Your source for legislative reporting and advocacy

A Monthly Publication of the Pennsylvania Municipal League

April 2018

Thank You Local Officials, for Taking Action!

House Transportation Committee Hears Testimony on Local Use of Radar

On April 4, Chairman John Taylor of the House Transportation Committee opened the hearing on Local Use of Radar with a compliment to your local advocacy efforts. The Chairman has personally heard from local elected officials, as have Committee Members and most House members. Great job!

During the three-hour hearing, the Committee Members heard from all sides of the issue. Visually, there was tremendous support as 40 to 50 police officers and police chiefs filled the hearing room in full uniform. The Radar Coalition testified from its various perspectives of support, including a panel representing local government and a panel of police chiefs and the FOP. The State Police and State Troopers Association also testified in favor. Opponents included a defense attorney, a representative of the national motorists association and a concerned citizen. Their primary argument was that radar is inaccurate. This panel was rebutted by manufacturers of radar devices.

Two bills were discussed. Senate Bill 251, supported by the Radar Coalition, passed the Senate in November with a 46-3 vote; and House Bill 2148 which was introduced last month. **HB 2148 includes many aspects of SB 251. Unfortunately, it also includes several provisions that local government cannot support.** For example, the bill limits use of radar to only full-time officers and accredited departments, it also requires traffic studies to be done and updated every three years on the roads where radar would be used, and it requires the use of radar to be reauthorized by the Legislature after six years.

It was very clear that the House Transportation Committee intends to make its mark on the radar debate with the bill it decides to move out of Committee and the amendments it decides are necessary.

Stay tuned and please continue to remind your House members that radar is a public safety issue, not a revenue generating windfall for local government.



Legislation of Interest

Act 511 Tax Collection Consolidation

Senate Bill 653 (PN 1660), introduced by Senator Pat Browne, amends Act 511, the Local Tax Enabling Act. The bill moves collection responsibility of most of the Act 511 taxes under the authority of the current Act 32 Tax Collection Committees or TCCs. Exempted from TCC collection are taxes on the transfer of real property or an interest in real property and the payroll tax.

A municipality levying the mercantile and business privilege tax (BPT) can opt out of the consolidated collection mandate by adoption of a local resolution stating an intention to retain its authority over collection. The opt-out action must take place at least 90 days prior to the effective date of the bill, which is no later than January 1, 2020.

With this consolidation, the TCC appeals board will become the arbiter of all Act 511 appeals except those related to real property taxes. When an appeal is filed with the TCC board, a copy of the appeal must also be filed concurrently with the taxing jurisdiction as notice of the appeal.

PML, PSATC and the PA Mercantile and Business Privilege Tax Collectors Association worked together to address member concerns with losing collection authority over the BPT. Senator Browne was agreeable to the opt-out provision and offered the amendment prior to passage that added the opt-out language, the payroll tax exemption and the 2020 effective date. Senator Browne also agreed to the removal of a provision that would have prohibited the use of contingent fee audits. The bill now moves to the House for consideration.

Location: Passed Senate; House Local Government Committee, April 23, 2018

Sale of Municipal Personal Property

Two identical bill packages introduced by Senator Scott Hutchinson and Representative R. Lee James, amend Titles 8 (Boroughs) and 11 (Cities), the First Class Township Code and the Town Code increasing the dollar threshold at which bidding and advertising laws apply for the sale of municipal property from \$1,000 to \$2,000.

If enacted, this legislation will take effect in 60 days.

Location: Senate Bills 947, 948 and 949 – Senate Appropriations Committee, January 29, 2018

House Bills 1887, 1888 and 1889 – Received First Consideration before the House, March 14, 2018

Matters for Discussion in Executive Session

Senate Bill 1078 (PN 1560), introduced by Senator Robert Tomlinson, amends Title 65 (Public Officers) to allow discussions regarding an agency's emergency preparedness and procedures relating to public safety and protection of property to be held in executive session.

If enacted, this legislation will take effect in 60 days.

Location: House State Government Committee, April 19, 2018

Local Option Real Property Tax Collection Alternative

Senate Bill 1099 (PN 1642), introduced by Senator Scott Martin, amends the Local Tax Collection Law providing an alternative real property tax collection option. This legislation applies to boroughs, towns and townships in counties of the third through eighth class.

A municipality wishing to establish an alternative real property tax collection process must pass an ordinance naming one of the following methods of collection:

- county collection;
- collection by municipal employee; or
- collection by a third-party agency.

