

# LEGISLATIVE LOCATOR

Your source for legislative reporting and advocacy

A Monthly Publication of the Pennsylvania Municipal League

November 2017

## Take **Action!**

### Local Leaders! Protect the State and Local Tax Deduction (SALT)

As Congress and the Administration continue to negotiate a tax reform package, the future deductibility of state and local taxes (SALT) is at risk. This vital deduction supports middle-class homeowners and public services that benefit all citizens, such as schools, law enforcement, public safety, transportation and infrastructure. Congress is looking to produce a revenue neutral package, meaning that all tax cuts must be paid for, and SALT is the most valuable deduction available.

**We need local leaders to speak up and tell Congress that municipalities and families cannot afford to pay for tax reform.**

**Sign our action letter on tax reform and the budget and appropriations process by clicking below.**

**[TAKE ACTION](#)**

**For more information on the Federal, State and Local Tax deduction, [click here](#).**

## Don't Forget to Update Your Municipality's Information!

Recent local elections may have changed your governing body and administration. Please fill out our electronic forms to keep your municipality up to date with us.

To update your information and receive membership benefits through the PA State Association of Township Commissioners, click [HERE](#).

To update your information as a member of the PA Municipal League, click [HERE](#).



414 North Second Street, Harrisburg, PA 17101 • Phone: 717-236-9469 • Fax: 717-236-6716

Email: [rschuettler@pml.org](mailto:rschuettler@pml.org) — [asturges@pml.org](mailto:asturges@pml.org) • Website: [www.pml.org](http://www.pml.org)

# LEGISLATIVE LOCATOR

## Legislation Enacted

### Act 38 of 2017

#### House Bill 16 (PN 1056)

**Signed: October 30, 2017**

**Effective: January 1, 2018**

Act 38 amends the Local Tax Collection Law by adding a section prohibiting a tax collector from depositing tax payments into an account bearing his or her name. The account must include the name of the office, title or position, or the name of the municipality whereby all taxes collected will be deposited. Further, the account may not be opened using an individual's Social Security number.

The account must be opened within 60 days of the effective date of the Act (unless the existing account meets all of the above criteria), and all moneys must be transferred into the account meeting the above criteria. Further, all tax notices must include an example of the wording as to whom payments must be made and the name of the account so taxpayers can make out their checks accordingly.

### Act 40 of 2017

#### House Bill 118 (PN 2256)

**Signed: October 30, 2017**

**Effective: Immediately with certain provisions taking effect in 60 days**

Act 40 amends the Administrative Code of 1929, providing for implementation of some portions of the Annual Capital Budget. Those provisions under Act 40 affecting local government (excluding counties) are as follows:

- requiring background checks every ten years for employees of a political subdivision or a contractor thereof that receive Federal Tax information from the IRS, Social Security Administration, or any other secondary source;
- removing the January 2020 sunset provision under the Municipal Waste Planning, Recycling and Waste Reduction Act, making the \$2 per-ton fee permanent; and
- keeping all unobligated moneys under the Act 101 Recycling Fund in the Fund by prohibiting

automatic transfers to the Solid Waste Abatement Fund.

All of these aforementioned provisions under Act 40 take effect immediately.

### Act 42 of 2017

#### House Bill 271 (PN 2652)

**Signed: October 30, 2017**

**Effective: The provisions mentioned below are effective immediately**

Act 42 amends Titles 3 (Agriculture) and 4 (Amusements) by extensively revising the gaming provisions in the Commonwealth. Those provisions under the Act, affecting local governments (excluding counties), are as follows:

- Ten additional Category 4 slot machine licenses (subject to the local share assessment) will be auctioned with locations not to occur within 25 linear miles of an existing Category 1, 2 or 3 facility.
- Municipalities are granted a "municipal option" whereby a local government can opt-out of the siting of a Category 4 licensed facility within its borders by passing a Resolution. Adopted Resolutions must be delivered to the Gaming Control Board no later than December 31, 2017.
- Interactive gaming is authorized under the Act with a 2% local share assessment, with 50% going to earmarked accounts depending on what class of county the facility is in.
- Sports wagering is authorized, contributing 2% to the local share assessment.
- Moneys from the local share assessment are authorized to be used as matching funds for other Commonwealth grants or loans (not withstanding provisions of the Capital Facilities Debt Enabling Act).
- A new Casino Marketing and Capital Development Fund is established with moneys not committed under local law enforcement grants to transfer into this account effective immediately.

# LEGISLATIVE LOCATOR

- Truck stops (as defined under the Act) can obtain video gaming terminal licenses that authorize specific types of gambling games outlined in the Act. These licensees will pay a 10% local share assessment tax on their gross revenue.

