the Commonwealth more business friendly.

Local Tax Revenue for Economic Development

The current local government tax structure does not encourage municipalities to work toward revitalization nor does it provide compensation for increased service demands from revitalization. Under the current tax structure, local government gains little to no increase in revenue from economic revitalization for several reasons – real estate reassessment occurs so infrequently; the Earned Income Tax is based on residence, rather than place of employment; and municipalities do not share in the sales, alcohol or business taxes imposed by the state.

PML urges the adoption of legislation that will make local government a vested partner in local economic development by providing a benefit in the form of local tax revenue from a statewide alcohol tax levied on a per drink basis and collected at the local level or provide a local portion of the state sales tax.

Other Economic Development Tools

Site Reuse

Reuse of vacant commercial and industrial facilities is an important aspect of economic development. Cleaning-up and re-purposing abandoned sites gives new life not only to the facility, but to the surrounding properties and the tax base of the region. Some old industrial sites and vacant retail sites threaten the health and safety of nearby residents, further eroding the local tax base. Reuse of these facilities often requires environmental clean up which can be costly and create liability exposure. PML is an advocate for programs that assist the host municipality with preparing sites for reuse, including making old sites a viable option for new and expanding businesses and making environmental clean-up economically feasible.

Liquor Licenses and the Liquor Code

Downtown revitalization relies on a mix of new uses that attract a variety of people and economic opportunities. The popularity of breweries, distilleries, wineries and eclectic restaurants presents

an opportunity for communities to find a niche market that brings people downtown. PML supports the expansion of restaurant liquor license availability to downtown districts and any other special districts within urban municipalities.

Furthermore, existing law authorizes the transfer of liquor licenses to establishments operating within deteriorated urban areas only when a new facility of one hundred thousand square feet is being constructed. PML does not support the square footage requirement for new construction since many urban areas have existing facilities in LERTA Zones that could be redeveloped and utilized for entertainment purposes. PML supports an amendment to permit the transfer of liquor licenses to renovated facilities within deteriorated areas.

PML supports local enforcement of the Liquor Control Board's laws governing licensed alcohol establishments. And, in the event of liquor privatization, a local share of any new revenue generated to pay for enforcement measures.

Finally, the PA Liquor Law requires that state taxes be paid prior to approval, renewal, transfer or renewal of liquor licenses. PML

supports an amendment to the Liquor Code to impose the same conditions with regard to the payment of local taxes.

Industrial Heritage Parks

Industrial heritage parks promote our historical, recreational and natural resources as tourist and educational attractions. PML supports the Commonwealth's heritage parks program and encourages the continuation of funding.

The Commonwealth's Role in Economic Revitalization

Pennsylvania provides support for economic initiatives through various funds that offer grants, loans, loan guarantees, matching funds, technical and business assistance, workforce education, marketing and promotion. This support is essential to a comprehensive statewide revitalization effort. PML supports the continuation of such programs and finds them especially important as the Commonwealth moves from a state built on smokestack industries to one fostering industries built on science, technology, engineering, art and mathematics or STEAM.

**PML supports
state policies that
permit municipalities
to directly undertake
community and
economic
development
programs.**



Aged and Blighted Housing

Urban areas have an especially high proportion of blighted, deteriorated, vacant and abandoned housing. Our housing stock is old, much built before 1950. Adding to the problem, urban populations have decreased leaving many homes unneeded. Remediating the housing stock is expensive and takes a concerted, organized and on-going effort to make headway.

Legislation enacted in the last decade has made great strides in providing municipalities with tools to address these issues and begin to get properties into the hands of new owners contributing to the tax base. Examples of such tools include those provided in the Neighborhood Blight Reclamation and Revitalization Act, land banks, and conservatorship.

Statewide efforts are also underway. The State Housing Trust Fund creates an avenue for the rehab and support of affordable housing.

