

MCA
Summary of Legislation
February 2014

Corbett Unveils 2014-15 Budget, Healthy PA – Another Tough Year Ahead

Gov. Tom Corbett delivered his fourth budget address on February 4 to a joint session of the General Assembly, outlining his \$29.4 billion spending plan that he said “continues to drive the values of strategic investment and prudent fiscal management to address the commonwealth’s core funding needs.” Corbett’s proposed budget focuses on three key areas: education, jobs, and health and human services. He announced his “Ready to Learn”, and “Ready to Succeed” programs. His plan includes numerous charter school reforms as well.

Gov. Corbett also outlined his “JOBS1st PA” agenda, focusing on the manufacturing, energy, life sciences and technology industries. The JOBS1st PA plan includes private partnerships, on-the-job training reimbursements for young people with disabilities, and other initiatives.

Corbett also announced he was going forward with his “Healthy PA” plan, to provide assistance to low-income working folks to purchase private health insurance, as an alternative to simply tapping into federal money to expand Medicaid to help the same population.

UCC Reform Proposals Circulating

Pennsylvania’s Uniform Construction Code (UCC) has been controversial since its enactment in 1999. First because it wasn’t as uniform as the name might suggest (lots of grandfathering and variance opportunities) and more recently because of the codes themselves. Brush fires over certain International Building Code (IBC) provisions would flare up periodically and often embroil the PA Legislature in the disputes. In an effort to remove itself from the role of arbiter of these complex issues, the Legislature created an advisory council (RAC) made up of individuals knowledgeable about codes. The RAC was charged with reviewing the IBC triennial updates prior to adoption as part of the code for Pennsylvania.

Well that seemed like a good idea at the time. But right after the RAC approved the first triennial updates it was asked to review, the Legislature jumped back into the fray and reversed the RAC by passing a statute to undue a controversial provision (you may recall the dispute over residential sprinklers). But the new law didn’t just undue that one provision, it changed the procedures and composition of the RAC in such a way that Pennsylvania is unlikely to adopt any of the updates. Presently, the RAC must have a super majority of its members vote to adopt any changes from the updates. That is why the Pennsylvania code is stuck on the 2009 IBC.

There are a number of bills in both the House and Senate that propose changes that would make the RAC more functional. Senate Bill 1023 has passed through the Senate Labor and Industry committee already but not before it was amended to the extent that it changes the current process very little. A number of groups are advocating further reaching changes like eliminating the requirement for a super majority of the RAC to accept any changes. How successful those efforts will be is uncertain at this time.

General Services, L&I Publish Lists of Anticipated Rules and Regulations

The Departments of General Services and Labor & Industry have announced it anticipates promulgating the following regulations in the near future.

**Regulation Being Considered Proposed Date Need and Legal Basis for Agency Contact
of Promulgation Action**

General Services

Responsibility, 4 Pa. Code Chapter 60	Spring 2014, as proposed	This chapter will be amended to be consistent with the Procurement Code and to provide for uniform debarment and suspension procedures.	Ken Rapp (717) 787- 5295 Chuck Anderson (717) 214- 7739 Michael
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			Barrett (717) 346-9781
Committee on Construction Contract Documents, 4 Pa. Code Chapter 62	Spring 2014, as final omitted	The Procurement Code repealed the legislation creating this committee, which no longer exists.	Liz O'Reilly (717) 787-7095 Ed Olivieri (717) 783-3280
Selections Committee, 4 Pa. Code Chapter 64	Spring 2014, as final omitted	These regulations should be rescinded since they have been superseded by the Commonwealth Procurement Code.	Liz O'Reilly (717) 787-7095 Ed Olivieri (717) 783-3280
Emergency Construction Repairs 4 Pa. Code Chapter 67	Spring 2014, as final omitted	These regulations should be rescinded since they have been superseded by the Commonwealth Procurement Code.	Liz O'Reilly (717) 787-7095 Ed Olivieri (717) 783-3280
Contract Compliance 4 Pa. Code Chapter 68, Subchapter A, Prequalification of Vendors and Non-construction Contractors	Spring 2014, as final omitted	These regulations should be rescinded since the subject matter of these rules is now covered by the directives management system.	Liz O'Reilly (717) 787-7095 Ed Olivieri (717) 783-3280
Methods of Awarding Contracts, 4 Pa. Code Chapter 69	Spring 2014, as final omitted	These regulations should be rescinded since they have been superseded by the Commonwealth Procurement Code.	Ken Rapp (717) 787-5295 Chuck Anderson (717) 214-7739