Following adoption of the ordinance, the municipality must notify the taxing districts it serves of the new collector, and the municipality must enter into a professional services agreement with the new collector. If the office of tax collector is currently occupied, the agreement will take effect after the term of office has expired. The municipality must notify the County Board of Elections so that the office of tax collector

is not placed on the ballot in that municipality. Tax collector education and bonding requirements apply to the new tax collector.

An alternative tax collection agreement can be reversed and the office of elected tax collector will be placed back on the ballot. Tax collection through an elected tax collector would resume once a person is elected to fill the office.

In addition, this legislation also authorizes school boards and counties to choose alternative tax collection methods.

If enacted, this legislation will take effect in 60 days.

Location: Senate Local Government Committee, April 11, 2018

Intergovernmental Cooperation Agreements

House Bills 479 (PN 3425), 480 (PN 504) and 481 (PN 505), introduced by Representative Paul Schemel, amend Title 53 (Municipalities Generally), the Second Class Township Code and Third Class City Code, respectively, by removing the requirement that municipalities must pass an ordinance to enter into an intergovernmental cooperation agreement.

If enacted this legislation will take effect in 60 days.

Location: Passed House; Received first Consideration before the Senate, April 24, 2018

Permit Administration Act

House Bill 1959 (PN 3163), introduced by Representative Greg Rothman, establishes the Permit Administration Act to provide transparency in the Commonwealth's permitting process. Municipalities are considered applicants under this legislation.

First, House Bill 1959 requires each state agency issuing permits to report on its previous years' permit decisions and delays and to submit the findings to the General Assembly. Second, a compiled list of all permits administered by an agency shall be published in the PA Bulletin and on the state agency's website. The list shall include:

The program under which each permit was issued.

- The statutory and regulatory authority for each permit.
- The time frame when the state agency must issue each permit.
- The average time frame within which a permit is actually issued.

Third, the legislation establishes a secure tracking system for permit applications, allowing applicants to check the status of their permits. The tracking system shall include:

- The processing time for each permit and the state agency policy establishing the time frames.
- The dates associated with the receipt of each permit and the state of review.
- The estimated time remaining for each incomplete phase of the permit approval process.
- The identity and contact information for state agency employees assigned to answer questions about the application process.

The bill also outlines agency procedures regarding applications found to be deficient. And, it requires applicants to be notified when a permit is about to expire and when there is a change to statewide regulation that affects a permit.

Fourth, state agencies are required to establish a program to review permit decision delays and resolve issues contributing to delays through a third-party professional. The third-party professional shall be paid with the permit fees initially paid by the applicant. Once all concerns are alleviated with the application, the third-party shall transmit the application to the state agency for the issuance of a permit.

Finally, annual reporting requirements are established whereby each agency must report data related to the previous years' permits to the General Assembly.

Permits granted prior to the passage of this legislation or prior to regulations altering the requirements of a permit shall remain valid.

If enacted, this legislation will take effect in 60 days.

Location: Received First Consideration before the House, March 13, 2018

Borough Electric

House Bill 2030 (PN 3009), introduced by Representative Aaron Bernstine, amends Title 8 (Boroughs) to establish billing standards and rates for customers receiving electric from a borough situated in more than one county. Technically, this legislation applies to Elwood City Borough, only.

Boroughs providing electric must bill customers on assessed rates and costs derived from the cost of construction, improvement, repair, maintenance and operation of the borough's facilities and properties. Rate changes must be disclosed at a publically advertised borough council meeting prior to the adoption of the new rate, and rates may not be adjusted more frequently than every three months.

Customers may bring action against a borough electric provider in the Court of Common Pleas in the county where the main operation or business of the provider is located on the uniformity and reasonableness of the assessed rates.

In addition, House Bill 2030 authorizes a borough electric provider to collect security deposits from customers applying for electric service. When the electric provider requires a security deposit, the deposit cannot be greater than one-sixth of the applicant's estimated annual bill (according to a formula outlined in the bill) and must be paid within a 90-day period; some exceptions apply. An applicant may furnish a third-party guarantor in lieu of the deposit. Deposits may be held by the provider until a timely payment history is established, up to 12 consecutive months.

A borough providing electric may enter into a payment agreement with a customer for the collection of delinquent payments, and may terminate a customer's electric service if the customer fails to comply with the payment agreement. Customers meeting specific criteria outlined in the bill, such as households containing children or persons who are 65 years of age or older meeting Federal poverty guidelines, must continue to receive service.

The borough providing electric must, by good faith effort, provide a post-termination notice to the customer or a responsible person at the premises where the service has been terminated.

House Bill 1405, also introduced by Representative Aaron Bernstine, is a similar piece of legislation currently before the House Local Government Committee.

If enacted, this legislation will take effect in 60 days.

