

MCA
Summary of Legislation
March 2010

House Passes Governor's Budget, Senate in No Hurry to Consider It

The state House of Representatives this month passed a spending plan, **House Bill 2279**, which mirrors Governor Edward G. Rendell's budget proposal. House Democrats attempted to pass the bill 101 days early in a symbolic gesture to last year's 101 day late budget, but missed their goal by one day. The bill was passed on a 107 to 89, largely on party lines. The \$29 billion budget proposal spends \$1.2 billion more than the current fiscal year budget. New House Republican Appropriations Committee Chairman **Bill Adolph (R-Delaware)** said he was happy the chamber was considering a budget bill this early, but stated, that he "does not believe this spending plan is moving us in the right fiscal direction." **Senate Appropriations Committee Chairman Jake Corman (R-Centre)** was quoted as saying, "I don't know that we'll ever consider that bill," adding that "it doesn't balance." Senate Majority Leader Dominic Pileggi predicted the current year budget shortfall may be \$850 million. Coincidentally, the Governor's budget balances only on the assumption that Congress will adopt a new Medicaid funding program that would send about \$850 million to the Commonwealth. These two factors could put the Governor's proposal significantly out of balance. Corman suggested that the Senate will propose their own spending plan, but probably not until at least May when final revenue projections for the current fiscal year are more certain. House Appropriations Committee Chairman Dwight Evans (D-Philadelphia) explained that his plan was to get the spending bill moving, and wait to see if the federal money that is assumed will be forthcoming, before proposing needed state tax changes.

Rep. Evans also introduced and passed bills increasing the cap on Redevelopment Assistance Capital Projects spending, and the Capital Budget bills. **HB 2289, 2290, and 2291** all passed the House and are in the Senate Appropriations Committee awaiting negotiations and consideration along with the budget. See details below.

The General Assembly now is in holiday recess. The Senate will be in session the week of April 12, while House returns April 19.

Committee Hears Testimony on Mandate Waivers

The Senate Education committee held a public hearing on March 17th regarding the Educational Empowerment Act's provisions that allow for the Mandate Waiver Program. Even though there are dozens of requirements in the Public School Code that are eligible for waivers, the majority of the waivers issued deal with the laws construction mandates. The testimony at the hearing also dealt primarily with the construction related mandates, in particular the waiver of the multiple primes requirement. As expected, testifiers representing school boards, architects and general contractors supported the waiver program. Opposing the construction waivers were the Building Trades, the Mechanical Trades and the Concerned Contractors, an organization comprised of both union and non-union contractors.

The Educational Empowerment Act expires June 30th of this year. In order for future waivers to be granted the Legislature must enact a new law to extend the program. That committee is chaired by Senator Jeff Piccola (Republican, Dauphin Co.) along with Senator Andy Dinniman (Democrat, Chester Co.). In addition to the regular members of the committee, Senators John Gordner (Republican, Columbia Co.) and Senator Tina Tartaglione (Democrat, Philadelphia Co.) also attended the hearing as the chairs of the Senate Labor and Industry committee. All four of the Chairs also served on the Mandate Waiver Task Force that recommend that multiple primes waivers require that school districts bid projects both ways and select the less expensive option. Although the issue is months away from final resolution, the construction waivers appear to be headed for either elimination or a bid both ways requirement.

Legislative Activity

[HB 689](#) RE: Referendum or Public Hearing Required Prior to Construction (by Rep. Paul Drucker, et al) Amends the Public School Code further providing for referendum or public hearing required prior to construction or lease and for approved reimbursable rental for certain leases and approved reimbursable sinking fund charges on indebtedness by adding that building construction cost shall not include any additional costs incurred to meet certification requirements of a green building standard. The bill provides for definitions.

Reported as committed from House Appropriations Committee, and read second time, 3/10/2010

Read third time and Passed House, 3/15/2010 (106-85)
Received in the Senate and referred to Senate Education Committee, 3/18/2010

[HB 2066](#) RE: Sales and Use Tax Study Act (By Rep. Anthony DeLuca, et al)
Establishes the Sales and Use Tax Commission for the purpose of studying and analyzing the existing sales and use tax law, and to propose recommendations to the Governor and the General Assembly for amending the tax. The bill outlines the composition of the commission, and provides for a report on the subject. *Could be used as a vehicle for Governor's proposed Sales Tax expansion.*

Read second time, 3/8/2010
Read third time and Passed House, 3/9/2010 (142-54)
Received in the Senate and referred to Senate Finance Committee, 3/10/2010

[HB 2108](#) RE: Whistleblower Law (by Rep. Brian Ellis, et al)
Amends the Whistleblower Law further providing for the definitions of "employee" and "employer," for enforcement and for penalties. "Employer" is redefined as a public body or any of the following which receives money from a public body to perform work or provide services: (1) an individual; (2) a partnership; (3) an association; (4) a corporation for profit; or (5) a corporation not for profit. Regarding enforcement, the bill states a court shall also award a prevailing complainant all or a portion of the costs of litigation, including reasonable attorney fees and witness fees. Penalties are increased to \$10,000 and suspension from public service for up to seven years. The bill protects employees who report wrongdoing or waste by a public body or waste by any employer.

