

MCA
Summary of Legislation
June 2016

Legislation to Eliminate Separate Primes on Local Projects Passes House Committee

House Bill 2113 ([HB 2113](#)), which eliminates separate primes for various types of public works projects passed the House State Government committee on June 21st. The bill passed largely along party lines with only 1 Republican voting against it. That result was not unexpected. There was also a fair amount of contentious debate. It is interesting that the committee chair would not allow the bill's prime sponsor to be questioned on the bill by committee members who opposed it.

The bill is purported to allow for **Public Private Partnerships (P3)** projects where a developer helps finance the project up front and recovers that cost and profits through paybacks over time. Eligible projects include: schools, stadiums, water treatment plants, waste water treatment plants, telecommunications infrastructure and other types of public works. The current version of the bill allows for 16 pilot projects but that number has increased since the legislation was originally introduced. The bill does not specify that prevailing wages must be paid on these projects and it is believed they would not.

After the committee vote, the bill was given First Reading in the House and rereferred to the House Rules committee. There is no specified time table for when the bill will come before the full House for a vote. We recommend that contractors and tradesmen contact their state legislators to oppose the bill. If you have not already made contact with your legislators, it's not too late. Here is the link to the "Concerned Contractors" grassroots advocacy tool for your convenience: <http://www.concernedcontractors.com/take-action-2/?vvsrsrc=%2fCampaigns>

Urge Budget Makers to Stop Siphoning Transportation Funds

Act 89 of 2013 greatly increased transportation funding for Pennsylvania's transportation network. But not all of the funds actually end up in roads, bridges, public transportation and other transportation related projects. Even before the passage of the new funding bill, roughly a half a billion dollars a year was diverted to the State Police. The State Police are to be funded through the Commonwealth's general fund, not transportation funds. But in recent years, tighter budgets and an unwillingness to raise taxes that support the general fund has led to a generous interpretation of what is "transportation related". This creative accounting started years ago but has now grown into a major drain on dollars that were to be spent on rebuilding Pennsylvania's deteriorating roads and bridges. In this year's proposed budget, the Motor Vehicle License Fund dollars redirected to the State Police adds up to more than three quarters of a billion dollars, an all time high.

While State Police do provide highway safety and should of course be funded, no one can accurately say what proportion of State Police work highway safety consists of, and thus how much should be diverted from the Motor Vehicle License Fund for that purpose. We are not advocating that the State Police funding should be cut

Contact your legislators and urge them to stop the bleeding. By freezing the money diverted to the State Police, many more transportation projects can be started. And that was the purpose of Act 89.

GA Bill Sent to Governor, Revenue Package Still Under Debate

It started out so well. All spring the House and Senate leaders, and Gov. Wolf, had talked about leaving the past behind, and working together to get an on-time, commonsense budget passed. Well, they got the spending part done, but when it came to paying for, the "wheels fell off". On June 30, the Senate voted [47 to 3](#) and the House voted [144 to 54](#) to approve the 2016-17 General Appropriations (GA) bill, [SB1073](#). The total for the overall spending plan for SB1073 is \$31.62 billion, which is actually an increase following a move by the Senate to transfer \$88.81 million from the Commonwealth Financing Authority. A breakdown of budget line items passed by the General Assembly can be found in [this document](#).

Despite this budget agreement, many of the remaining ancillary "Code" bills, outlining spending directions for education (the centerpiece of the budget agreement), and amendments to the tax and fiscal codes to provide for new revenues, have yet to be passed. Governor Wolf has stated that he will not sign the budget bill until he also receives the legislation that includes a revenue plan. The House and Senate recessed to the call of their chairs, until agreement is reached. The Governor must sign, veto (in whole or "blue-line") or allow the bill to become law by July 11. The Budget Secretary is required to certify that the spending plan can be paid for from existing revenues before the Governor can sign it, and estimates are that without new revenues or other accounting gymnastics, revenues will fall about a billion dollars short by the end of June, 2017.

