

**Malady & Wooten, LLP**

Legislative Report

April 12, 2013

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**Pennsylvania Golf Course Owners Association**

**LEGISLATIVE UPDATE**

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**Session Schedule:**

**2013 HOUSE SESSION SCHEDULE**

|       |                                                         |
|-------|---------------------------------------------------------|
| April | 15, 16, 17, 22, 23, 24                                  |
| May   | 6, 7, 8, 13, 14, 15                                     |
| June  | 3, 4, 5, 10, 11, 12, 17, 18, 19, 20, 24, 25, 26, 27, 28 |

**2013 SENATE SESSION SCHEDULE**

|       |                                                     |
|-------|-----------------------------------------------------|
| April | 15, 16, 17, 29, 30                                  |
| May   | 1, 6, 7, 8, 9, 13, 14                               |
| June  | 3, 4, 5, 10, 11, 12, 17, 18, 19, 24, 25, 26, 27, 28 |

## **PENNSYLVANIA BULLETIN ANNOUNCEMENTS**

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### **NAVIGATION COMMISSION FOR THE DELAWARE RIVER AND ITS NAVIGABLE TRIBUTARIES Proposed Rulemakings**

[General revisions](#)

### **STATE BOARD OF LANDSCAPE ARCHITECTS Proposed Rulemakings**

[Continuing education and elimination of registration without examination](#)

## **COSPONSOR MEMOS**

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Sen. Brubaker

- [Fertilizer Use On Turf](#)

Rep. Readshaw

- [Storm Water Management](#)

## **COMMITTEE MEETINGS**

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### **House Tourism and Recreational Development (INFORMATIONAL) THURSDAY - 4/25/13**

**11:00 a.m., Seminary Ridge Museum, 111 Seminary Ridge, Gettysburg**

Presentation from local tourism officials on the upcoming 150th anniversary of the Battle of Gettysburg

### **House Tourism and Recreational Development (INFORMATIONAL) WEDNESDAY - 5/8/13**

**9:00 a.m., Harrisburg Hilton, 1 North Second Street, Harrisburg**

Informational meeting on tourism industry policy priorities

### **House Tourism and Recreational Development (PUBLIC HEARING) THURSDAY - 5/16/13**

**9:00 a.m., Room 140 Main Capitol**

Public hearing on:

- |               |                  |                                                                                                                                                                                                     |
|---------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>HB 871</b> | <b>Day, Gary</b> | Amends Title 53 (Municipalities Generally), in other subjects of taxation, further providing for excise tax on hotel room rental.                                                                   |
| <b>HB 872</b> | <b>Day, Gary</b> | Amends the Tax Reform Code, in sales and use tax, further providing for definitions.                                                                                                                |
| <b>HB 873</b> | <b>Day, Gary</b> | Amends the County Code, in fiscal affairs, further providing for authorization of certain hotel room rental taxes; & in grounds & buildings, further providing for certain hotel room rental taxes. |

**HB 874 Day, Gary** Amends the Community and Economic Improvement Act further providing for definitions relating to tourism and marketing tax.

**HB 875 Day, Gary** Amends Title 64 (Public Authorities & Quasi-Public Corporations), in PA Convention Center Authority, further providing for hotel room rental tax and continuation of existing tax.

**House Democratic Policy Committee (INFORMATIONAL)**

**THURSDAY - 6/6/13**

**10:00 a.m., Room 418 Main Capitol (Rescheduled from 3/21/13)**

Informational public briefing on PA Fish & Boat Commission's Fiscal Slope: Spending Reallocation Plan and Revenue Generating Options

**COMMITTEE NEWS**

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**House Finance Committee**

*4/9/13, 9:45 a.m., Room 60, East Wing*

The committee met to consider bills.

HB 301 Saylor, Stanley - (PN 539) Amends the Tax Reform Code providing for a natural gas fleet vehicle tax credit. The bill establishes guidelines for eligibility, application process, approval and maximum amounts for tax credits. The bill provides for \$25 million annually for this tax credit and provides also for penalties. - The bill was **reported as amended** with Minority Chairman Phyllis Mundy (D-Luzerne), Rep. Tim Briggs (D-Montgomery), Rep. Mary Jo Daley (D-Montgomery), Rep. Madeleine Dean (D-Montgomery), Rep. Sid Kavulich (D-Lackawanna), Rep. Bill Kortz (D-Allegheny) and Rep. Adam Ravenstahl (D-Allegheny) voting in the negative.