Location: Passed House, April 17, 2018

House and Senate Session Days:

Senate: May: 21, 22, 23

House: May: 1, 2, 22, 23

Recipients of "Governor's Awards for Local Government Excellence 2018," Recognized

On April 11, "Local Government Day in Pennsylvania," the Department of Community and Economic Development's (DCED) Secretary Denis Davin, on behalf of Governor Wolf, recognized 12 communities and 7 individuals during the 22nd Annual Governor's Awards for Local Government Excellence.

Among those individual award recipients were Mayor Salvatore Panto, Jr., City of Easton, Northampton County and President Commissioner John Kuntzelman, East Pennsboro Township, Cumberland County, both Presidents of PML and PSATC respectively.

In addition, Ferguson Township, Center County; Upper Dublin Township, Montgomery County; Dormont Borough, Allegheny County; Hampden Township, Cumberland County; and the City of Latrobe, Westmoreland County were all recognized for specific projects or initiatives that enhanced the quality of their communities in some way.

For photos and a full press release, click here.

LEGISLATIVE LOCATOR | NLC Update

Approximately twice a month, the **National League of Cities** issues a Federal Advocacy Update to let you know what is happening at the national level. You can catch these updates on our website **here**.

State Preemption of Local Authority Continues to Rise, According to New Data from the National League of Cities

The National League of Cities (NLC), in partnership with <u>state municipal leagues</u>, released an update to its report, <u>City Rights in an Era of Preemption</u>, which reveals that state preemption of local authority is increasing throughout the country. From minimum wage to municipal broadband, **the report illuminates the worsening trend of infringements on local democracy**.

"People who live in cities and towns want control over their own destinies," said National League of Cities (NLC) CEO and Executive Director Clarence E. Anthony. "When states take away the ability of local leaders to make decisions, the values and will of the people are ignored."

More than half of all states now ban local efforts to combat inequality through minimum wage policy, while 23 states have denied local governments the power to enact paid sick leave policies. States have shut down local LGBTQ anti-discrimination ordinances, undermined efforts to advance environmental protection initiatives and stifled innovation by preventing cities from having a say on high-speed broadband.

NLC's research analyzes state preemption bills and judicial activity in the areas of minimum wage, paid leave, antidiscrimination, ride sharing, housing and home sharing, municipal broadband and tax and expenditure limitations.

LEGISLATIVE LOCATOR | NLC Update

Compared to last year, 19 new laws were passed that will prevent cities from helping their communities across these 7 policy areas.

Additional states preempted local governments in the following ways:

- 12 percent increase in **minimum wage** preemption laws (3 additional states for a total of 28)
- 21 percent increase in **paid leave** preemption laws (4 additional states for a total of 23)
- 11 percent increase in **ride sharing** preemption laws (4 additional states for a total of 41)
- 67 percent increase in **home sharing** preemption laws (2 additional states for a total of 5)
- 18 percent increase in **municipal broadband** preemption laws (3 additional states for a total of 20)

Increased preemption has been linked to lobbying efforts by special interests, the spatial sorting of political preferences between urban and rural areas and single-party dominance in most state governments. As preemption proliferates, local leaders are prevented from keeping people safe, expanding rights, building stronger economies and promoting innovation.

"When state laws nullify municipal ordinances or authority, the loss of local control can have far-reaching economic and social impacts on communities," said Brooks Rainwater, Senior Executive and Director, NLC's Center for City Solutions. "Local control and city rights are priority number one. We know well that innovation happens in cities and then percolates upwards – this process should be celebrated not stymied."

Divorcing decision-making from the wants and needs of community members in this way creates an environment that counters the values of local democracy. To assure that the core values of community members are heard and reflected in the policies and priorities of government, NLC launched the "Local Democracy Initiative," of which this report is a key component. NLC is also working to equip city leaders with tools and strategies to prevent and reverse preemption through peer learning, evidence-based research and policy development.

NLC Webinar Solutions to America's \$300 Billion Infrastructure Problem

The NLC in conjunction with Utility Service Partners, will be co-hosting a webinar on May 2, at 2:00 p.m., EST. The webinar, entitled "Solutions to America's \$300 Billion Infrastructure Problem," will include key data findings by a scientist out of San Jose, CA, who will address various pipe materials, their longevity and typical rates of failure. The webinar will also feature guest speaker Rick Jackson of Birmingham, AL, who implemented the NLC's Service Line Warranty Program in an effort to help residents avoid paying for infrastructure emergencies when they occur on their private property. If interested, please register for this week's webinar at the following link: https://register.gotowebinar.com/register/4638874032412674306