LABOR AND INDUSTRY

Uniform Construction Code, Title 34, Part XIV, Bureau of Occupational and Industrial Safety	Submit proposed rulemaking in Winter 2015	Update and clarify administrative provisions of the Uniform Construction Code and adopt updated standards for elevator construction	Edward Leister 717-783-6304
Flammable and Combustible Liquids, Title 37, Part I, Bureau of Occupational and Industrial Safety	Submit proposed rulemaking in Spring 2014	Update regulations based on Act 144 of 2012 and adopt requirements for storage and dispensing of compressed natural gas as vehicular fuel	Edward Leister 717-783-6304
Unemployment Compensation Title 34, Chapter 101, Board of Review	Submit proposed rulemaking in Fall 2014	Delete language re distance requirement in telephone regulation to conform with Act 6 of 2011	Gerard Mackarevich 717-783-1232
Bureau of Labor Law Compliance, Title 34, Part XII, Chapter 225, Prohibition of Excessive Overtime in Health Care Act	Submit final-form rulemaking in Fall 2013	Regulations to establish a complaint and hearing process	Karen Galli 717-787-4186
Bureau of Labor Law Compliance, Title 34, Chapters 83 and 84, Apprentices	Submit proposed rulemaking in Spring 2014	Amend regulations to reflect federal requirements.	Rich Lengler 717-787-4186
Workers' Compensation Appeal Board (Board), Title 34, Chapter 111, Special Rules of Administrative and Procedure Before the Board	Submit proposed rulemaking by Winter 2014	Revise regulations to reflect evolving procedures and technological changes	Commissioner Alfonso Frioni, Jr. 412-531-2680

Office of Adjudication, Title 34, Chapter 131, Special Rules of Administrative Practice and Procedure Before the Workers' Compensation Judges	Submit proposed rulemaking by Winter 2014	Revise regulations to reflect evolving procedures and technological changes	Director of Adjudication Elizabeth Crum 717-783-4151
Bureau of Labor Law Compliance, Title 34, Chapter 11, Employment of Minors	Submit proposed rulemaking by Spring 2014	Revise/update current regulations in light of the new Child Labor Act	Richard Lengler 717-787-4186

Legislative Activity

The following bills of interest to the construction industry were acted on by the General Assembly in the past month.

BIDDING / CONTRACTING

NONE

BUDGET RELATED BILLS

NONE

ENVIRONMENTAL BUILDING STANDARDS

NONE

LOCAL/STATE GOVERNMENT/REGULATIONS

[HB 1877](#) RE: Demolition Safety Act (By Rep. Bill Keller, et al)

Provides for demolition standards for buildings and structures in cities of the first class (Philadelphia), for permits, for inspections, for powers and duties of the Department of Labor and Industry and for training and enforcement; imposes penalties; and establishes the Demolition Safety Training and Enforcement Account. A municipality may elect coverage under this act.

Demolition permits are required for a contractor or an owner of a property who will perform demolition work on a building or structure and a subcontractor or individual who is not an employee of the demolition permit holder. The department, the city, and municipalities that have elected coverage may assess an additional fee on each permit issued under the authority of this act and the Pennsylvania Construction Code Act in the amount of 15 percent of the total cost of the permit, which shall be deposited in the Demolition Safety Training and Enforcement Account and used for grants for enhanced enforcement of this act and the Pennsylvania Construction Code Act, including training and staffing of code administrators, construction code officials and inspectors, and associated administrative costs. The department shall annually report to the House and Senate Labor and Industry Committees.

Removed from the table, Laid on the table, 2/10/2014

LIABILITY

[HB 1808](#) RE: Adverse Possession (By Rep. Kurt Masser, et al)

Amends Title 42 (Judiciary) providing for the reduction of the standard period for bringing an action for the acquisition of title through adverse possession under certain circumstances from 21 years to ten years for a property that is less than one-half acre in size and that contains a single-family home. The bill provides for definitions of eligible homes and circumstances as well as limitations on applicability and guidelines for mesne profits.