Reported as amended from House Labor Relations Committee, read first time, and laid on the table, 3/17/2010
Removed from the table and rereferred to House Appropriations Committee, 3/22/2010

[HB 2178](#) RE: "Relocated Manufactured Home" (by Rep. John Galloway, et al)
Amends Manufactured Housing Improvement Act expanding the coverage of the act to relocated housing. "Relocated manufactured home" is defined as a manufactured home which has been transported to a site other than its original installation site.

Reported as amended from House Labor Relations Committee, read first time, and laid on the table, 3/10/2010
Removed from the table and rereferred to House Appropriations Committee, 3/15/2010
Reported as committed from House Appropriations Committee and read second time, 3/17/2010
Read third time and Passed House, 3/22/2010 (194-2)

[HB 2279](#) (D. Evans) - The General Appropriations Act of 2010 provides from the General Fund for the expenses of the Executive, Legislative and Judicial Departments of the Commonwealth, the public debt and the public schools for the fiscal year July 1, 2010, to June 30, 2011, for certain institutions and organizations, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2010; to provide appropriations from the State Lottery Fund, the Energy Conservation and Assistance Fund, the Aviation Restricted Revenue Account, the Hazardous Material Response Fund, The State Stores Fund, the Milk Marketing Fund, the Home Investment Trust Fund, the Emergency Medical Services Operating Fund, the Tuition Payment Fund, the Banking Department Fund, the Firearm Records Check Fund, the Ben Franklin Technology Development Authority Fund and the Tobacco Settlement Fund to the Executive Department; to provide appropriations from the Judicial Computer System Augmentation Account to the Judicial Department for the fiscal year July 1, 2010, to June 30, 2011; to provide appropriations from the Motor License Fund for the fiscal year July 1, 2010, to June 30, 2011, for the proper operation of the several departments of the Commonwealth and the Pennsylvania State Police authorized to spend Motor License Fund moneys; to provide for the appropriation of Federal funds to the Executive Department of the Commonwealth and for the payment of bills remaining unpaid at the close of the fiscal year ending June 30, 2010; to provide for the additional appropriation of Federal and State funds from the General Fund for the Executive Department of the Commonwealth for the fiscal year July 1, 2009, to June 30, 2010, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2009; and making interfund transfers for the fiscal year July 1, 2010, to June 30, 2011.

Reported as committed from House Appropriations Committee, read second time, 3/22/2010
Read third time and passed House, 3/23/2010 (107-89)
Received in the Senate and referred to Senate Appropriations Committee, 3/24/2010

[HB 2286](#) RE: Workmen's Compensation Administration Fund Appropriations (By Rep. Dwight Evans)
An Act making appropriations from the Workmen's Compensation Administration Fund to the Department of Labor and Industry and the Department of Community and Economic Development to provide for the expenses of administering the Workers' Compensation Act, The Pennsylvania Occupational Disease Act and the Office of Small Business Advocate for the fiscal year July 1, 2010, to June 30, 2011, and for the payment of bills incurred and

remaining unpaid at the close of the fiscal year ending June 30, 2010. *This is a standard adjunct part of the Budget process.*

Introduced and referred to House Appropriations Committee, 3/5/2010

Reported as committed from House Appropriations Committee, read first time, laid on the table, and

Removed from the table 3/8/2010

Read second time, 3/10/2010

Read third time and passed House, 3/23/2010 (169-20)

Received in the Senate and referred to Senate Appropriations Committee, 3/17/2010

[HB 2289](#) RE: Capital Budget Act of 2010 (by Rep. Dwight Evans)

Provides for the capital budget for fiscal year 2010-2011.

Introduced and referred to House Appropriations Committee, 3/5/2010

Reported as committed from House Appropriations Committee, read first time, laid on the table, and

Removed from the table 3/8/2010

Read second time, 3/10/2010

Read third time and passed House, 3/15/2010 (133-56)

Received in the Senate and referred to Senate Appropriations Committee, 3/17/2010

[HB 2290](#) RE: Redevelopment Assistance Capital Projects (By Rep. Dwight Evans)

Amends Capital Facilities Debt Enabling Act further providing for appropriation for and limitation on redevelopment assistance capital projects by stating that the maximum amount of redevelopment assistance capital projects undertaken by the commonwealth for which obligations are outstanding shall not exceed, in aggregate, **\$4,250,000,000.**

Introduced and referred to House Appropriations Committee, 3/5/2010

Reported as committed from House Appropriations Committee, read first time, laid on the table, and