Legislative Activity

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

Bidding / Contracting

[HB 726](#) RE: Retainage (by Rep. Mike Tobash, et al)

Amends the Contractor & Subcontractor Payment Act adding a language providing the provisions of the Act cannot be waived in any contract. Increases from 1 percent to 1.5 percent the monthly interest rate for an outstanding payment. Also adds a provision allowing for posting of security in lieu of retainage. Increases the penalty from 1 percent per month to 1.5 percent per month in cases where an arbitrator or litigation determines that payment was wrongly withheld.

Passed over in House Commerce Committee, 6/7/2016

[HB 902](#) RE: No Bids Received (by Rep. Chris Ross, et al)

Amends Act entitled "An act authorizing political subdivisions, municipality authorities and transportation authorities to enter into contracts for the purchase of goods and property," adding language providing for contracts for services setting up a procedure to be followed when a political subdivision, municipality authority or transportation authority is required to advertise for bids in order to enter into a contract for services and no bids are received.

Laid on the table (Pursuant to Senate Rule 9), 6/15/2016

[HB 1202](#) RE: Highway Construction (by Rep. John Taylor, et al)

Act repealing the act of May 28, 1943 (P.L.796, No.333), entitled "An act establishing as state highways, certain county highways and requiring their construction, repair and maintenance as such."

Reported as committed from Senate Transportation Committee and read first time, 6/14/2016

Read second time, 6/28/2016

[HB 1600](#) RE: Veteran-Owned Small Business Fee Exemptions (by Rep. Ryan Mackenzie, et al)

Amends Titles 51 (Military Affairs), in veteran-owned small businesses, further providing for definitions, for regulations, for participation goal, and providing for business fee exemption. Further provides a veteran-owned small business shall be exempt from the payment of a business fee, which is defined as a fee required to be paid to the Commonwealth or an instrumentality of the Commonwealth for starting or opening a business within this Commonwealth.

Reported as amended from Senate Veterans Affairs & Emergency Preparedness Committee, and read first time, 6/14/2016

Rereferred to Senate Appropriations Committee, 6/15/2016

[HB 1653](#) RE: Diverse and Disadvantaged Businesses (by Rep. Donna Oberlander, et al)

Amends Title 62 (Procurement) adding a chapter providing for diverse and disadvantaged businesses. "Diverse and disadvantaged businesses" is defined as a minority-owned business, a woman-owned business, or a veteran-owned business. The department shall establish a process to verify a diverse or disadvantaged business as Pennsylvania home state-certified for the purpose of other state or national disadvantaged business programs. The department shall also verify a business that has been certified as a diverse or disadvantaged business by a third party organization. Requires the department to compile, maintain and make available source lists of businesses verified by the department as a diverse or disadvantaged business for the purpose of encouraging procurement from those businesses.

Laid on the table, removed from the table, 6/15/2016

[HB 2113](#) RE: Separations Act Exemptions (by Rep. Eli Evankovich, et al)

Amends Title 62 (Procurement) establishing the Public-Private Partnership (P3) Pilot Program and the State Public-Private Partnership Board, tasked with overseeing the development and implementation of P3s in Pennsylvania. Provides for 16 authorized pilot projects outlined in the bill Further provides that approved pilot projects are exempt from the Pennsylvania Separations Act and associated statutes. The addition of 62 Pa.C.S. 4701 and 4702 are effective immediately; the remainder of the bill is effective in 90 days.

Reported as amended from House State Government Committee, read first time, and rereferred to House Rules Committee, 6/28/2016

[HB 2166](#) RE: Disadvantaged Businesses (by Rep. Jason Dawkins, et al)

Amends Title 62 (Procurement), in small and disadvantaged businesses, further providing for definitions, for duties of department, for bonding and progress payments and for report to General Assembly; providing for disadvantaged businesses; and imposing penalties. The definition of and references to "disadvantaged business" are removed and a new chapter providing for disadvantaged businesses is added. The provisions shall apply on and after July 1, 2018.

Introduced and referred to House State Government Committee, 6/15/2016

[SB 1313](#) RE: Energy Conservation Measure Cost Savings (by Sen. Don White, et al)

Amends Title 62 (Procurement), in contract clauses and preference provisions, further providing for definitions and adding that grants, subsidies or other payments from the Commonwealth to a governmental unit shall not be reduced as a result of energy conservation measure cost savings obtained as a result of a guaranteed energy savings contract during the life of the contract. Requires the contract to expressly state the financial obligations that an energy savings company will require users to pay upon a declaration of savings.

