



Summary of Legislation April 12, 2018

Rep. Seth M. Grove, Other House R's Introduce "Reinventing State Government For the 21st Century" Package

With a focus on creating what they consider better government, more economic prosperity and stronger communities, state **Reps. Seth Grove (R-York), Stephen Bloom (R-Cumberland), Matthew Dowling (R-Fayette/Somerset), Jonathan Fritz (R-Susquehanna/Wayne), Frank Ryan (R-Lebanon), Justin Walsh (R-Westmoreland) and House Majority Whip Bryan Cutler (R-Lancaster)** unveiled legislation back in February to do what's best for Pennsylvania by bringing sweeping changes to streamline and improve state government. These bills have now been introduced, and await House consideration.

"This package of bills moves to modernize our agencies in a continuance of House Republicans' efforts to restructure government," Cutler said. "The end result of these mergers would be an easier-to-navigate government that truly works for the people."

Included in the legislative package is a bill ([HB 2101](#)) by Grove to merge the **Budget Office, the Department of General Services, the Office of Administration and the Governor's Office of Policy and Planning** into one agency called the Office of Management and Budget (OMB).

"This new agency would oversee every aspect of the Commonwealth's governance, including budget preparation, managing state expenditures and handling all procurement, human relations and information technology," Grove said. "By improving the coordination between these core function of government the state can improve delivery of government services to the people of Pennsylvania."

Under a separate bill ([HB 2102](#)) by Ryan, the **Department of Labor and Industry** would be merged with functions from the **Department of Community and Economic Development (DCED)** and **Department of State** to create the new **Department of Business, Tourism and Workforce Development (DBTWD)**.

"The DBTWD would have a singular mission of private sector job growth to tell the world that Pennsylvania is open for business," Ryan said. "The new one-stop shop would allow Pennsylvania to better compete in a global economy."

Dowling's bill, [HB 2103](#) would create the Department of Local Government and Community Affairs (DLGCA), which would be comprised of powers and authorities from DCED and the Department of State.

"It is time for the state to provide local governments with a state agency which focuses on assisting them to build stronger communities. This new department would oversee and assist counties with managing elections and help local governments apply for eligible grant and tax credit programs transferred from DCED," Dowling said.

Walsh's bill ([HB 2115](#)) would consolidate the Commonwealth's workforce development system into one easier-to-navigate system instead of the system being fragmented and spread across numerous state agencies.

"My bill would consolidate workforce development programs within the Department of Labor and Industry, the Department of Community and Economic Development, and the Department of Human Services," Walsh said. "This proposal would give DCED, the agency that is tasked with keeping current employers in Pennsylvania and bringing new opportunities into the state, the much-needed tools to help connect employers who have job openings with workers qualified to fill them."

Lastly, Fritz's bill would remove numerous obsolete state boards or commissions that were never repealed. The agencies are:

- Interstate Rail Passenger Advisory Council
- Pennsylvania Public Television Network Commission
- Canine Health Board
- Community Service Advisory Board
- Industrial Resource Center Strategic Advisory Board
- Small Business Advocacy Council
- Adult Basic and Literacy Education Interagency Coordinating Council (ABLE ICC)
- Advisory Committee on Probation
- Energy Development Authority
- Health Careers Leadership Council
- Joint Committee to Review Cost of Living
- Legislative Representative for Collective Bargaining
- Lobbying Disclosure Regulations Committee
- Pennsylvania Quality Leadership Awards Council
- Tobacco Use Prevention and Cessation Advisory Committee
- Voting Standards Development Board

"Many of these boards and commissions are merely names on paper and have been obsolete for quite some time," Fritz said. "With spring just around the corner, now is a perfect time for the General Assembly to do some spring cleaning while, more importantly, quite literally reducing the size of government."

Ortitay Proposes Legislation to Implement State Budget Process Change

Rep. Jason Ortity (R-Washington/Allegheny) recently introduced a 39-bill package to implement a change in the state budget process he has proposed to separate the omnibus general appropriations bill into individual pieces. The bills would put each state agency or department into a separate piece of legislation. In addition, the package includes a resolution setting expenditure limitations for both the total budget and each agency.