Rep. Stan Saylor (R-York), prime sponsor of the bill, stated this bill provides tax credits for companies who will utilize natural gas in their vehicles and must submit to the Department of Community and Economic Development (DCED) a four year plan to convert all the vehicles in their fleet to natural gas.

Rep. Rick Mirabito (D-Lycoming) asked what the rationale is for having the Chairman of the Marcellus Shale Coalition on the board that determines which company receives the tax credit. Rep. Saylor replied there may be a number of people that apply for this grant and the money should truly go to a company that has a plan to implement a total conversion of their fleet and people with experience in natural gas can offer expertise and advice. Rep. Mirabito stated this could create conflicts of interest and the politics of different organizations could disadvantage some businesses.

Chairman Mundy stated "it would be one thing if we had a decent severance tax on the Marcellus Shale industry but we don't and that's enough of a slap in the face to the citizens of Pennsylvania that every other natural gas producing state does, but now we add insult to injury by subsidizing this industry with tax dollars." She noted the state should not be subsidizing an extremely wealthy industry but investing more in the renewable energy portfolio such as wind or solar.

Rep. Saylor stated the focus cannot be on something that is not viable and natural gas is a resource the state has and it will create jobs in Pennsylvania. He added "it is time to use our own resources to benefit

Pennsylvania citizens." He noted this package of bills put in to practice what other states are already doing from Wisconsin to California. He emphasized "we have an opportunity to clean up our air by using a Pennsylvania resource and it is a failure of us not to take advantage of that and serve the best interest of the taxpayers of this Commonwealth."

Rep. Fred Keller (R-Snyder) clarified that all companies are eligible for the tax credit and not just companies that specialize in natural gas. He stated there are other states that charge a severance tax such as Texas, but those states also have no income tax. He added Pennsylvania collected five times more in actual dollars collected with the impact fee "and to say they aren't paying any taxes is simply not true." He noted this tax credit is a way for Pennsylvania companies to keep some of their money and reinvest it in more jobs opportunities.

Rep. Gabler stated this tax credit "is a way to make sure that we've got the market to use our domestically produced energy here" and one of the things holding the state's economy back is finding a market for the gas being produced and it is important to make sure Pennsylvania has the domestic market for natural gas.

Rep. Margo Davidson (D-Philadelphia) stated it is important to strengthen companies that have a large fleet and help them convert their vehicles into more environmentally friendly vehicles. She said she doesn't believe this tax credit will automatically create jobs but it "is a good step forward."

Rep. Mirabito stated a severance tax is a tool and Texas is "plowing hundreds of millions into their education system because they know there is a world after gas." He noted he is suggesting using a severance tax as a tool to secure future generations and build a quality higher education system.

Rep. Roae stated Edinboro University spent \$1.3 million dollars on a solar panel and that panel has only produced \$18,000 worth of electricity. He noted solar is a nice concept but is not really cost effective and most of the companies that received federal stimulus for solar projects are going bankrupt. He emphasized natural gas is feasible and "literally right under our feet."

Rep. Jordan Harris (D-Philadelphia) stated he does support this legislation but does share concerns of having members of the Marcellus Shale Coalition on the board. He added the state should revisit the notion of having a severance tax and would like to see tax credits for education institutions that have training programs for Pennsylvania students who will be working in the natural gas industry.

Chairman Mundy stated "I don't really understand this job creation notion that tax credits, tax breaks and tax incentives and corporate subsidies are the way to economic development and we have gone way too far with this notion and this is trickle-down economics at its worst."