Introduced and referred to Senate State Government Committee, 6/14/2016

Reported as amended from Senate State Government Committee, and read first time, 6/28/2016

Rereferred to Senate Appropriations Committee, 6/30/2016

[SB 930](#) RE: Diverse or Disadvantaged Businesses (by Sen. Patrick Stefano, et al)

Amends Title 62 (Procurement) providing for certification of woman-owned business, minority-owned business or veteran-owned business. Includes relevant definitions and requires the department to establish a process to verify a diverse or disadvantaged business as Pennsylvania home state-certified for the purpose of other state or national disadvantaged business programs, and to verify that a business that has been certified as a diverse or disadvantaged business by a third-party organization recognized by the department. Provides for notice and list requirements. The department may promulgate regulations governing the certification.

Reported as committed from Senate Appropriations Committee, 6/7/2016

Read second time, 6/22/2016

Laid on the table, removed from the table, 6/30/2016

Budget Related Bills

[HB 1416](#) RE: NOL Phaseout (by Rep. Eli Evankovich, et al)

Amends Tax Reform Code eliminating the Net Operating Loss cap incrementally over a six-year period ending December 31, 2020.

Reported as amended from House Finance Committee, read first time, and rereferred to House Rules Committee, 6/3/2016

[HB 1605](#) RE: Heritage Area Program Act (by Rep. Lee James, et al)

Establishes the Heritage Area Program within the Department of Conservation and Natural Resources to identify, protect, develop, enhance, and promote the historic, recreational, natural, cultural, and scenic resources of the Commonwealth. The department will adopt guidelines and policies for the implementation of the program. The department will also allocate appropriate funds to run the program. The bill provides for the use and eligibility of the heritage area.

Reported as committed from Senate Environmental Resources and Energy Committee, and read first time, 6/14/2016

Rereferred to Senate Appropriations Committee, 6/22/2016

Reported as amended from Senate Appropriations Committee, read second time, and recommitted to Senate Appropriations Committee, 6/30/2016

Passed over in Senate Appropriations Committee, 7/1/2016

[HB 2013](#) RE: Development in State Parks (by Rep. Brian Ellis, et al)

Amends the Conservation and Natural Resources Act, in Department of Conservation and National Resources, providing for development of recreational, lodging and ancillary facilities; and providing for Public-Private State Park Partnership Board. The department is authorized to enter into a contract with a third party for the development, financing, construction and operation of additional recreational, lodging and ancillary facilities in State parks. A contract may authorize both direct and subsidiary investment arrangements. Such a contract may not exceed 25 years, at which time the full title to the additional recreational, lodging and ancillary facilities shall vest with the Commonwealth, except as otherwise provided by the board. The Public-Private State Park Partnership Board is established in the department, which shall adopt guidelines establishing the procedure by which a third party may submit a plan for additional recreational, lodging or ancillary facilities at State parks; conduct an inventory of existing State park assets and issuing recommendations where additional recreational, lodging and ancillary facilities in State parks can be developed to the benefit of the general public; solicit from third parties the submission of offers or plans for additional recreational, lodging and ancillary facilities in State parks; evaluate and approve the offers or plans by adopting a resolution; and submit an annual report to the General Assembly.

Reported as amended from House Tourism and Recreational Development Committee, read third time, and rereferred to House Rules Committee, 6/21/2016

Reported as committed from House Rules Committee, amended on the House floor, read second time, and Rereferred to House Appropriations Committee, 6/27/2016

Reported as committed from House Appropriations Committee, read third time, and DEFEATED in House, 6/28/2016 (123-77)

[HB 2181](#) RE: Capital Budget Act of 2016-2017 (By Rep. Joe Markosek, et al)

Provides for the capital budget for the fiscal year 2016-2017. A total of \$1,110,000,000 is appropriated. Effective July 1, 2016, or immediately, whichever is later.

Introduced and referred to House Appropriations Committee, 6/20/2016

[HB 2223](#) RE: Municipal Waste Tipping Fees (by Rep. Mike Hanna, et al)

Amends Titles 27 (Environmental Resources) and 58 (Oil and Gas), in environmental stewardship & watershed protection, raising statewide municipal waste tipping fees from \$6.25 to \$8.00 per ton. Revenues from the increase would be deposited into the Environmental Stewardship Fund.