"These bills would implement the changes I have proposed in [House Bill 2070](#), which would end the practice of putting almost every state agency in one bill and instead allow for a separate vote on each appropriation," Ortity said. "I'm hopeful we can approve these bills in order to implement better oversight of state spending. In addition, it would allow legislators to voice their opposition to certain portions of the budget without voting down the entire spending plan."

[House Resolution 820](#) would set the expenditure limitations. By setting the total amount of state spending for each agency, the expenditure limitations would guide the Legislature in enacting the actual appropriation for each agency. Amounts appropriated in the budget bills would not be able to exceed the levels set in the expenditure limitation resolution. If the Legislature makes appropriations in excess of the amounts adopted in the expenditure limitation resolution, the governor would be required to veto amounts appropriated over what is provided in the expenditure limitation resolution. The bills in the package are:

- [House Bill 2172](#) – Judiciary
- [House Bill 2173](#) – Criminal Justice
- [House Bill 2174](#) – Executive Offices
- [House Bill 2175](#) – PEMA
- [House Bill 2176](#) – Lieutenant Governor
- [House Bill 2177](#) – Civil Service
- [House Bill 2178](#) – Legislature
- [House Bill 2179](#) – Dept. of Insurance
- [House Bill 2180](#) – Language inserted into Fiscal Code to spend funds appropriated
- [House Bill 2181](#) – DCED
- [House Bill 2182](#) – Dept. of Agriculture
- [House Bill 2183](#) – Auditor General
- [House Bill 2184](#) – Treasury Department
- [House Bill 2185](#) – Dept. of Labor & Industry
- [House Bill 2186](#) – State Ethics Commission
- [House Bill 2187](#) – Dept. of Aging
- [House Bill 2188](#) – Dept. of Banking
- House Bill 2189 – Dept. of Military & Veteran Affairs
- House Bill 2190 – Attorney General
- House Bill 2191 – Thaddeus Stevens
- House Bill 2192 – Milk Marketing Board
- House Bill 2193 – PennDOT
- House Bill 2194 – Pennsylvania State Police
- House Bill 2195 – Health Care Cost Containment Council
- House Bill 2196 – Governor – Individual Appropriation Acts
- House Bill 2197 – Dept. of State
- House Bill 2198 – DCNRs
- House Bill 2199 – Dept. of Revenue
- House Bill 2230 – State System of Higher Education
- House Bill 2231 – Pennsylvania Infrastructure Investment Authority
- House Bill 2232 – PHEAA
- House Bill 2233 – Environmental Hearing Board

- House Bill 2234 – Dept. of Education
- House Bill 2235 – Dept. of Environmental Protection
- House Bill 2236 – Dept. of General Services
- House Bill 2237 – Dept. of Drug & Alcohol Programs
- House Bill 2238 – Dept. of Health
- House Bill 2239 – Dept. of Human Services
- House Bill 2240 – PHMC

The bills are awaiting assignment to a House standing committee.

Legislative Activity

The following bills of interest to PEDDA were acted on by the General Assembly this past month.

Budget Related Bills

[HB 584](#) RE: Microenterprise Loan Programs (by Rep. Keith Gillespie, et al)

Amends Title 72 (Taxation and Fiscal Affairs) establishing microenterprise loan programs and abating real property assessment by creating microenterprise loans from administrative entities to assist low income individuals in the establishment of a microenterprise with property tax abatement. Also establishes eligible applicants and administration.

Removed from the table, 3/13/2018

Amended on House floor, read second time, and rereferred to House Appropriations Committee, 3/14/2018

Reported as committed from House Appropriations Committee, read third time, and passed House, 4/9/2018 (189-5)

Received in the Senate and referred to Senate Community, Economic & Recreational Development Committee, 4/11/2018

[HB 2017](#) RE: Deduction for Appreciation (by Rep. Frank Ryan, et al)

Amends the Tax Reform Code, in corporate net income tax, further providing for the definition of "taxable income" relating to deduction for appreciation. The stated intent of the bill is to reverse the provisions of Bulletin 2017-02.