**A00647** by Lawrence, changes the definition of "dedicated natural gas vehicle" and "dedicated liquefied natural gas vehicle" to conform with industry language and removes retro-fitting vehicles for the tax credit. The amendment also changes Department of Revenue to Department of Community and Economic Development as the agency to administer the tax credit, as the state does with other tax credits and establishes an application period that does not exceed 90 days so there are rolling tax credit approvals. The amendment also establishes a tax credit cap at \$25 million per fiscal year and one million dollars per company in a fiscal year. The amendment was **adopted** Chairman Mundy and Representatives Briggs, Daley, Dean, Kavulich, Kortz and Ravenstahl voting in the negative.

Chairman Mundy asked what the purpose was for changing those specific definitions. Rep. Lawrence replied the definitions were changed to bring them in line with standard industry language. Chairman Mundy added it was her understanding the new definitions would not be in compliance with Act 13. Rep. Lawrence responded this legislation is separate from Act 13 and does not amend Act 13 but proposes a tax credit to companies who want to utilize natural gas. Charles Quinnan, Democratic Executive Director, clarified the definition of "dedicated compressed natural gas vehicle" is being amended by removing a

statistical threshold and removes any threshold that quantifies what a natural gas vehicle is. Tammy Fox, Republican Executive Director, replied that while they are striking out the threshold for "dedicated compressed natural gas vehicle", there is still the same threshold for "dedicated liquefied natural gas vehicle" and also requires the vehicle to be from an original or third party manufacturer.

Chairman Mundy asked if the amendment only allows a tax credit for purchasing new natural gas vehicles. Chairman Benninghoff replied the concern is that someone would try to retro-fit something in their garage for this requirement and purchasing from a manufacturer ensures continuity. Chairman Mundy asked if it was possible for a company to have their fleet vehicle registered in Pennsylvania but operate them out of state for business purposes. Fox replied most vehicles being utilized for the tax credit are vehicles that do cross state lines and there is no way to monitor the requirement to operate the vehicle in the state 80 percent of the time, in order to ensure this tax credit was utilized by a Pennsylvania company it requires a Pennsylvania registration for the vehicles. Rep. Saylor added the bill actually addresses what a company has to do to qualify for the tax credit. Chairman Mundy asked if an applicant that is not approved has to reapply every year. Fox replied an applicant has to reapply every fiscal year.

**HB 305 Denlinger, Gordon** - (PN 543) Amending the Tax Reform Code providing for a natural gas corridor tax credit. The legislation establishes guidelines for eligibility, application process, approval and maximum amounts for tax credits and for \$5 million annually for this tax credit. The bill also details penalties. - The bill was **reported as amended** with Democrats voting in the negative.

Rep. Matt Gabler (R-Clearfield) stated "if you don't have the fueling stations no one is going to buy natural gas vehicles." He said the Commonwealth has an opportunity to convert from a fuel source where people are currently paying \$3.50-\$3.90 per gallon to paying \$1.80 to \$2.00 per gallon. He added if you decrease the demand on gasoline and diesel and decrease the transportation costs it will decrease prices and be beneficial for consumers.

Chairman Mundy asked what cuts will be made in the budget to pay for these tax credits. Rep. Denlinger replied the natural gas industry is starting to contribute significantly to the revenue stream and growth in the industry will make it a worthwhile investment. Chairman Mundy asked what provisions are incorporated that help make sure the tax credits are being used correctly since companies are receiving tax credits before construction occurs. Rep. Denlinger replied companies will receive a certificate of credit that would be good to use with their financial company and there is an 18 month window for the construction of the facility. He added payment would occur upon the submission of the expenditures actually incurred. Fox stated there are two sets of penalties which are part of the contract with DCED to ensure the tax credit is being utilized correctly. Chairman Mundy stated this bill is another corporate giveaway and doesn't believe companies like Exxon Mobile need this money and they should be promoting their own product.

Rep. Denlinger stated "we need to start to think of the day when there is a fueling within a reasonable distance along major roadways" and "once we get the ball rolling we will see huge things grow out of this." He noted having expert voices from the Marcellus Shale Coalition in the decision making process is positive and the final decision actually rests with the Secretary of Revenue.

Rep. Mirabito commented it doesn't make any sense to be subsidizing a company that profits millions of dollars per year.