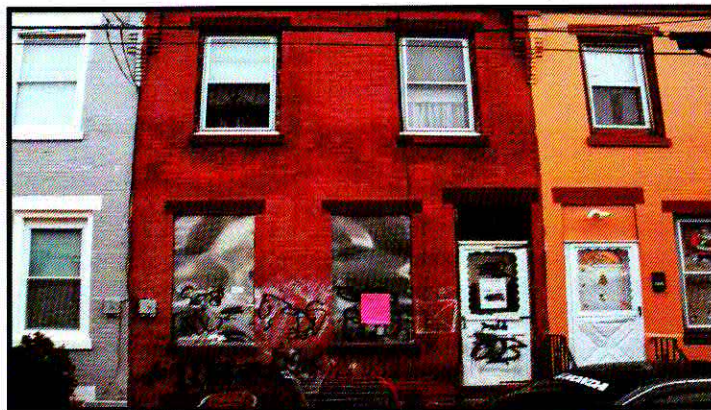
In addition to the above, PML supports continued and expanded funding of the housing and redevelopment programs offered by the Commonwealth, including the preservation of historic housing districts, the creation of low-income and market-rate housing to meet a variety of needs, and the development of a funding source for the demolition of blighted and abandoned properties.

Delinquent Tax Sales

The Real Estate Tax Sale Law provides for the disposal and resale of properties with delinquent real estate taxes. The current process is lengthy and cumbersome. PML supports an update to the law that recognizes the property owner's rights, as well as the need to move forward and get the properties back onto the tax rolls. PML supports streamlining the process, shortening both the notice process and the time frame to sale. Free and clear tax sales should also be eliminated and purchasers of tax delinquent properties must not be tax delinquent on other properties they own.

Maintenance of Property

Many municipalities are faced with property holders who refuse to adequately maintain their properties. In some instances, these



properties are held by a bank or mortgage company. PML supports legislation that would require financial institutions to be held legally responsible for property maintenance or code compliance, if the owner of record fails in such obligation. Furthermore, PML supports legislation requiring mortgage companies selling delinquent mortgages to notify the municipality of the sale and the new mortgage holder.

Fines for Non-Compliance with Local Ordinances

Magisterial District Justices may assess fines on individuals violating municipal ordinances. It is left to their discretion to determine the amount of the fine and the manner in which payment is made. PML supports legislation to require strict enforcement of municipal ordinances and the setting of payment schedules as a way for the court system to support local laws.

Fire Damaged Properties

Arson is one of the most devastating and frequent crimes occurring in urban municipalities; contributing to the decay of neighborhoods. PML encourages the establishment of state programs to control arson and clean up arson damaged properties. In addition, PML supports legislation to require owners of buildings that are being inspected to notify the inspecting agency of their insurance carrier.

Land Use, Zoning and Planning

PML supports zoning and land use policies that encourage the economic revitalization of urban municipalities. PML advocates for flexibility at the local level to make planning decisions best suited to an individual municipality. In this regard, PML supports the following:

- the uniform process for local planning and zoning as provided by the Municipalities Planning Code;
- legislation authorizing local governments to establish impact fees to assist with the additional service costs associated with new development; and

- an amendment to the Municipalities Planning Code establishing the clear right of local communities to regulate the placement of billboards in order to preserve the historic and aesthetic character of a community, as well as limit public safety hazards where necessary.

Growth Management

Uncontrolled and unplanned growth, combined with increases in population, have serious implications for many communities. Open space should be preserved to encourage recreational opportunities, farmland preservation, adaptive reuse of existing facilities and mitigate negative environmental impacts.

PML encourages the continuation of regional growth management plans which provide for local zoning and planning, create incentives for redevelopment, encourage mass transit, focus growth in areas already served by infrastructure and retain environmentally sensitive areas.

In addition, PML supports the creation of a state public land trust to provide the necessary funding for acquiring property for recreational, scenic or historic purposes.

Uniform Codes and Licensing

The enactment of the Uniform Construction Code has provided a level of standardization and statewide application to building and safety standards. PML is an advocate for local enforcement of the adopted UCC standards. PML is also an advocate for statewide minimum licensing of contractors, as long as each municipality can conduct its own, more stringent testing/licensing. Municipalities must have the option to require contractors to register and provide proof of insurance when doing business within a municipality.

Adoption of New Codes

The Uniform Construction Code (UCC) establishes a Review and Advisory Council to review and adopt the latest building and fire prevention standards. Unfortunately, the Council has not adopted updates since 2009. This lag is a public safety issue and has a negative impact on municipalities and residents. PML supports legislation that will provide the Council with administrative support and set a specific time frame for review and adoption of the most recent standards.