Removed from the table, 3/12/2018

Read second time, and reported as committed from House Appropriations Committee, 3/1/2018

Read third time, and passed House, 3/14/2018 (183-4)

Received in the Senate and referred to Senate Finance Committee, 3/16/2018

Reported as committed from Senate Finance Committee, and read first time, 3/21/2018

[HB 2101](#) RE: Commonwealth Office of Management and Budget (by Rep. Seth Grove, et al)

Amends Title 71 (State Government), in boards and offices, providing for Commonwealth Office of Management and Budget.

Filed, 4/9/2018

[HB 2102](#) RE: Dept. of Business, Tourism & Workforce Development (By Rep. Frank Ryan, et al)

Amends Title 71 (State Government), in boards & offices, est. Dept. of Business, Tourism & Workforce Development & transferring specific powers & duties from Dept. of Labor & Industry, DCED & Dept. of State.

Filed, 4/9/2018

[HB 2103](#) RE: Dept. of Local Government & Community Affairs (by Rep. Matthew Dowling, et al)

Amends Title 71 (State Government), in boards & offices, est. Dept. of Local Government & Community Affairs & transferring specific powers & duties from DCED and Dept. of State.

Filed, 4/9/2018

[HB 2121](#) RE: General Appropriation Act of 2018 (by Rep. Stan Saylor, 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, 2018, to June 30, 2019, 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, 2018; to provide appropriations from various funds for the fiscal year July 1, 2018, to June 30, 2019. The effective date is effective immediately and the remained is effective July 1, 2018, or immediately, whichever is later.

Introduced and referred to House Appropriations Committee, 3/1/2018
Reported as committed from House Appropriations Committee, read first time, laid on the table, and
Removed from the table, 3/12/2018
Read second time and rereferred to House Appropriations Committee, 3/13/2018

[HB 2149](#) RE: PIT Increase (by Rep. Bill Kortz, et al)

Amends the Tax Reform Code, in personal income tax, further providing for imposition of tax. For taxable years beginning after December 31, 2018, the personal income tax shall be 3.077 percent, of which 0.007 percent shall be deposited in the Safe Schools Fund.

Introduced and referred to House Finance Committee, 3/27/2018

[HB 2180](#) RE: Fiscal Code (by Rep. Jason Ortity, et al)

Amends the **Fiscal Code**, in general budget implementation, for definitions; adding provisions relating to appropriations acts; providing for DHS, PHEAA, for courts of common pleas & for community courts & magisterial district judges.

Filed, 4/9/2018

[HB 2181](#) RE: Agency Budget Bill (by Rep. Jason Ortity, et al)

Act making appropriations from the General Fund, Tobacco Settlement Fund, Motor License Fund, HOME Investment Trust Fund & Ben Franklin Tech. Dev. Authority Fund to DCED, and for the payment of bills incurred & remaining unpaid.

Filed, 4/9/2018

KOZ/CRIZ/Tax Credits

[HB 645](#) RE: Neighborhood Assistance Tax Credit (by Rep. Bernie O'Neill, et al)

Amends the Tax Reform Code, in neighborhood assistance tax credit, further providing for tax credit and for grant of tax credit and providing for reporting. The bill changes the dollar limit of tax credit granted for programs approved under the act from \$18 million to \$36 million and establishes that on the effective date of the subsection, no additional tax credits shall be granted under the article. The Department Of Community and Economic Development shall issue a report within 12 months of the effective date and each five years thereafter including a funding evaluation of the neighborhood assistance program and recommendations for the tax credit, submitted to each Finance committee.