Rep. Dean asked what the criteria was used for determination of eligible corridors. Rep. Denlinger stated they looked at the highest volume limited access highways in the north, south, east, and west. Rep. Dean asked if more corridors are included in the bill if more money would be added. Rep. Denlinger stated there is no intention at this point to alter the size of the tax credit.

**A00344** by Denlinger, brings the bill in line with other tax credits and establishes DCED to receive tax credit applications, establishes a maximum of a 90 day rolling application period and caps the tax credit at

\$5 million per fiscal year and \$500,000 per company per fiscal year. The amendment was **adopted** with Democrats voting in the negative.

Rep. Davidson stated "this particular legislation is a bit more troubling to me" and emphasized tax credits do not automatically create jobs and this legislation addresses a specific business: gas station owners. She asked if the prime sponsor of bill was aware of any corporate subsidies for the conversion of natural gas by other companies such as PECO that have helped gas stations to convert. Rep. Denlinger replied he is not aware of any specifically but development of this infrastructure is critical and there has to be fueling stations around the state so not only commercial interests can get to them but also for the day when individuals are converting their vehicles to natural gas. Rep. Davidson stated she shares concerns about this tax credit being done through taxpayer dollars when there are other resources available to create this infrastructure. Rep. Denlinger added these stations are not being built at this point and the economics have not spurred that development.

Rep. Mirabito asked what the cost was to build a natural gas fueling station. Rep. Denlinger replied the tax credit provides for both a conversion to add natural gas or to build a new station. He stated it cost about two million dollars to convert a station and six million dollars to build a new one. Rep. Mirabito stated he has concerns with this legislation that "we are subsidizing many out of state corporations that already have the resources to invest."

Rep. Brad Roae (R-Crawford) noted I-90 was not a part of the bill and asked if the sponsor was open to adding other interstates. Rep. Denlinger replied he is open to entertaining that discussion.

**A00662** by Greiner, adds I-276 to the list of eligible corridors and eliminates the spacing requirements for regions that are classified as non-attainment areas under the Clean Air Act. The amendment was unanimously **adopted**.

Rep. Mundy asked why more corridors in the Northeast were not added. Rep. Denlinger replied the initial list was drafted to try to include the major routes in the north, south, east, and west and reiterated he is open to a broader discussion.

**HB 309 Grove, Seth** - (PN 547) Amends the Tax Reform Code providing for a natural gas vehicle tax credit. The bill outlines rules and guidelines for the allocation of tax credits; for eligibility, and for use of credits. The legislation stipulates maximum amounts of tax credits in given years. - The bill was **reported as amended** with Chairman Mundy and Representatives Mundy, Briggs, Daley, Dean, Kavulich, Kortz and Ravenstahl voting in the negative.

Rep. Seth Grove (R-York) stated the reason behind the bill is to create a local network of natural gas vehicles and provides tax incentives for businesses across Pennsylvania to purchase natural gas vehicles.

**A00631** by Gabler, removes all references to the Internal Revenue Code and changes the percentage that is allowed to be utilized by a company that purchases a tax credit. The amendment was unanimously **adopted**.

Chairman Mundy asked why the reference to the Federal Research Tax Incentive Program was taken out. Fox replied the program had nothing to do with the actual tax credit.

**A00618** by Grove, clarifies language of the bill to ensure DCED will receive credit applications. The amendment was unanimously **adopted**.

Rep. Mirabito asked if the Commonwealth's tax credits go through DCED or the Department of Revenue. Fox replied the application process goes through DCED and the regulations are in conjunction with the Department of Revenue which also administers the actual utilization of the tax credit.

## House Environmental Resources and Energy Committee

4/10/13, 9:00 a.m., Room 60 East Wing

The committee met to consider bills.

Chairman Ron Miller (R-York) explained that the bills are the Marcellus Works Bill Package.

**HB 306 Pickett, Tina** - (PN 544) The Keystone Fuels Incentive Act establishes a Keystone Fuel Incentive Fund in the Treasury, to be used for grants to taxi companies, school districts and other political subdivisions, and individuals for the purchase of bi-fuel vehicles as defined under the act. Stipulates maximum grant amounts, eligibility, application process and provides for appeals. - The bill was unanimously **reported as amended**.