Introduced and referred to House Environmental Resources and Energy Committee, 6/28/2016

[SB 1073](#) RE: General Appropriation Act of 2016 (By Sen. Pat Browne, et al)

Provides from the General Fund for the expenses of the Executive and Judicial Departments, the State Government Support Agencies and the General Assembly of the Commonwealth, the public debt and the public schools for the fiscal year July 1, 2016, to June 30, 2017, 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, 2016; to provide appropriations from the State Lottery Fund, the Tobacco Settlement Fund, the Aviation Restricted 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 Account Guaranteed Savings Program Fund, the Banking Fund, the Firearm Records Check Fund, the Ben Franklin Technology Development Authority Fund, the Home Improvement Account, the Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund, the Insurance Regulation and Oversight Fund, the Pennsylvania Racehorse Development Restricted Receipt Account, the Justice Reinvestment Fund, the Multimodal Transportation Fund, the State Racing Fund and the ABLE Savings Program 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, 2016, to June 30, 2017; to provide appropriations from the Motor License Fund for the fiscal year July 1, 2016, to June 30, 2017, for the proper operation of several departments of the Commonwealth and the Pennsylvania State Police authorized to spend Motor License Fund money; to provide for the appropriation of Federal funds to the Executive and Judicial Departments of the Commonwealth and for the payment of bills remaining unpaid at the close of the fiscal year ending June 30, 2016; and to provide for the additional appropriation of Federal and State funds from the General Fund, the State Lottery Fund and the Tobacco

Settlement Fund for the Executive and Legislative Departments of the Commonwealth for the fiscal year July 1, 2015, to June 30, 2016, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2015. Effective July 1, 2016, or immediately, whichever is later.

Reported as amended from House Appropriations Committee, read third time, and passed House, 6/28/2016 (132-68)

Received as amended in Senate and rereferred Senate Rules and Executive Nominations Committee, rereported as amended from Senate Rules & Executive Nominations Committee, and Senate concurred in House amendments, with amendments, 6/29/2016 (47-3)

Received as amended in Senate and rereferred Senate Rules and Executive Nominations Committee, Re-reported on concurrence as amended from Senate Rules and Executive Nominations Committee, and concurred in House amendments, with further amendments, 6/29/2016

Received as amended in House and rereferred House Rules Committee, 6/29/2016

Re-reported on concurrence as committed from House Rules Committee, and House concurred in Senate amendments to House amendments, 6/30/2016

Signed in the Senate and House, 7/1/2016

In the hands of the Governor, 7/1/2016. Last day for Governor's action, 7/11/2016

[SB 1292](#) RE: Capital Budget Act of 2016-2017 (by Sen. Pat Browne, et al)

Provides for the capital budget for the fiscal year 2016-2017 with a total appropriation of \$1,110,000,000. Effective October 1, 2016, or immediately, whichever is later.

Introduced and referred to Senate Appropriations Committee, 6/3/2016

Reported as amended from Senate Appropriations Committee, and read first time, 6/22/2016

Read second time, 6/23/2016

Read third time, and passed Senate, 6/29/2016 (50-0)

Received in the House and referred to House Appropriations Committee, 7/1/2016

Environmental Building Standards

[HB 1325](#) RE: Storm Water Management Fees (by Rep. Mark Mustio, et al)

Amends the Second Class Township Code authorizing a township to assess reasonable and uniform fees for storm water management activities and facilities without the need to establish a municipal authority. Also authorizes the enactment and enforcement of ordinances to govern and regulate the planning, management, implementation, construction and maintenance of storm water facilities. Provides for any of the assessment to be collected by the treasurer and requires the municipalities to specify in the ordinance the frequency of the payments. A township shall consider providing exemptions and credits for properties that have already installed and are maintaining storm water facilities. Restricts storm water fees assessed by a township to the amount necessary to meet the necessary requirements of the Federal Water Pollution Control Act and requires townships to consider and provide appropriate exemptions or credits for properties which have installed and are maintaining storm water facilities that meet best management practices and are approved or inspected by the township.

