

MCA
Summary of Legislation
October 2014

General Assembly Finishes Session Votes with Flurry of Bills

The House and Senate returned to session for the final pre-election voting session days this past month. The Corbett Administration, struggling to close the gap in the polls, was not able to accomplish some of its most wanted legislation, such as liquor privatization and converting public pensions to private 401Ks, but numerous other bills did reach the Governor's desk, some of interest to the construction industry (outlined below), while many others fell short of passage in both chambers. The legislature will return for one day of session on November 12, but at this writing it appears no votes on bills will be taken. There have been rumors of potential veto overrides on two budget-related bills that Corbett "blue-lined" in July, but most insiders believe that the only purpose for that day will be caucus leadership votes, and perhaps some farewell speeches by departing legislators. The session ends officially at midnight on November 30, but over the past few sessions the House and Senate have refrained from voting on bills after the election, in what is known as "lame duck" or more technically, "sine die" session. Any bills not reaching the Governor's desk before November 30 die, and will have to start over by reintroduction in 2015.

Legislative Activity

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

BIDDING / CONTRACTING

[HB 201](#) RE: Procurement Restrictions (by Rep. George Dunbar, et al)

Amends Title 62 (Procurement) regarding the evaluation of competitive sealed proposals by providing no individual who has been employed by an offeror within the last two years may participate in the evaluation of proposals. The legislation also provides for Iran-Free Procurement by disallowing the procurement from any company having a relationship with the country of Iran. The amendment regarding Iran shall take effect July 1, 2015, or immediately, whichever is later; and the remainder of the act shall take effect immediately.

Reported as amended from Senate Appropriations Committee, 10/6/2014

Read Second time, 10/7/2014

Read third time and passed Senate, 10/8/2014 (50-0)

Received as amended in House and rereferred to House Rules Committee, 10/8/2014

Re-reported on concurrence as committed from House Rules Committee, and House concurred in Senate amendments, 10/15/2014 (197-0)

Signed in the House and Senate, 10/15/2014

Approved by the Governor 10/21/2014 (Act No. 149 of 2014)

BUDGET RELATED BILLS

[HB 2478](#) RE: Capital Budget Project Itemization Act of 2014-2015 (by Rep. Bill Adolph, et al)

provides for the capital budget for fiscal year 2014-2015; 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, Motor License Fund projects and Pennsylvania Fish and Boat Commission 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, the Pennsylvania Fish and Boat Commission, 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 Environmental Protection, the Department of Transportation or the Pennsylvania Fish and Boat Commission; authorizing the use of current revenue for the

purpose of financing the projects to be constructed, acquired or assisted by the Department of Conservation and Natural Resources or the Department of Transportation stating the estimated useful life of the projects; and providing for an exemption and for limitation on certain capital projects.

Amended on House floor, read third time, and passed House, 10/6/2014 (178-19)

Received in the Senate and referred to Senate Appropriations 10/10/2014

ENVIRONMENTAL BUILDING STANDARDS

[HB 34](#) RE: High-Performance, State Buildings Standards Act (By Rep. Kate Harper, et al)

Provides for the creation of high-performance building standards. All building projects or a renovation that is larger than 20,000 gross square feet and at least 90 percent total square feet of a building in facilities owned by a Commonwealth agency shall meet or exceed the prescribed level of achievement under the high-performance building standard outlined in the legislation. The Department of General Services shall promulgate rules and regulations for compliance and shall report annually to the legislature. The bill also provides for cost recovery and application to Commonwealth owned and leased buildings.

Removed from the table, 10/7/2014

Rereferred to Senate Appropriations Committee, 10/8/2014

[HB 1565](#) RE: Riparian Buffers (by Rep. Marcia Hahn, et al)

Amends the Clean Streams Law further providing for potential pollution by adding that the use or installation of riparian buffers and riparian forest buffers may be used as a preferred choice or option among best management practices, design standards and alternatives. Projects in special protection watersheds that propose greater than one acre of earth disturbance within 100 feet of a surface water shall offset any reduction in the total square footage of the buffer zone that would have been utilized as a best management practice, with a replacement buffer elsewhere in the same drainage basin as close as feasible to the area of disturbance at a ratio of one-to-one. Any project incorporating such an alternative shall also include other best management practices. Replacement planting costs shall be calculated using department guidance as specified in BMP 6.7.1: Riparian Buffer Restoration of the Pennsylvania Stormwater Best Management Practice Manual.

Reported as committed from House Appropriations Committee, read third time, and passed House, 9/22/2014 (119-79)

Received in the Senate and referred to Senate Environmental Resources and Energy Committee, 9/30/2014

Reported as amended from Senate Environmental Resources and Energy Committee, and read first time, 10/6/2014

Read second time, 10/8/2014

Read third time and passed Senate, 10/14/2014 (27-22)

Received as amended in House, rereferred to House Rules Committee, Re-reported on concurrence as committed from House Rules Committee, and House concurred in Senate amendments, 10/15/2014 (118-79)

Signed in the House and Senate, 10/15/2014

Approved by the Governor, 10/22/2014 (Act No. 162 of 2014)

[HB 1672](#) RE: State Agency Green Technology Implementation Act (by Rep. Ron Miller, et al)

Provides for the testing of new, environmentally beneficial and energy efficient technologies within various state agencies. The secretary of the Department of General Services is authorized to direct a state agency, with the approval of the governor, to test certain technology, products or processes that promote energy conservation or efficiency on a trial basis. The testing agency shall maintain records, proprietary information is exempt from the Right to Know Law, and the testing period shall be 30-60 days. Acquisition of any technology, product or process for purposes of the test program shall not be deemed to be a purchase under the provisions of the Procurement Law. After the test period, purchases would be subject to the procurement law. Provides for the promotion of demand-side management and for penalties for displaying Commonwealth endorsement when no such proper endorsement exists.