**A00676** by Miller was **withdrawn**.

**A00654** by Vitali, keeps the Alternative Fuels Incentive Act intact and creates the program included in the legislation. The amendment was unanimously **adopted**.

Rep. Steve Santarsiero (D-Bucks) noted that he will be supporting the bills before the committee but expressed concern about natural gas drilling in Pennsylvania. "Many of us feel there are not adequate safeguards for the process in extracting natural gas in the Commonwealth," he stated. "There are not adequate funds to support the personnel in the various agencies that oversee the process and in some ways incentivizing the industry to use more natural gas puts the cart in front of the horse."

**HB 302 Moul, Dan** - (PN 540) The Keystone Transit Program Act provides for a transfer of \$5 million in funds from the Oil and Gas Lease Fund to the Department of Environmental Protection for a competitive grant program for transition of small mass transit bus fleets to compressed natural gas. The bill outlines rules for the application process and for eligibility. - The bill was **reported as amended** with Rep. Tim Krieger (R-Westmoreland) and Rep. Carl Metzgar (R-Somerset) voting in the negative.

**A00642** by Vitali was **withdrawn**.

**A00673** by Miller, changes the funding source for the program from the Oil and Gas Lease Fund to the Gross Receipts Tax, moves the funding to the 2014-2015 Fiscal Year, and makes technical changes. The amendment was unanimously **adopted**.

Minority Chairman Greg Vitali (D-Delaware) expressed support for the amendment. "It's doing a good thing by not taking money from the Oil and Gas Lease Fund," he stated. "The fund is funded by resources of our state parks and the purpose of the fund is to put it back into state parks and forests for infrastructure and not to be used for other non-conservation purposes."

**A00687** by Vitali, expands the bill to allow transit authorities to also fund alternative fuel vehicles in addition to compressed natural gas (CNG). The amendment **failed** with Rep. Chris Ross (R-Chester), Chairman Vitali, Rep. Matt Bradford (D-Montgomery), Rep. Jordan Harris (D-Philadelphia), Rep. Steve McCarter (D-Montgomery), Rep. Santarsiero voting in the affirmative.

Chairman Vitali explained that the amendment would not "pick winners and losers" and allow the transit authorities to go beyond just natural gas.

Chairman Ron Miller (R-York) spoke against the amendment. "The whole purpose of this package of bills is to incentivize a product we have plentiful in Pennsylvania," he stated.

Rep. Ross expressed support for the amendment. "I generally agree with the concept that there are more technologies that are being covered here that will do positive things both for Pennsylvania's transit systems being efficient and allowing for alternative fuels," he stated.

Chairman Vitali noted that biofuels would be included under the amendment. "Biofuels are produced by Pennsylvania farms growing soybeans so you are supporting Pennsylvania agriculture when you are supporting biofuels," he stated.

Rep. Jeff Pyle (R-Armstrong) spoke against the amendment. "We have wealth of CNG to last beyond our lifetimes," he stated. "We know it can be compressed and sold cheaply and cut the fuel costs to any mass transit agency that adopts it by a factor of half."

Rep. Steve McCarter (D-Montgomery) expressed support for the amendment. "While I'm in agreement that we need to develop our natural gas industry to the point where we can use that as a resource for Pennsylvania, we also need to think about beyond our own lifetime," he stated. "We are going to have to make the transition to other fuels away from our carbon-based fuels. We need to give as many alternatives as we can."

**A00675** by Barbin was **withdrawn**.

Rep. Bryan Barbin (D-Cambria) noted that he would be offering an amendment on the House Floor. "We need to look at the infrastructure," he stated. "If you could get one of these pumping facilities in each one of the transit locations, you'd have an opportunity for a person to go to that transit authority to fill up and there are pumping systems available for home use. Between the two of those things you could have a new market."

Rep. Kathy Rapp (R-Warren) said the House Finance Committee reported out bills that address issues related to the pumping stations.