Green Building Construction

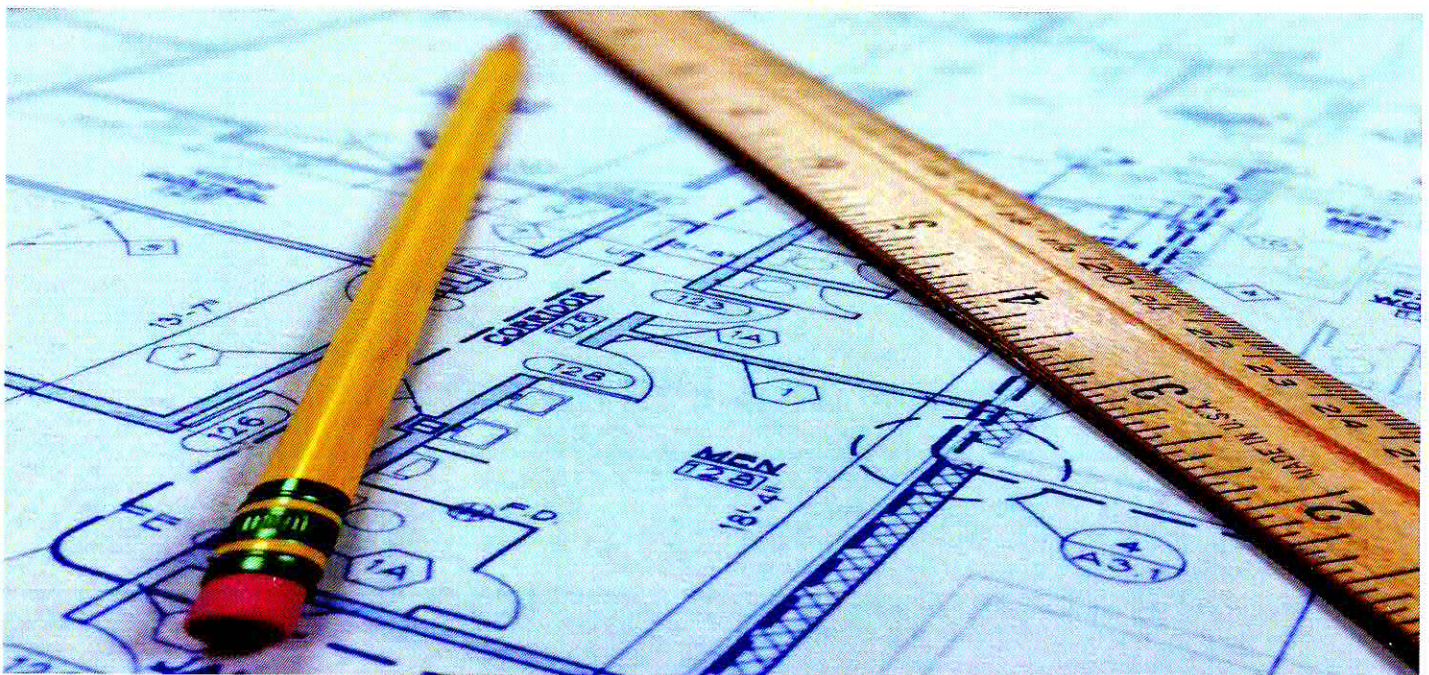
Although the Commonwealth's Uniform Construction Code includes the ICC Energy Code, PML does not believe this Code goes far enough in requiring or promoting green building standards. PML supports repeal of the ICC Energy Code and adoption of the ICC 700 as a green building standard for residential construction, plus a similar standard for commercial construction.

Historic Properties and Fire and Panic Laws

PML supports legislation permitting municipalities to grant exceptions to Fire and Panic Laws for historic properties. PML also supports requirements that inspectors for Fire and Panic Law compliance be certified and meet defined standards.