Reported as committed from House Urban Affairs Committee, read first time, and Laid on the table, 1/15/2014

Removed from the table, 1/27/2014

Amended on House floor, read second time, and Rereferred to House Appropriations Committee, 1/28/2014 Reported as committed from House Appropriations Committee, read third time, and passed House, 1/29/2014 (183-13)

MANDATE WAIVERS

NONE

MECHANIC'S LIEN

[SB 908](#) RE: Declaration of Homestead (by Sen. Mike Waugh, et al)

Amends Title 42 (Judiciary) adding a new subsection providing that subject to certain requirements, a primary residence owned by a judgment debtor shall be exempt from sale to satisfy a judgment if the debtor files a declaration of homestead with the county

recorder in his county of residence. Further provides that to be exempt from sale, the primary residence may have an assessed value of not more than \$300,000. If it is assessed at more than \$300,000, it may be sold but the judgment debtor is entitled to receive the first \$300,000 of the sale proceeds. Also provides the filing of the declaration of homestead does not prevent a primary residence from being sold to satisfy a judgment from mortgage foreclosure, unpaid property taxes or a mechanic's lien.

Rereferred to Senate Appropriations Committee, 2/4/2014

MINIMUM WAGE

[HB 2034](#) RE: Minimum Wage Raise (by Rep. Mark Cohen, et al)

Amends the Minimum Wage Act to raise the minimum wage of tipped employees from its current level of \$2.13 per hour to 70 percent of the minimum wage. A schedule of increases over time is provided in the bill.

Introduced and referred to House Labor and Industry Committee, 2/19/2014

LICENSING BILLS

NONE

PREVAILING WAGE

[HB 2050](#) RE: Building Blocks PA (by Rep. Steve Santarsiero, et al)

Amends the Public School Code, in grounds and buildings, to establish the Building Blocks PA program whereby the Commonwealth reimburses school districts for school construction projects. Powers of the Department of Education are outlined as well as the application of the prevailing wage and process and procedure for reimbursement application. The legislation further establishes a Public School Facilities Financing Commission, which shall review and make recommendations related to public school facility financing. The department shall promulgate necessary regulations. Effective immediately.

Introduced and referred to House Education Committee, 2/18/2014

LOCAL/PROPERTY TAX REFORM

[HB 2045](#) RE: Tax Exemption and Mixed-Use Incentive Program (by Rep. Jerry Stern, et al)

Authorizes local taxing authorities to exempt from real property taxation the assessed valuation of improvements to deteriorated properties and the assessed valuation of new construction within the respective municipal corporations designated deteriorated areas of economically depressed communities in the amounts and in accordance with the provisions and limitations set forth in the bill. If an area is zoned for mixed-use housing and development, improvements shall incorporate mixed-use housing and development that benefit the efficiency and economy of the community. The bill provides for an exemption schedule; establishes standards and qualifications; provides procedure for obtaining exemption incentives; and outlines eligibility requirements.

Introduced and referred to House Urban Affairs Committee, 2/26/2014

TRANSPORTATION

NONE

UNEMPLOYMENT/WORKERS COMP

NONE

Workforce Development

[HR 652](#) RE: Free Trade Agreements (by Rep. Jesse White, et al)

A Resolution urging the President and Congress to consider the impact of free trade agreements on the American economy.

Introduced and referred to House Commerce Committee, 2/19/2014

Upcoming meetings of Interest

MONDAY - 3/10/14

House Insurance Committee

11:30 a.m., Room B31 Main Capitol

To consider: [HR 648](#) (Millard) - Resolution urging the Congress of the United States to reexamine the Biggert-Waters Flood Insurance Reform Act of 2012.

MONDAY - 3/17/14

House Professional Licensure Committee

11:00 a.m., Room 205, Ryan Office Building

To consider: [HB 1063](#) (J. Taylor) - Act providing for licensing of fire sprinkler contractors and inspectors; and imposing duties on the Department of Labor and Industry. **Motion to Rerefer to Labor & Industry Committee only.**

2014 SENATE SESSION SCHEDULE

March 10, 11, 12, 17, 18, 19, 31
April 1, 2, 7, 8, 9, 28, 29, 30
May 5, 6, 7
June 2, 3, 4, 9, 10, 11, 16, 17, 18, 19, 23, 24, 25, 26, 27, 28, 29, 30

2014 HOUSE SESSION SCHEDULE

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June 2, 3, 4, 9, 10, 11, 16, 17, 18, 19, 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>