**HB 307 Evankovich, Eli** - (PN 545) Amends the Air Pollution Control Act providing for the Clean Vehicles Program, stipulating that in addition to the exceptions to the adoption, incorporation and application by the Clean Vehicles Program of the provisions of the California Low Emission Vehicle Program, Title 13 CCR, Division 3, Chapters 1 and 2, contained under 25 Pa. Code 126.411(b) (relating to general requirements), the provisions of Title 13 CCR, Division 3, Chapter 1, 2030 (relating to liquefied petroleum gas or natural gas retrofit systems) shall also be excepted. - The bill was **reported as committed** with Chairman Vitali, Rep. Bradford, Rep. Harris, Rep. McCarter, Rep. Santarsiero voting in the negative.

Chairman Vitali questioned how changes to the California Air Resources Board (CARB) standards will affect the legislation. Executive Director Jonathon Lutz stated "I'm told they are in the process of drafting some changes; I would suggest that is in the draft stage and have no idea when that will become finalized, this bill addresses the issue today."

Chairman Vitali said he would be voting no on the bill because "my comfort level is not there, my understanding is not there."

Rep. Eli Evankovich (R-Westmoreland), prime sponsor of the bill, gave an overview of the legislation and stated "all we're doing is converting back to the EPA standard."

In regard to the CARB rules, Chairman Miller noted "I hate to be dependent on the federal government to decide what we are going to do but I dislike even more being dependent on what some other state may or may not do; we need to proceed with what Pennsylvania wants to do."

**HB 303 Watson, Katharine** - (PN 541) The Clean Transit Program Act provides for a transfer \$7.5 million in funds from the Oil and Gas Lease Fund to the Department of Environmental Protection for a loan

program for the transition of large mass transit bus fleets to compressed natural gas. The legislation further outlines rules for the application process and for eligibility. - The bill was **reported as amended** with Rep. Krieger voting in the negative.

Rep. Kathy Watson (R-Bucks), prime sponsor of the bill, gave an overview of the legislation and commented it is the "fraternal twin" of HB 302.

**A00674** by Miller, changes the funding source for the program from the Oil and Gas Lease Fund to the Gross Receipts Tax; and makes technical changes. The amendment was unanimously **adopted**.

**A00648** by Vitali was **withdrawn**.

**A00688** by Vitali was **withdrawn**

**HB 308 Saylor, Stanley** - (PN 546) Amends the Air Pollution Control Act, establishing the Keystone Vehicle Program to award Keystone Vehicle Grants. Stipulates in fiscal year 2013-2014 through fiscal year 2018-2019, \$6 million of the amount of funds deposited in the Clean Air Fund shall annually be used for Keystone Vehicle Grants. The bill also provides for application process, for eligibility and for usage. - The bill was **reported as amended** with Rep. Krieger, Rep. Metzgar, Chairman Vitali, Rep. Bradford, Rep. McCarter, Rep. Santarsiero voting in the negative.

**A00652** by Vitali was **withdrawn**.

**A00664** by Miller, changes the funding source for the program from the Clean Air Fund to the Gross Receipts Tax; moves funding to funding to Fiscal Years 2018 to 2020; and makes technical changes. The amendment was unanimously **adopted**.

Chairman Vitali spoke against the bill. "We have a limited budget and the use of tax dollars to support infrastructure like gas charging stations and electric charging stations gives you a bit more bang for your buck," he stated.

## **BILL REPORT**

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**\*ATTACHED TO THE REPORT\***

## **STATE NEWS**

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### **TOP COURT TO RULE ON JUDGES' RETIREMENT**

Efforts are underway on several fronts to abolish the long-standing constitutional requirement that Pennsylvania judges and justices retire at age 70. The issue ultimately may be decided by a group with a direct interest in the outcome: the state Supreme Court, which has four members who will reach that age in the next five years. The high court recently took the unusual step of assuming jurisdiction in a lower court case challenging mandatory retirement for judges and justices, and it ordered an expedited hearing of the issue. The justices will hear arguments May 8.

### **STACK, EICHELBERGER UNVEIL REFORM PACKAGE**

Sen. Mike Stack (D-Philadelphia) and Sen. John Eichelberger (R-Blair) held a press conference to unveil a package of nine bills, SB 750 to SB 758, that aims to reform state government. "Reform, openness, transparency, accountability in government; we've spoken these words many times but I think we put them into action far less than we should," Sen. Stack stated. "Too often our current laws allow the

appearance, at least, of cozy relationships between special interests. It's dispiriting and it erodes the public faith. We need to work harder at making even the appearance of impropriety a thing of the past."