Regulatory Takings

Legal challenges to municipal actions may force municipalities to compensate property owners for actions which reduce the value of their property. For example municipalities may be required to compensate for zoning changes, variances and other land use regulations. This will result in increased litigation and erode the ability of all levels of government to meet the most basic of governmental responsibilities. PML opposes legislation requiring compensation to property owners for governmental regulatory actions.



Environment and Natural Resources

Local government plays an important role in the energy conservation movement, not just from a budgetary standpoint, but also as an example to its residents. PML supports the development and use of alternative clean energy sources.

Streetlights

PML also supports the development of municipal street light rate schedules that encourage conversion to LED lighting.

Solid Waste Management and Recycling

The Commonwealth manages over 20 million tons of solid waste a year from both inside and outside Pennsylvania. The amount of waste processed creates state and local revenue. With the revenue however, comes concern over the location of solid waste disposal facilities, environmental impacts, road maintenance and safety. PML supports local coordination to determine a solid waste plan that best suits the needs of a county and its municipalities.

PML also supports resource recovery as a method of trash disposal, including preferential financing of facilities, because it is a cost efficient, environmentally safe alternative to landfills.

PML urges the Commonwealth to fully support the recycling mandate under Act 101 and to allow funds to be used for local operational costs. PML also urges the Commonwealth to support local and or county efforts to expand recycling to electronics, organic materials and hazardous materials.

PML believes the Commonwealth should not only develop and stimulate markets for recyclable materials, but also serve as the market of last resort when market prices fall below an adequate rate.

The demand for recycling grants out paces available revenue. PML urges adequate funding to meet the demand for the Section 904 performance grant program and the Section 902 development and implementation grant program. This includes preservation of the tipping fee and its exclusive use for recycling grants.

PML supports continuation of waste tire management and disposal programs, as well as funding for the abatement, education and enforcement costs of municipalities.

Environmental Hearings

Municipalities allegedly violating provisions of federal and/or state laws are required to present arguments to district offices of the Department of Environmental Protection (DEP) or the Environmental Protection Agency (EPA). Costs to municipalities to transport witnesses and staff to these meetings place additional burdens on already tight budgets. Additionally, municipalities can better present their position through hearings conducted at the site of the alleged violations.

PML supports legislation to require that environmental hearings be held in the municipality where the alleged violation occurred, rather than in a regional office of DEP or EPA.

Sinkholes and Mine Subsidence

Sinkholes and mine subsidence serve as potential avenues of pollution and other environmental hazards. They also cause considerable and costly property damage. PML supports legislation to provide assistance to homeowners and businesses for losses suffered as a result of mine subsidence and sinkholes.

Clean Air and Water

Access to clean, safe air and water is a right of every citizen in our nation. Today's local governments face new challenges in ensuring this right. Local government must be a partner with federal and state authorities in determining and implementing laws and regulations to achieve clean and safe natural resources. Local governments need monetary and technical support from the federal and state governments if there are new requirements to test, treat or monitor the quality of our air and water.



Mandates from the federal and state government must come with a funding source and flexibility for local compliance. Finally, there must be a cost to benefit analysis of mandates to ensure the cost of compliance will result in an equal benefit.

Storm Water Management

Act 167 of 1978 requires the Commonwealth's counties to adopt storm water management plans. Municipalities are required by the Act to implement ordinances to regulate development in a manner consistent with their county's plan. The costs associated with implementing and carrying out a storm water management plan need a dedicated funding source whether at the local or state level. In the absence of adequate federal or state funding, PML advocates for local flexibility to decide the best avenue to fund storm water management.

Implementation and enforcement of county and municipal plans is not consistent across the Commonwealth, thereby putting counties and municipalities that do comply at an economic disadvantage. In addition to adequate funding, PML supports a compliance system that is enforced, a study of the financial costs to local government and taxpayers, an assessment of the impact of storm water management policies, and approval by the General Assembly of the storm water guidelines and a model storm water management ordinance pursuant to Section 14(b) of the Act.

Chesapeake Bay Program

With the Susquehanna River as a major tributary to the Chesapeake Bay, Pennsylvania has joined with Maryland, Virginia and the District of Columbia as regional partners in the Chesapeake Bay Program's efforts to clean up the Bay's eco-system.