Laid on the table, Removed from the table, 6/8/2016

Read second time, 6/13/2016

Read third time and passed Senate, 6/15/2016 (48-1)

Received as amended in House and rereferred to House Rules Committee, 6/15/2016

Re-reported on concurrence as committed from House Rules Committee, and House concurred in Senate amendments, 6/21/2016 H (136- 59)

Approved by the Governor 7/1/2016 (Act No. 62 of 2016)

[HB 1394](#) RE: Storm Water Facilities (by Rep. Mark Mustio, et al)

Amends Title 8 (Boroughs & Incorporated Towns) authorizing a borough to assess reasonable and uniform fees for storm water management activities and facilities without the need to establish a municipal authority. Also authorizes the enactment and enforcement of ordinances to govern and regulate the planning, management, implementation, construction and maintenance of storm water facilities. regulate the planning, management, implementation, construction and maintenance of storm water facilities. Provides for any of the assessment to be collected by the treasurer and requires the municipalities to specify in the ordinance the frequency of the payments. A borough shall consider providing exemptions and credits for properties that have already installed and are maintaining storm water

facilities. Restricts storm water fees assessed by a borough to the amount necessary to meet the necessary requirements of the Federal Water Pollution Control Act and requires boroughs to consider and provide appropriate exemptions or credits for properties which have installed and are maintaining storm water facilities that meet best management practices and are approved or inspected by the borough.

Laid on the table, removed from the table, 6/15/2016

[HB 1661](#) RE: Storm Water Management Plans (by Rep. Mark Mustio, et al)

Amends the First Class Township Code adding an article providing for storm water management plans and facilities. The board of commissioners is authorized to plan, design, construct, assemble, install and alter facilities to manage surface water runoff. Provides for any of the assessment to be collected by the treasurer and requires the municipalities to specify in the ordinance the frequency of the payments. A township shall consider providing exemptions and credits for properties that have already installed and are maintaining storm water facilities. Restricts storm water fees assessed by a township to the amount necessary to meet the necessary requirements of the Federal Water Pollution Control Act and requires townships to consider and provide appropriate exemptions or credits for properties which have installed and are maintaining storm water facilities that meet best management practices and are approved or inspected by the township.

Laid on the table, removed from the table, 6/8/2016

Read second time, 6/28/2016

Laid on the table (Pursuant to Senate Rule 9), 7/1/2016

[SB 289](#) RE: Sewage Disposal Systems (by Sen. Wayne Fontana, et al)

Amends the act entitled "An act to provide for and regulate the accumulation, investment, and expenditure of funds by cities, boroughs, incorporated towns and townships for preparing plans for sewage disposal systems, and for the construction, improvement or replacement of sewage disposal systems for which plans have been approved by the Sanitary Water Board of the Commonwealth," further providing for definitions, for creation of a Sewage Disposal System Fund and for expenditure of fund; providing for expenditure of public funds for private lateral sewer lines; and further providing for grants of moneys. A municipality or municipal authority may use public funds for the improvement, extension, repair or rehabilitation of private lateral sewer lines connected to sewage disposal systems, where the municipality or municipal authority determines that those activities will benefit the sewage disposal system or the public health, or will prevent damages to public property. Before using public funds, the municipality or municipal authority shall consider the available public funds, equipment, personnel and facilities and the competing demands of the municipality for the public funds, equipment, personnel and facilities. No municipality or municipal authority that has completed the improvement, extension, repair or rehabilitation of private sewer lines shall be deemed to be the owner of the private lateral sewer lines, or to have any further responsibility to conduct those activities, unless the municipality or municipal authority makes an affirmative determination to accept such obligations.

Laid on the table, removed from the table, 6/22/2016

Read second time, 6/29/2016

Read third time and passed Senate, 6/30/2016 (50-0)

Received in the House and referred to House Environmental Resources and Energy Committee, 7/1/2016

[SB 1325](#) RE: Erosion and Sediment Control Act (by Sen. Camera Bartolotta, et al)

Provides for erosion and sediment control requirements. The bill requires an erosion and sediment control permit for a person seeking to commence a project involving oil and gas activities that will cause five acres or more of earth disturbance shall. A permit application shall be accompanied by a \$500 administrative filing fee, plus an additional \$100 for each disturbed acre.