### **GROVE UNVEILS MUNICIPAL PENSION REFORM PROPOSAL**

Rep. Seth Grove (R-York), municipal leaders, and advocates held a media event to unveil a proposal to reform municipal pensions. Rep. Grove noted one area of pension reform that has been left out of current proposals has been dealing with municipal pension problems. He said, "It is critical we provide some pension reform to our municipalities" to protect current pensioners and ensure pensions are adequately funded moving forward for new employees. Rep. Grove said new employees will be put into a "cash balance" plan that vests at different times and is portable across the Commonwealth.

## **IN THE NEWS**

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### **Benninghoff, Finance Committee Send Natural Gas Bills to Full House**

4/9/2013

**HARRISBURG** – The House Finance Committee, chaired by state Rep. Kerry Benninghoff (R-Centre/Mifflin), today approved three bills that would provide various tax credits aimed at increasing the use of natural gas as a vehicle fuel in Pennsylvania.

"Natural gas is a homegrown, clean-burning energy source that we are producing right here in Pennsylvania," Benninghoff said. "If we are serious about energy independence, then we need to look for ways to better use our domestic energy sources. Running vehicles on Pennsylvania natural gas makes a lot more sense to me than running them on oil from countries that don't like us very much."

The committee approved a package of bills that would provide a total of \$60 million in annual tax credits to help taxpayers purchase natural gas-powered vehicles, establish natural gas refueling stations along major interstates and encourage companies to transition to natural gas-powered vehicle fleets.

[House Bill 309](#) would provide \$30 million in annual tax credits for taxpayers who purchase large natural gas-powered vehicles.

[House Bill 305](#) would provide \$5 million to companies that add natural gas pumps to existing gasoline stations or build new natural gas fuel stations along major transportation corridors within the Commonwealth. Locally, this credit would be available for such stations built within two miles of Interstate 80.

"We need natural gas-powered vehicles and we need stations for them to refuel," Benninghoff said. "These bills address the situation from both angles. The job creation potential through both building the vehicles and the fuel stations is tremendous. Obviously, the fuel stations will require significant construction work. The vehicles will require natural gas-powered engines and I'd love to see those built here in the Commonwealth."

The Committee also approved [House Bill 301](#), which would provide \$25 million in tax credits for companies that transition their vehicle fleets from gasoline or diesel to natural gas-powered vehicles.

The bills now head to the full House for consideration.

## **Natural Gas Incentive Legislation Moved by Miller, House Committee**

**HARRISBURG** – Five pieces of legislation designed to encourage use of natural gas in Pennsylvania may now be voted by the full House following passage today by the House Environmental Resources and Energy Committee, chaired by state Rep. Ron Miller (R-Jacobus).

The bills, along with three bills moved Tuesday by the House Finance Committee, are part of the Marcellus Works Package.

“The Marcellus Shale industry becomes a true asset only if we unlock the means to put this abundant natural resource into use,” said Miller. “This package of legislation, and the Marcellus Works package in general, will serve as the stimulus for individuals and industry to fully employ natural gas and reduce transportation costs.”

The bills passed by the committee are as follows:

- [House Bill 302](#) – Establishes the Keystone Transit Program to provide a competitive grant program for the transition of small mass transit bus fleets to compressed natural gas.
- [House Bill 303](#) – Establishes the Clean Transit Program to provide loans for the transition of large mass transit bus fleets to compressed natural gas.
- [House Bill 306](#) – Promotes grants for taxi companies, school districts and individuals to purchase natural gas vehicles.
- [House Bill 307](#) – Exempts vehicles capable of running on gasoline or natural gas from the Pennsylvania Clean Vehicles Program by requiring one emissions test per vehicle (current law requires two).
- [House Bill 308](#) - Establishes the Keystone Vehicle Program through the Clean Air Fund to provide grants for natural gas conversion for fleet vehicles and construction of natural gas fueling stations.