PML supports local, regional, and state efforts to reduce the level of pollutants entering the Bay from Pennsylvania. Local governments and municipal authorities have worked to meet pollutant reduction measures and have spent billions to comply. PML believes future reductions must be made by non-point sources, particularly, although not limited to agriculture. Overall, there must be a consideration of the costs that will be incurred and the benefits achieved.

Reclaimed Water

Reclaimed water is produced from the treatment of waste waters from various sources and can be a valuable resource. The Department of Environmental Protection regulates reclaimed water and restricts its use. PML supports expanding the use of high-quality reclaimed water. This expansion can create economic development opportunities, reduce the use of potable water for non-drinking applications and promote energy savings. Uses for high-quality reclaimed water include landscaping, industrial processes, athletic field irrigation, heating and cooling and vehicle washing.

Local government plays an important role in the energy conservation movement, not just from a budgetary standpoint, but also as an example to its residents.

Transportation

Public Transportation

Public transportation, including light and high speed rail, is important to many citizens of the Commonwealth. The expense of operating transit systems necessitates a partnership between local and state government, as well as regions in order to implement and sustain reliable, cost effective operations. Multi-modal transportation is an important aspect of connecting the mass transit user to local transportation options. PML supports dedicated

funding sources for public transportation and multi-modal planning and implementation.

PML also supports the Commonwealth's recognition of the value of rail service between Philadelphia and Pittsburgh and urges the Commonwealth to be an advocate for its continued and upgraded service.

State Highway Turn Back Program

Act 32 of 1983 implemented a program to return Class 6 roads to municipalities for local maintenance. PML supports this conveyance as long as the turn back is voluntary, the details of the turn back are mutually agreed to by PennDOT and the accepting municipality, and the state payment for the turn back is separate from liquid fuels payments. PML also supports the transfer of local roads to the state with a mutual agreement.

State Reimbursement for Services

PML supports full reimbursement by PennDOT to municipalities for mandated services provided on state roads, for example road and storm drain maintenance, traffic signalization, line painting, snow removal and winter material removal.

Storm Drain Maintenance on State Roads

PennDOT's highway maintenance policies regarding storm drainage facilities on state roads is not consistent. There is substantial cost, liability and burden on those municipalities mandated to maintain the state's storm drains. PML urges the General Assembly to require PennDOT to assume all responsibility for maintenance of all storm drainage facilities on state highways or provide municipalities with the funding necessary to carry out such maintenance procedures.

Traffic Signalization on State Roads

PennDOT policy requires municipalities to take over operation and maintenance of traffic signals on state roads after 30 days. The signaling equipment is under warranty for 180 days and then it becomes the responsibility of the municipality. Municipalities, however, have no control over the choice of system and may not have the expertise or funds to maintain more sophisticated systems. PML supports an extension of PennDOT's warranty to one year following the initial 30-day field test of the equipment.

Maintenance of State Roads

PennDOT is responsible for maintaining the cartway of certain roads, including those sections within municipal boundaries. Currently, there are no criteria for repair or curb reveal for PennDOT to follow. This may lead to situations where no curb or other control channel for water exists. PML urges PennDOT to revise its regulations relating to maintenance, construction and reconstruction standards to include curb reveal criteria sufficient to require that where a curb exists, PennDOT must maintain the cartway in such a manner that there is a control channel for water.

PennDOT currently maintains its rights-of-way only in certain municipalities. PML believes PennDOT should be responsible for correcting, repairing and maintaining rights-of-way in all localities and requests a change in current practices to provide for consistency. Also, municipalities should be contacted at the time of scheduling so that municipalities and PennDOT can mutually agree on the maintenance needed.