Removed from the table 3/8/2010

Read second time, 3/10/2010

Read third time and passed House, 3/15/2010 (104-85)

[HB 2291](#) RE: 2010-11 Capital Budget (by Rep. Dwight Evans)

Act providing for the capital budget for the fiscal year 2010-2011; itemizing public improvement projects, furniture and equipment projects, transportation assistance projects, redevelopment assistance capital projects, flood control projects, Keystone Recreation, Park and Conservation Fund projects, Environmental Stewardship Fund projects, State forestry bridge projects, General Fund current revenue projects, State ATV/ Snowmobile Fund projects and State transportation enhancement funds projects to be constructed or acquired or assisted by the Department of General Services, the Department of Community and Economic Development, the Department of Conservation and Natural Resources, or the Department of Transportation, together with their estimated financial costs; authorizing the incurring of debt without the approval of the electors for the purpose of financing the projects to be constructed, acquired or assisted by the Department of General Services, the Department of Community and Economic Development, the Department of Conservation and Natural Resources, the Department of Environmental Protection or the Department of Transportation; stating the estimated useful life of the projects; providing an exemption; providing for limitation on certain capital projects; and making appropriations.

Introduced and referred to House Appropriations Committee, 3/15/2010

Reported as committed from House Appropriations Committee, read first time, laid on the table, and

Removed from the table 3/15/2010

Read second time, 3/17/2010

Read third time and passed House, 3/22/2010 (156-40)

Received in the Senate and referred to Senate Appropriations Committee, 3/24/2010

[SB 569](#) RE: Real Property Development Permit and Approval Extension Act (by Sen. Dominic Pileggi, et al)

Provides for an extension of approvals granted by a government agency which expire after the effective date and before July 2, 2013. The extension shall occur at a fee of 50% of the original cost, but no more than \$7,500.

Optional leases, leases independent of the Commonwealth, and Riparian land leases are provided for.

Reported as amended from House Local Government Committee, read first time, and laid on the table, 3/23/2010

Removed from the table and rereferred to House Appropriations Committee, 3/24/2010

[SB 1077](#) RE: Log Walls (By Sen. Lisa Baker, et al)

Amends the Pennsylvania Construction Code Act adding provisions relating to buildings with log walls. The bill states residential buildings log walls with a minimum average wall thickness of five inches or greater which comply with the International Code Council standard on the design and construction of log structures, ICC 400-2007 shall

be permitted if the area weighted average U-factor for fenestration products in the log walls is a maximum of 0.31 and the building heating equipment meets or exceeds certain Department of Energy ratings. This exception would expire December 31, 2012. The bill does not apply to certain manufactured homes and the bill requires a report to be made by the Joint Legislative Budget and Finance Committee.

Read third time, and passed Senate, 3/8/2010 (49-0)

Received in the House and referred to House Labor Relations Committee, 3/9/2010

New Bills Introduced

The following bills have been introduced since the last report.

[HB 2360](#) RE: Request for Quote (By Rep. John Yudichak, et al)

Amends Title 62 (Procurement) to define "request for quote" and to place additional powers on the Department of General Services and the Department of Community and Economic Development. Also, provisions for procurement record retention are given.

Introduced and referred to House State Government Committee, 3/18/2010

Upcoming Meetings of Interest

TUESDAY - 4/6/2010

House Republican Policy Committee (PUBLIC HEARING)

**1:00 p.m., Grove City College, Hall of Arts and Letters, Sticht Auditorium,
100 Campus Drive, Grove City**

Public hearing on public private partnerships

WEDNESDAY - 4/7/2010

House Republican Policy Committee (PUBLIC HEARING)

10:00 a.m., Oak Place Community Center, 1055 Oak Street, Indiana

Public hearing on Marcellus Shale water issues

THURSDAY - 4/8/2010

House Commerce Committee

**9:00 a.m., Mon Valley Career & Tech Center, 5 Guttman Avenue, Charleroi
(Rescheduled from 4/9/10 & Time change from 10:00 a.m.)**

Public hearing on Economic Development and Job Creation

MONDAY - 4/12/10

House Transportation Committee (INFORMATIONAL)

10:30 a.m., Essroc Cement Plant, 3938 Easton Nazareth Highway, Nazareth

Informational briefing on the cement industry and its future in Pennsylvania

2010 SENATE SESSION SCHEDULE

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| April | 12, 13, 14, 19, 20, 21 |
| May | 3, 4, 5, 24, 25, 26 |
| June | 7, 8, 9, 14, 15, 16, 21, 22, 23, 28, 29, 30 |

2010 HOUSE SESSION SCHEDULE

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| April: | 19, 20, 21, 26, 27, 28 |
| May: | 3, 4, 5, 24, 25, 26 |
| June: | 7, 8, 9, 14, 15, 16, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30 |

Copies of all bills of interest can be accessed via the Internet at:

<http://www.legis.state.pa.us/WU01/LI/BI/billroom.htm>