Introduced and referred to Senate Environmental Resources and Energy Committee, 6/17/2016

[SR 385](#) RE: Environmental Laws and Regulations Study (by Sen. Michele Brooks, et al)

A Resolution directing the Joint State Government Commission to conduct a study to analyze and identify which environmental laws and regulations of this Commonwealth have more stringent standards than Federal law requires.

Introduced and referred to Senate Environmental Resources and Energy Committee, 6/6/2016

Local/State Government/Regulations

[HB 568](#) RE: RAC Reviews (by Rep. Eli Evankovich, et al)

Amends the Pennsylvania Construction Code Act revising the procedures for review of the International Construction Code by the Uniform Construction Code Review and Advisory Council (RAC). Clarifies the RAC process shall be put in place for review of updated sections of the International Construction Code every three years. Adds two members to the RAC, increases the members' terms from two to three years, and provides for the reimbursement of RAC members for expenses. Further provides for the creation of technical advisory committees and creates an accelerated process for re-review of 2015 terms. Also provides for delay in future code adoption processes following any new additions to the International Construction Code and for an expedited process for unopposed sections. In addition, changes are made to building permit fees. The amendment of section 902 (c) relating to uncertified buildings over which the department does not have jurisdiction is effective in 60 days and the remainder is effective immediately.

Reported as amended from Senate Labor and Industry Committee, and read first time, 6/23/2016

Rereferred to Senate Appropriations Committee, 6/27/2016

Reported as amended from Senate Appropriations Committee, and read second time, 7/1/2016

[HB 782](#) RE: Third Party Approvals (by Rep. Doyle Heffley, et al)

Amends the Pennsylvania Construction Code Act adding language allowing permit applicants, in a municipality which has designated one third party agency for exclusive enforcement of the Uniform Construction Code, to use a third party agency of their choosing if the alternative third party agency remits a surcharge to the municipality. Allows the municipality the ability to establish the surcharge amount, via ordinance, as a percentage of up to ten percent of the total fee charged by the alternative third party agency. If no ordinance is enacted the surcharge amount is one percent. Requires the permit applicant to notify the municipality and the exclusive third party if its intent to utilize an alternative third party agency; notification shall provide the name of the third party agency and appropriate contact information for the agency. Before commencing work on the project, the alternative third party agency shall be required to notify the municipality and its exclusive third party agency that it is performing code enforcement services on a project. The alternative third party agency shall be required to provide, on the date of issuance, a copy of the building permit issued for the project and approve plans, to the municipality and its exclusive third party agency. Also requires that a permit applicant utilize the services of the third party agency they select for the duration of a project. Allows the Department of Labor and Industry to issue regulations to establish or clarify procedures necessary to effectuate the intent of the legislation.

Reported as amended from House Labor and Industry Committee, read first time, and rereferred to House Rules Committee, 6/15/2016

[HB 1409](#) RE: Change of Code Administrator (by Rep. Kathy Rapp, et al)

Amends the Pennsylvania Construction Code Act, in adoption and enforcement by municipalities, further providing for administration and enforcement by adding that in the case of a change of code administrator with jurisdiction over a project, subsequent code administrators shall be subject to decisions previously rendered on the project by the board of appeals.

Reported as committed from House Appropriations Committee, 6/6/2016

Read third time, and passed House, 6/7/2016 (186-0)

Received in the Senate and referred to Senate Labor and Industry Committee, 6/10/2016

[HB 1543](#) RE: Uniform Construction Code (by Rep. David Maloney, et al)

Amends the Pennsylvania Construction Code Act, in Uniform Construction Code, further providing for revised or successor codes; and, in training and certification of inspectors, further providing for education and training programs. The bill adds that the department may contract with the ICC to establish and publish code manuals that contain the standards of the Uniform Construction Code. The department shall require in any such contract that the standards be made available on the department's website.