Amended on Senate floor, 10/6/2014

Read third time and passed Senate, 10/8/2014 (50-0)

Received as amended in House and rereferred House Rules Committee, Re-reported on concurrence as committed from House Rules Committee, and House concurred in Senate amendments 10/8/2014 (176-16)

Signed in the House, 10/8/2014

Signed in the Senate, and in the Hands of the Governor, 10/14/2014

[SB 1061](#) RE: High-Performance State Building Standards Act (by Sen. John Rafferty, et al)

Requires the design, construction and renovation of certain state-owned or state-leased buildings to comply with specified energy and environmental building standards; and providing for the powers and duties of the Department of General Services. The bill outlines minimum criteria which the high-performance building standards shall meet and all major facility projects are required to be designed to earn energy star certification to achieve an environmental protection agency energy star rating of 75 or above. The estimated cost recovery period shall not exceed ten years. The Department of General Services shall annually report to the legislature and develop and implement a process to monitor and evaluate the energy and environmental benefits associated with each major facility project designed, constructed or renovated under the act.

Reported as amended from Senate Environmental Resources and Energy Committee, and read first time, 10/6/2014

Rereferred to Senate Appropriations Committee, 10/7/2014

LOCAL/STATE GOVERNMENT/REGULATIONS

NONE

LIABILITY

NONE

MANDATE WAIVERS

NONE

MECHANIC'S LIEN

[HB 473](#) RE: Formal Notice by Subcontractor (by Rep. Tom Killion, et al)

Amends the Mechanics' Lien Law further providing for formal notice by subcontractor to the prothonotary of the Court of Common Pleas of the relevant jurisdiction as condition precedent to beginning construction. Notice must be given within 15 days of commencement of the construction. Form of the notice is provided for and a model notice given. A petition for a claim from a lien for a construction project must be filed within four months after completion of the work. Requires the Department of General Services to establish and maintain the database. Further, it provides that a searchable project means a commercial construction project costing a minimum of \$1,500,000, makes Notices of Commencement filing by owners a mandatory requirement.

Re-reported on concurrence as committed from House Rules Committee, and House concurred in Senate amendments, 10/6/2014 (196-0)

Signed in the House and Senate, 10/6/2014

Approved by the Governor, 10/14/2014 (Act No. 142 of 2014)

MINIMUM WAGE

NONE

Licensure Bills

NONE

PREVAILING WAGE

NONE

LOCAL/PROPERTY TAX REFORM

[SB 76](#) RE: Property Tax Independence Act (by Sen. Dave Argall, et al)

provides for tax levies and information related to taxes; authorizes the imposition of a personal income tax or an earned income tax by a school district at a rate determined by the district, subject to voter approval; provides an exception for low income persons; imposes a statewide education tax of 0.94 percent to be deposited in the

Education Stabilization Fund; implements the Sales and Use Tax for the Stabilization of Education Funding, at a rate of seven percent, which shall be a replacement for the existing sales and use tax and shall be deposited in the Education Stabilization Fund; every person maintaining a place of business in Pennsylvania, selling or leasing services or tangible personal property, the sale or use of which is subject to tax shall be licensed; imposes a seven percent hotel occupancy tax, to be deposited into the Education Stabilization Fund; the amount of additional revenues that are generated by taxes received under this chapter that are necessary to replace the revenue earmarked for transportation under 74 Pa.C.S. 1506 (relating to fund), not to exceed 4.4 percent of such additional revenues, shall be deposited in the Public Transportation Reserve Fund, which is established; provides for increase to the personal income tax, for certain licenses, for hotel occupancy tax, for procedure and administration of the tax, for expiration of authority to issue certain debt and for reporting by local government units of debt outstanding; establishes the Education Stabilization Fund; provides for disbursements from this fund and for certain rebates and assistance to senior citizens; and repeals certain provisions of The Local Tax Enabling Act, sales and use tax provisions of the Tax Reform Code and provisions relating to senior citizens property tax and rent rebate assistance in the Taxpayer Relief Act. The authority of any school district to levy, assess and collect any real property tax shall expire at midnight December 31, 2013; the authority of a city of the first class (Philadelphia) to impose or continue to provide for the imposition or continuation of any tax, including, but not limited to, the real property tax, for the use of a school district of the first class shall also expire. For fiscal year 2014-2015, the department shall make disbursements from the Education Stabilization Fund to each school district based on the base revenue of the district and the cost of living. Section 1505 (b) (2) and (7) and Chapters 3 and 4 shall take effect January 1, 2015 and the remainder of the act shall take effect immediately.

Laid on the table, 10/16/2014

TRANSPORTATION

NONE

Upcoming meetings of Interest

The House and Senate are finished voting days for the 2013-14 session. November 12 is, at this writing a NON-voting session day, scheduled for post-election reorganization in both Chambers. The Senate will elect a President Pro Tempore to serve until the legislature reconvenes in the new session on January 6, 2015. That non-voting status is subject to change if the House and Senate agree to hold votes that day.

2014 FALL HOUSE SESSION SCHEDULE

November 12

2014 FALL SENATE SESSION SCHEDULE

November 12

The 2015-16 session schedule has not been published yet.

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

<http://www.legis.state.pa.us/cfdocs/legis/home/session.cfm>