Removed from the table, 4/10/2018

Read second time, and rereferred to House Appropriations Committee, 4/11/2018

Partnerships/Liability

NONE

Local/State Government Regulations

[HB 1446](#) RE: [Pennsylvania Clean Transportation Infrastructure Act](#) (by Rep. Marguerite Quinn, et al)

Amends Titles 66 (Public Utilities), in restructuring of electric utility industry, providing for transportation fueling infrastructure development; and, in turnpike, further providing for definitions and providing for statewide electric vehicle charging and natural gas fueling networks. The bill requires the governor to establish a statewide goal at a minimum of 50 percent expansion for the expansion of transportation electrification in this commonwealth based upon a statewide transportation electrification opportunity assessment and regional goals for each group of priority alternative transportation infrastructure counties that are served. Also requires electric distribution companies serving one or more priority alternative transportation infrastructure counties to contract with a qualifying independent transportation analyst to develop a transportation electrification infrastructure regional framework, complete statewide interstate and Turnpike fast electric and natural gas refueling networks, and assess opportunities to increase the deployment of natural gas vehicles to support fleets and other high-value uses. Requires owners of charging stations to remit appropriate alternate fuels taxed to the state; adds hydrogen as a fuel for inclusion in the program. Also requires the costs recovered of an electric distribution company to only be used for the maintenance and expansion of transportation electrification infrastructure.

Reported as amended from House Transportation Committee, read first time, and laid on the table, 3/13/2018

Removed from the table, 3/14/2018

[HB 2255](#) RE: Business in Our Sites Program Loans and Grants (by Rep. Tina Davis, et al)
Amends Title 64 (Public Authorities and Quasi-Public Corporations) in **Commonwealth Financing Authority**, further providing for powers of the authority. The bill establishes that the authority may make contracts and execute instruments that are necessary or appropriate for the undertaking of the securitization of loan repayments under the program established in section 1551, relating to **Business in Our Sites Program**, or other money made available to the program to be made available for additional loans and grants for the Business in Our Sites Program.
Introduced and referred to House Finance Committee, 4/11/2018

Local/Property Taxes

[HB 76](#) RE: Property Tax Independence Act (by Rep. Jim Cox, 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 subject to voter approval; provides for imposition of and exclusions from a sales and use tax for the stabilization of education funding, 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 the Education Stabilization Fund and for senior citizen property tax and rent rebate assistance; and makes repeals. The intent of the bill is to eliminate all school property taxes across the Commonwealth (with the exception of those retained to retire current debt) and will replace those taxes with funding from the Personal Income Tax and the Sales & Use Tax by broadening the sales tax to include more services and products at a new rate of seven percent. Portions are effective June 30, 2018; portions are effective January 1, 2018; and the remainder is effective immediately.
Introduced and referred to House Finance Committee, 4/10/2018

[HR 291](#) RE: Tax Collection Methods (by Rep. Mike Pifer, et al)
A Resolution directing the Department of Revenue, in consultation with the Department of Community and Economic Development and the Independent Fiscal Office with input from counties, municipalities, and school districts, to commence a study to investigate the feasibility and potential cost savings associated with the replacement of local earned income tax collection methods by local taxing committees with a statewide collection method domiciled in the Department of Revenue. Requires the department to furnish a report on its findings to the chairpersons and minority chairpersons of the House and Senate Finance Committees no later than December 31, 2018.
Amended on House floor, and adopted, 3/14/2018 (188-0)

Minimum Wage

NONE

Permitting

[HB 1284](#) RE: Pennsylvania Business Permitting Portal Act (by Rep. Michael Pifer, et al)
Provides for the Pennsylvania Business Permitting Portal within the Department of Community and Economic Development; and establishes the Pennsylvania Business Permitting Portal Advisory Board. The department shall establish the Pennsylvania Business Permitting Portal to provide a single online access point to aid existing and potential business owners in completing the necessary permit applications associated with establishing and operating a business in this Commonwealth.
Reported as amended from House Commerce Committee, read first time, and laid on the table, 3/12/2018
Removed from the table, 4/9/2018