Removed from the table, Laid on the table, 6/15/2016

[HB 2143](#) RE: Third Party Approvals (by Rep. Eli Evankovich, et al)

Amends the Pennsylvania Construction Code Act, in adoption and enforcement by municipalities, further providing for administration and enforcement by adding requirements for instances when a municipality retains a third-party agency for administration and enforcement. If a municipality opts to retain one third-party agency for exclusive

administration and enforcement, the municipality shall allow an applicant to utilize an alternative third-party agency if the alternative third-party agency agrees to remit a surcharge for the alternative third-party services to the municipality. The surcharge shall be assessed, by ordinance, as a percentage not to exceed ten percent of the total fee charged by the alternative third-party agency on the project. If the municipality fails to assess a surcharge, the surcharge shall be one percent of the total fee charged by the alternative third-party agency on the project.

Introduced and referred to House Labor and Industry Committee, 6/9/2016

[SB 1195](#) RE: Gas Reg Review (by Sen. Don White, et al)

Amends the Pennsylvania Greenhouse Gas Regulation Implementation Act further providing for submission of State plan providing for referral of the State plan to the standing committee in each legislative chamber and to be considered within ten legislative days and then sent to the full chamber for consideration, per existing law. The bill provides for an extension request. If either chamber of the General Assembly disapproves the resolution the department shall review and consider the reasons for disapproval and modify the State plan, open a public comment period of at least 180 days, and then resubmit the plan to the legislature. The bill provides for default approval and timing relative to federal litigation.

Amended on Senate floor, 6/7/2016

Read third time, and passed Senate, 6/8/2016 (41-9)

Received in the House and referred to House Environmental Resources and Energy Committee, 6/9/2016

Reported as committed from House Environmental Resources and Energy Committee, read first time, laid on the table and removed from the table, 6/13/2016

Amended on House floor, read second time, rereferred to House Appropriations Committee, and rereported as committed from House Appropriations Committee, 6/14/2016

Read third time and passed House, 6/15/2016 (147-41)

Received as amended in Senate and rereferred Senate Rules and Executive Nominations Committee, re-reported on concurrence as committed from Senate Rules and Executive Nominations Committee, and Senate concurred in House amendments, 6/15/2016 (38-11)

Signed in the House and Senate, 6/15/2016

Approved by the Governor, 6/23/2016 (Act No. 57 of 2016)

[SB 1235](#) RE: One Call System (by Sen. Lisa Baker, et al)

Amends the Underground Utility Line Law further providing for definitions, for duties of facility owners, for duties of the One Call System, for duties of excavators, for duties of designers, for duties of project owners and for penalties; providing for enforcement, for underground utility line protection fund and for compliance; and further providing for One Call System authority and for expiration. Expiration of the act is extended through 2021. Portions of the bill are effective immediately and the remainder is effective in 180 days.

Reported as amended from Senate Consumer Protection & Prof. Licensure Committee, and read first time, 6/7/2016

Read second time and rereferred to Senate Appropriations Committee, 6/14/2016

Liability

NONE

Prevailing Wage

NONE

Professional Licensure

[SB 703](#) RE: Plumbing Contractors Licensure Act (by Sen. Tom McGarrigle, et al)

creates a state plumbers licensing program; establishes minimum standards that individuals must meet in order to obtain a state license; and establishes a plumbing contractors licensure board within the Department of Labor and Industry to issue licenses, develop regulations, and administer the provisions of the Act. Disallows the board from actively soliciting any municipality or other public entity to require a plumbing license for those performing plumbing services within their jurisdiction. Allows the board and any board member to provide information to, or otherwise educate, any member of the public or any municipality or local entity about this act, plumbing or plumbing licensure. Provides for other guidelines including reciprocity with other states, renewals, violations and

penalties. Section 501 relating to licensure is effective in one year and the remainder of the act is effective in 60 days.

Reported as committed from Senate Appropriations Committee, 6/7/2016

Read second time, 6/13/2016

Amended on Senate floor, 6/28/2016

Read third time, and passed Senate, 6/29/2016 (45-5)

Received in the House and referred to House Labor and Industry Committee, 7/1-/2016

Local/Property Tax Reform

[HB 2142](#) RE: Philly Wage Tax (by Rep. Todd Stephens, et al)

Amends the Sterling Act providing for municipal tax reimbursement by adding that any tax imposed by a city of the first class (Philadelphia) on salaries, wages, commissions, other compensation or on net profits of business professions or other activities of a taxpayer that is resident of another political subdivision shall be reimbursed to the taxpayer's resident political subdivision at a rate equivalent to that which would have been collected from that political subdivision.