Local Traffic Control Devices

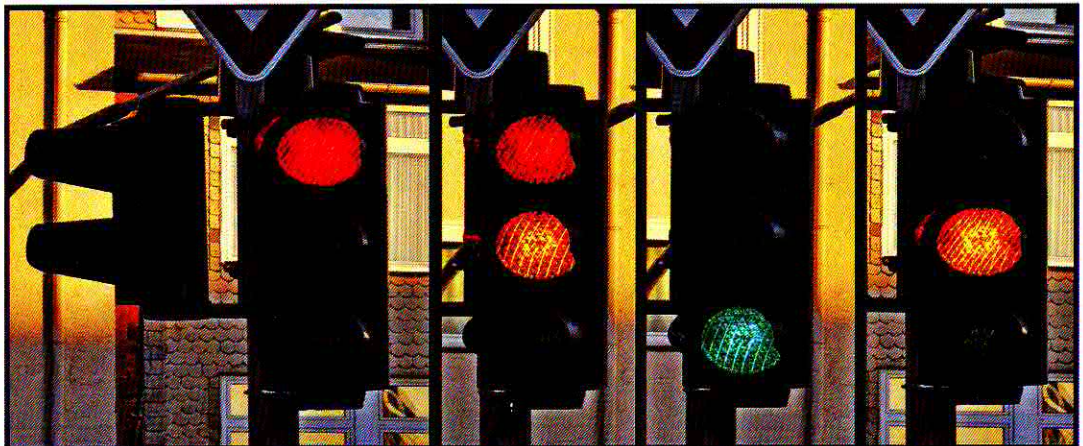
Local governments are responsible for enforcing traffic laws which affect the safety of citizens. However, local officials are unable to place traffic control devices on residential streets without PennDOT approval. PennDOT restrictions limit local ability to design and plan for transportation related problems and traffic congestion on local roads. PML supports local control and flexibility for traffic control and urges relief from PennDOT approvals. PML requests that PennDOT partner with local governments in order to ensure that local needs are taken into consideration when requiring certain transportation and traffic related controls.

PML seeks authority for municipalities to choose aesthetically appealing traffic lights as long as they meet specified safety qualifications issued by the Department.

On state highways and at the intersection of state highways and local roads, PML believes that the state should bear all the costs for the erection of traffic control signals.

Snow Removal

Municipalities are given the option of entering into contractual agreements with PennDOT for snow removal on secondary roads. A lump sum amount of money is forwarded to the municipality before the winter season. Often times, the lump sum amount is insufficient based upon higher urban union labor costs as compared to rural, nonunionized municipalities. PML urges PennDOT to take into consideration labor costs in a given area when determining reimbursement to municipalities for snow removal.



Communications

Municipal Utilities

PML supports removal of the Public Utility Commission control over municipal utilities when rates are adjusted in equal dollar amounts both inside and outside the corporate boundaries of the municipality where the utility is located.

Utility Lines

PML supports local control in the coordination and placement of utility lines.

Distributed Antenna Systems

Distributed Antenna Systems or DAS play an important role in bringing reliable wireless access to the Commonwealth's residents. However, the antenna systems are just one piece of infrastructure in a larger wireless network. As such, the contractors that install antenna systems should be treated as the installers of other network components are treated and should not be given public utility status. Public utility status would allow the contractors to place antennas on public or private property without permission. PML believes DAS, as a component of a wireless network, is subject to local zoning regulation and urges the PUC to discontinue the issuance of certificates of convenience and other public utility status to DAS installers.

Local Cable Franchising Authority

PML opposes legislation that would allow new entrants into the cable market to by-pass the current local franchising process and apply for a standard, blanket agreement to provide cable services. This would result in a decrease in municipal autonomy, municipal revenue and the negotiation for public access channels.

PML supports the following concepts:

- local governments believe cable competition is good for consumers;
- local governments are in favor of prompt, reliable customer service;
- local governments believe all areas within a municipality should be serviced with the best product available at the best price;
- local governments must retain control of local rights-of-way;