The distribution to and from various existing funds may be different based on the county and type of facility.

To read the PA Gaming Control Board's latest notice on the Act, [click here](#).

## **Act 43 of 2017**

### **House Bill 542 (PN 2598)**

**Signed: October 30, 2017**

**Effective: Various Dates**

Act 43 amends the Tax Reform Code of 1971 as part of the revenue package to balance the 2017-2018 FY State Budget. The Act legalizes consumer fireworks (bottle rockets, Roman candles, aerial spinners and small firecrackers) in the Commonwealth and imposes a 12% tax on consumer fireworks in addition to the sales and use tax. Of the tax collected, 2% (not to exceed \$2 million) is earmarked for grants to emergency medical services (75% of the 2%) and developing, delivering and sustaining training programs for volunteer firefighters (25% of the 2%). Licensing fees for fireworks facilities can range from \$3,000 for a seasonal tent to \$20,000 for a large, permanent location. (Effective 60 days.)

Sales and use taxes are applied to digital downloads of videos, photos, books, games, music, software and other types of electronic and streamed material. (Applicable to sales beginning after December 31, 2017.)

A 5% excise tax (lodging tax) is imposed on the rent of every occupancy of a hotel room on top of existing hotel taxes collected and remitted by the owner/operator. (Effective immediately.)

The provisions relating to a petition for reassessment by a taxpayer is reduced from 90 days after the date of notice to 60 days. The Board of Appeals must issue a decision within six months of receipt of the petition. Specific delays are acceptable as enumerated under the Act. (Applicable to transactions occurring 60 days after the effective date.)

## **Act 44 of 2017**

### **House Bill 674 (PN 2642)**

**Signed: October 30, 2017**

**Effective: Various Dates**

Act 44 amends the Fiscal Code as part of the State Budget for 2017-2018 FY. The provisions of the Act affecting local governments are:

- Requires any local government receiving any state aid to respond to the Auditor General's audit findings within 120 days of publication of the audit. Future appropriations could be withheld if a response is not made.
- Authorizes \$15 million for water and sewer projects (distribution or reimbursement) costing not less than \$30,000 and not more than \$500,000.
- Authorizes a municipal water or sewer authority to perform the replacement or remediation of private water or sewer laterals for the benefit of public health, the public water supply system or the public sewer system. An authority may utilize public employees and funds.

The provisions mentioned here take effect immediately.

## **Act 46 of 2017**

### **House Bill 790 (PN 2597)**

**Signed: October 30, 2017**

**Effective: 60 Days**

Act 46 amends Title 3 (Agriculture) by adding a chapter entitled "Controlled Plants and Noxious Weeds," as a modernization and consolidation of the "Noxious Weed Control Law," which is repealed with the passage of this Act.

A Controlled Plant and Noxious Weed Committee is established to oversee the designation of noxious weeds and controlled plants and to perform other functions as enumerated in the Act.

If certain prohibited noxious weeds and controlled plants are grown or propagated in a municipality, the property owner and the municipality may be subject to a control order – a directive from the Department of Agriculture that may require the treatment, remediation, containment or eradication of the weed or plant. The cost of the order is borne by the person

# LEGISLATIVE LOCATOR

subject to the order, including the municipality where the person resides, if the person is noncompliant with the order. The cost to the municipality in lieu of the person in noncompliance is recoverable by the municipality via civil penalty following a hearing on the assessment.

Permits are required for plants and weeds on the list and are primarily only granted for educational purposes. Inspection fees are outlined in the Act.

Local laws contrary to the Act are preempted.

## **Act 50 of 2017**

### **Senate Bill 242 (PN 1227)**

**Signed: October 30, 2017**

**Effective: Various Dates**

Act 50 amends the Underground Utility Line Protection Law (One Call) in the following ways:

- Extends the sunset provision of the Underground Utility Protection Law from December 31, 2017, to December 31, 2024.
- Moves oversight of the One Call System from under the Department of Labor and Industry to the Public Utility Commission (PUC).
- Identifies facility owner (public utility, municipality, municipal authority or any entity which owns or operates lines) responsibilities and One Call System duties:

- » Facility owners must:
  - » participate in One Call's Member Mapping Solutions;
  - » respond to facility, nonemergency locate requests;
  - » when a facility owner fails to respond to the original locate request, communicate directly with the excavator within two hours of renotification, providing facility location information;
  - » submit a report to the PUC of alleged violations within 30 days of receiving notice that lines have been damaged, when the cost to repair the damage is greater than \$2,500; and
  - » maintain their own records of main lines abandoned that show the location of the facility.
- » One Call System duties are:
  - » to maintain records of facilities, eliminating the county recorder of deeds as the record holder;
  - » to notify a facility owner as soon as possible when an excavator has identified an unmarked or incorrectly marked facility;
  - » to collect fees for use of the One Call System, which will offset municipal authority costs and provide for operational costs of the System; and

## House and Senate Session Days:

**Senate:** December: 11, 12, 13, 18, 19, 20

**House:** December: 4, 5, 6, 11, 12, 13, 18, 19, 20

# LEGISLATIVE LOCATOR

- » to meet annual auditing requirements authorized with this Act.

A Damage Prevention Committee is established and comprised of appointed stakeholder representatives. The intent of the Committee is to review and report on alleged violations, to issue warning letters and to impose initial penalties.

The PUC must draft temporary regulations within one year to carry out the provisions of this Act. The PUC is further authorized to levy administrative penalties for violations of the Act, not to exceed \$2,500 per violation.

Program costs for PUC enforcement provisions are effective immediately. The rest of the Act is effective in 180 days.

## **Act 53 of 2017**

**Senate Bill 690 (PN 848)**

**Signed: October 30, 2017**

**Effective: 60 Days**

Act 53 amends the Home Rule Charter and Optional Plans Law in Title 53 (Municipalities Generally) authorizing the governing body of a home rule municipality without a mayor to appoint initial

and subsequent members to the Apportionment Commission. The appointments must otherwise be consistent with the Municipal Reapportionment Act.

## **Act 54 of 2017**

**Senate Bill 691 (PN 849)**

**Signed: October 30, 2017**

**Effective: 60 Days**

Act 54 amends Title 53 by adding a section that establishes uniform residential qualifications for persons who have been away on military active duty and are now seeking local elected office. A person on military leave shall be deemed to be an ongoing resident of a municipality until he or she indicates otherwise.

## **Legislation of Interest**

### **Local Use of Radar Gains Traction**

Great work everyone! Thanks to your efforts, **Senate Bill 251 (PN 1316) passed through the Senate on November 14, with a vote of 46/3** – after picking up a small amendment on the floor, removing the annual reporting requirement for local police departments to the Department of Revenue on moneys generated through LIDAR and RADAR. Otherwise, the bill remains the same. See our [summary in the October issue](#) for more details. The bill is now before the House Transportation Committee.

# LEGISLATIVE LOCATOR

## 2018 Governor's Awards for Local Government Excellence Application

*Deadline Extended to December 15*

*Do you have local government leaders in your community who demonstrate exceptional dedication to improving public services?*

Each year, the Governor's Awards for Local Government Excellence are presented to local government leaders who have demonstrated exceptional dedication to improving public services through innovative projects or initiatives.

**We are accepting nominations for the 2018 Governor's Awards for Local Government Excellence through December 15, 2017.**

Visit the [Local Government Day Awards webpage](#) to learn more about the judging criteria for each category, the award guidelines, and submitting a nomination.

**SUBMIT NOMINATION**

**The Department of Community and Economic Development** is accepting applications for the [PA Small Water and Sewer Program](#) now through February 28, 2018.

### Uses

Municipalities and municipal authorities may apply for grants to support the construction, rehabilitation, repair or expansion of a water supply or sanitary sewer system owned and maintained by the municipality. Eligible projects for the PA Small Water and Sewer Program must have a total project cost between \$30,000 and \$500,000.

Grants require a 15% match which may come from any other source.

**APPLY**



Save the Date!

# 2018 PML Capitol Conference

Tuesday, January 23, 2018  
Hilton Harrisburg



## Session Topics:

Overview of State Planning Board Report &  
PEL Communities in Crisis Report

Municipal Pension Reform Panel

Environmental Rights Amendment of the PA Constitution

Success Stories - Combating Blight

Opioid Update Panel

Legislative Update & Advocacy Toolkit

\*Registration will be open early December, stay tuned for additional information\*

## LEGISLATIVE LOCATOR | **NLC** Update

### Shape National Municipal Policy Join a Federal Advocacy Committee

#### SEVEN ADVOCACY COMMITTEES

- Community and Economic Development
- Energy, Environmental and Natural Resources
- Finance, Administration and Intergovernmental Relations
- Human Development
- Information, Technology and Communications
- Public Safety and Crime Prevention
- Transportation and Infrastructure Services

**APPLY AT [NLC.ORG/LEAD](https://www.nlc.org/lead)**

*Committee Applications Due Friday, December 1*