Introduced and referred to House Finance Committee, 6/9/2016

Mandate Waivers

NONE

Mechanic's Lien

NONE

School Construction

NONE

Transportation

NONE

Worker's Comp

[HB 1800](#) RE: Workers Compensation Treatments (by Rep. Ryan Mackenzie, et al)

Amends the Workers Compensation Act to require that all reasonable and necessary treatments, services, products, or accommodations be consistent with treatment guidelines selected by the Department of Labor and Industry. Provides for a panel of medical providers, selected by the L&I Secretary, to review and propose amendments to adopted guidelines. Provides for appeals. Effective in 60 days.

Laid on table in House Labor and Industry Committee, 6/14/2016

[SB 876](#) RE: Uninsured Employers Guarantee Fund (by Sen. John Gordner, et al)

Amends Workers' Compensation Act relating to the Uninsured Employers Guarantee Fund. Provides if an employee alleges an injury that is incurred with an employer which is domiciled in another state and which has not secured the payment of compensate as required by the act, the employee is required to provide the fund and to any worker's compensation judge hearing a petition against the fund, a written notice, denial, citation of law or court or administrative ruling from such other state or an insurer licensed to write insurance in that state as to that employer, indicating that the employee is not entitled to workers' compensation benefits in that state. No compensation shall be payable from the fund until the employee submits the required information. Requires a claim petition to be filed within 180 days after notice of the claim is made to the fund. Provides if the time requirement is not met, a claim petition shall not be allowed. Requires an employee to provide proof of wages before filing a claim of lost wages under the act. Adds language allowing the fund to establish lists of at least six designated health care providers that are accessible in each county in specialties relevant to the treatment of work injuries in the Commonwealth. Transfers \$4 million from the Workers' Compensation Administrative Fund to the Uninsured Employers Guarantee Fund. Also provides for uninsured employer obligations and for administrative penalties and stop-work orders.

Requires the Department of Labor and Industry to annually submit a report to the House and Senate Labor Industry Committees outlining the department's efforts to identify and prosecute uninsured employers, any penalties resulting from that activity, the status of claims and operations, including the number of claims filed, pending and paid in the past year and an analysis of the administrative expenses of the fund. Provides guidelines for reductions to the fund.

Reported as committed from Senate Appropriations Committee, 6/13/2016

Amended on Senate floor, 6/14/2016 Read second time, 6/15/2016

Read third time and passed Senate, 6/22/2016 (48-0)

Received in the House and referred to House Labor and Industry Committee, 6/24/2016

Workforce Development

[HB 1952](#) RE: Apprenticeship Supervision (by Rep. Steve Mentzer, et al)

Amends the Apprenticeship and Training Act further providing for administration; providing for supervision; and abrogating a regulation. Regulations may not require more than one supervisor for each apprentice or trainee.

Reported as committed from House Labor and Industry Committee, read first time, and rereferred to House Rules Committee, 6/15/2016

[HB 2192](#) RE: Private Construction Employee Verification Act (by Rep. Dom Costa, et al)

Requires a contractor or subcontractor who performs new construction, remodeling or renovation under a contract in excess of \$25,000, to provide a municipality with evidence that the contractor's or subcontractor's employees have been subject to the E-Verify Program (EVP). This evidence shall be a precondition of being granted a building permit. Further provides a contractor or subcontractor to provide the municipality with the EVP evidence of an employee who is hired after the issuance of a building permit. Also requires the contractor or subcontractor to participate in the EVP and, subject to the requirements of Federal law governing the use of EVP, use the EVP to verify the employment eligibility of each new employee. Further provides for violations and for protection from retaliation.

Introduced and referred to House Labor and Industry Committee, 6/21/2016

Upcoming meetings of Interest

Some House Committee meetings and session can be viewed online at: <http://www.pahousegop.com/>

Senate Committee meetings and session can be streamed at: <http://www.pasenategop.com/>

The House and Senate are in recess, pending a budget agreement. The Fall Legislative Schedule has not yet been released.

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

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