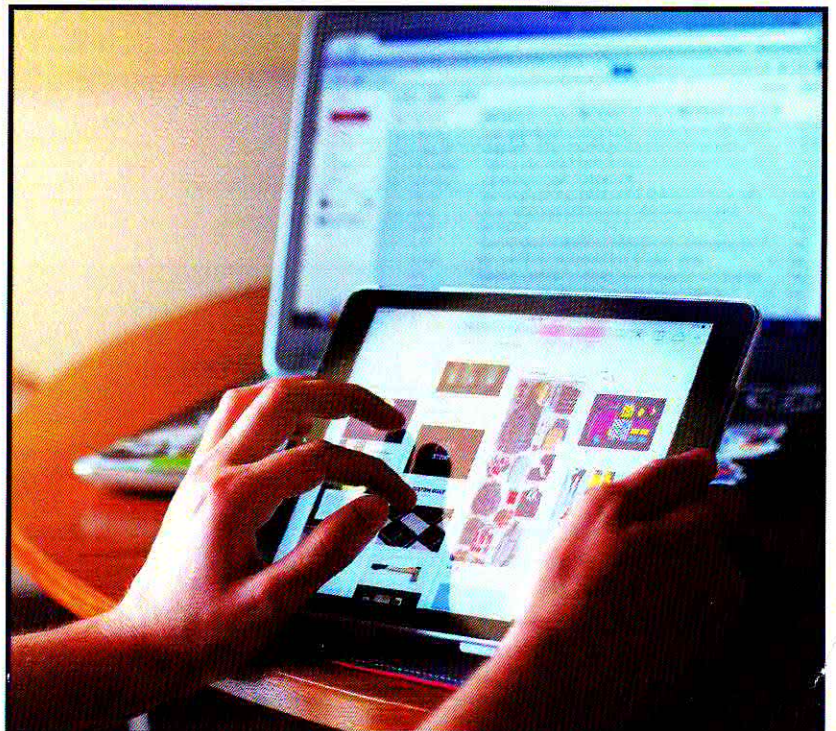
- local governments must not lose current franchise fee revenues; and
- local governments favor streamlining the franchise agreement process to provide new and incumbent cable providers with a process that is timely and offers an alternative procedure for local governments that want to forgo individual negotiations or are unable to complete a local agreement.

Cellular Tower Site Planning

PML encourages the establishment of cellular tower corridors that would provide a regional strategic development plan as to where cellular towers should be sited. Such a plan would provide consistency of service benefiting the cellular industry, as well as the communication needs of the communities and the region.

Broadband Implementation

Access to the latest communication technologies is the foundation for economic growth and competitiveness throughout the Commonwealth. While all areas of the Commonwealth should at least have reliable access to Broadband, PML supports deployment of and access to the latest technologies as an economic development tool.



Local Elected Officials

Personal Liability of Elected Officials

Municipal officials have had their livelihood and personal security threatened by legal action. Municipal officials are performing a public service and should not be put in financial jeopardy while carrying out the duties of their office. PML supports legislation protecting public officials from possible law suits arising from their role as elected officials.

Workers' Compensation for Elected Officials

Elected municipal officials are continuously engaging in activities on behalf of the municipality. These activities may subject officials

to injury and accident. Elected officials injured while engaging in municipal affairs are not afforded Workers' Compensation insurance protection under current law. PML supports adding elected municipal officials to the definition of "employee" under the Law.

Cross-Filing by Local Candidates

Cross-filing by candidates does not eliminate partisanship in elections, as intended. It only serves to create confusion for the voter. PML supports the elimination of cross-filing.



Thank You!

PML thanks the following municipal officials for their assistance with our Policy Statement revision project in the summer of 2016. We sincerely appreciate their time and willingness to volunteer for this important and necessary project. This document is the outcome of their input and guidance.

Barbara Ciampini, Planning Director, City of Greensburg

Michael Derman, Councilmember, Lewisburg Borough

Doug Erickson, Manager, Patton Township

Tom Fountaine, Manager, State College Borough

Elizabeth Goreham, Mayor, State College Borough

Jim Gross, Director of Public Works, City of York

Dave Pribulka, Assistant Manager, Ferguson Township

Brad Mangel, Councilmember, City of Bradford

Peter Melan, Councilmember, City of Easton

Richard Moriarty, Mayor, Millersville Borough

Matt Pacifico, Mayor, City of Altoona

Mark Romito, Finance Director, Upper St. Clair

Mark Sampogna, Council President, Green Tree Borough

Matt Serakowski, Manager, Upper St. Clair

Jeffrey Silka, Manager, Robinson Township

***Matt Staniszewski, Director of Community and Economic Development,
City of New Castle***

Ron Strouse, Mayor, Doylestown Borough



The Pennsylvania Municipal League

**414 NORTH SECOND STREET
HARRISBURG, PA 17101**

**717-236-9469
WWW.PML.ORG**