[HB 1959](#) RE: Permit Administration Act (by Rep. Greg Rothman, et al)
Provides for the administration of permits by state agencies, for a tracking system for permit applications, for the establishment of permit programs and for annual reports. The bill requires state agencies to establish, maintain and make available a secure tracking system for applicants to track the status of applications on their websites. Delineates the types of categories that are required for reporting to the General Assembly.
Reported as amended from House State Government Committee, read first time, and laid on the table, 3/13/2018

Procurement

NONE

Sales/Use Taxes

NONE

Workforce Development

[HB 2115](#) RE: [Consolidation of the Commonwealth's Workforce Development System](#) (by Rep. Justin Walsh, et al) Amends the Community & Economic Development Enhancement Act, in transfers of functions; transferring function, duties & entities to DCED; providing for State Apprenticeship & Training Council; providing for membership to the council.

Introduced and referred to House Labor and Industry Committee, 4/4/2018

[HB 2116](#) RE: Coordination of Workforce Development Programs (by Rep. Jack Rader, et al) Amends the Workforce Development Act, in preliminary provisions, further providing for declaration of policy and for definitions; in board, further providing for establishment, for membership, for plan, functions and responsibilities and for State performance management system; in local workforce investment areas and boards, further providing for plan, functions and responsibilities and for local performance measures; and making editorial changes to citations of Federal statutes. The Pennsylvania Workforce Investment Board is moved under the Department of Community and Economic Development (DCED) and the deputy for workforce development is created and assigned duties.

Introduced and referred to House Labor and Industry Committee, 3/27/2018

[HB 2206](#) RE: [CTE Administrator Membership on Local Work Force Development Board](#) (by Rep. James Roebuck, et al) Amends the Workforce Development Act, in local workforce investment areas and boards, further providing for membership.

Introduced and referred to House Education Committee, 4/11/2018

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/>

MONDAY - 4/16/18

House Education Committee

11:00 a.m., Room B31, Main Capitol

To consider: [HB 2206](#) (Roebuck) - Amends the Workforce Development Act, in local workforce investment areas and boards, further providing for membership; and others

WEDNESDAY - 4/18/18

House Commerce Committee

9:15 a.m., Harrisburg University, 14th Floor Auditorium, 326 Market St., Harrisburg

Public hearing on: [SB 234](#) (Blake) - Amends Title 12 (Commerce & Trade) authorizing assessments for energy improvements in districts designated by municipalities.

THURSDAY - 4/19/18

Senate Democratic Policy Committee

11:00 a.m., Penn State Worthington Scranton Campus, 120 Ridge View Drive, Dunmore

Public hearing on "Our Students, Our Workforce, and the Jobs of Tomorrow"

Commonwealth Financing Authority Meeting Schedule (Subject to Change)

Tuesday, May 22nd

10:30 AM

Forest Room, CKB Meeting Center, 1st Floor (plaza) Commonwealth Keystone Building
400 North Street, Harrisburg

Tuesday, July 17

10:30 AM

Forest Room, CKB Meeting Center, 1st Floor (plaza) Commonwealth Keystone Building
400 North Street, Harrisburg

Tuesday, September 18

10:30 AM

Forest Room, CKB Meeting Center, 1st Floor (plaza) Commonwealth Keystone Building
400 North Street, Harrisburg

Wednesday, November 14

10:30 AM

Forest Room, CKB Meeting Center, 1st Floor (plaza) Commonwealth Keystone Building
400 North Street, Harrisburg

For more information:

<https://dced.pa.gov/programs-funding/commonwealth-financing-authority-cfa/>

UPDATED 2018 SENATE SESSION SCHEDULE

April	16, 17, 18, 23, 24, 25
May	21, 22, 23
June	4, 5, 6, 11, 12, 13, 18, 19, 20, 25, 26, 27, 28, 29

2018 HOUSE SESSION SCHEDULE

April	16, 17, 18, 30
May	1, 2, 22, 23
June	4, 5, 6, 11, 12, 13, 18, 19, 20, 21, 25, 26, 27, 28, 29, 30

The Fall Legislative Schedules have not been announced 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>