Miller emphasized the need to put this legislation into law as soon as possible, citing compressed natural gas (CNG) vehicles being 15 percent more cost effective over the life of the vehicle than their gasoline-powered counterparts.

“CNG vehicles are slowly making their way into the market, but the effort will stall without the necessary infrastructure,” he commented. “Who is going to purchase one of these cars if we remain stuck with only seven CNG filling stations in the Commonwealth?”

“These incentives will lead to increased demand for natural gas, which will in turn create jobs in the infrastructure and service sectors, in addition to reducing our dependence on foreign oil,” continued Miller. “Marcellus Works is a vehicle for energy independence that will create new avenues in the effort to address what, to this point, has been a jobless economic recovery.”

## **Coalition for an Affordable Bay Solution (CABS) Launches Website**

MANHEIM, Pa.--([BUSINESS WIRE](#))--The Coalition for an Affordable Bay Solution (CABS) announces the launch of its website, [AffordableBaySolutions.org](http://AffordableBaySolutions.org), which enables supporters to sign-on in support of its policy and legislative efforts. The website will continuously update its progress and post proposed legislation once introduced.

The founding members of the Coalition represent both Chesapeake Bay and national technology providers and industry participants, and include [Bion Environmental Technologies, Inc](#); [JBS, SA](#); [Kreider Farms](#); and [Fair Oaks Farms](#). The head of the Coalition is Ed Schafer, Bion's Vice Chairman and former US Secretary of Agriculture and Governor of North Dakota.

CABS supports the creation of a competitively bid nitrogen trading program in Pennsylvania as a potential national model. The program will enable private sector agriculture to solve the excess nutrient issue which the US Environmental Protection Agency now calls the biggest water quality problem in the nation today.

The expensive public sector municipal waste and storm water solutions currently being imposed on states are economically unsustainable and cannot meet EPA mandated reduction targets. CABS seeks legislative policy change that will enable private sector agriculture to provide reductions at up to 80% lower cost than existing public sector solutions. The proposed competitive bidding program will enable all sources (public and private; point and non-point) to participate in solving this national problem in a cost effective and affordable manner.

According to a [recent report by the bi-partisan Pennsylvania Legislature, Budget & Finance Committee](#), a competitively-bid nitrogen program could reduce Pennsylvania's Chesapeake Bay nutrient compliance cost by as much as 80%, representing a projected mandated compliance savings by 2025 in excess of \$1.5B annually.

Kreider Farms, located in Pennsylvania's Lancaster County, has experienced remarkable results after implementation of a livestock waste treatment system, in collaboration with [Bion Environmental Technologies, Inc](#). "In addition to significant cost-saving, the programs CABS supports would provide improvements to our local public health and quality of life, and stimulate economic activity in our communities," said Ron Kreider, president and CEO and the third-generation family leader of Kreider Farms.

For more information on CABS, please visit [www.AffordableBaySolutions.org](http://www.AffordableBaySolutions.org). For more information about Bion, please visit [www.biontech.com](http://www.biontech.com). For more information on Kreider Farms, please visit [www.kreiderfarms.com](http://www.kreiderfarms.com).

### **Mount Airy Casino Resort Earns 2013 AAA Four Diamond Award® Designation For Third Consecutive Year**

#### **Mount Airy is the only casino resort in all of Pennsylvania to be ranked a four-diamond property**

MOUNT POCONO, Pa., April 10, 2013 /PRNewswire/ -- For the third consecutive year, Mount Airy Casino Resort, a destination offering incomparable casino gaming, picturesque settings, lavish ambiance, exceptional fine dining, luxury accommodations, outdoor activities and unrivalled amenities, has been awarded the prestigious AAA Four Diamond Rating. Mount Airy Casino Resort remains the only casino resort in Pennsylvania to have received this prominent award.

(Photo: <http://photos.prnewswire.com/prnh/20130410/NY91814> )

The AAA Four Diamond Rating is assigned to lodgings that feature an extensive array of amenities combined with a high degree of hospitality, service, and attention to detail. Restaurants at this level offer a distinctive fine-dining experience marked by high-quality ingredients, creative presentation and attentive service. Only 4.8 percent of the 30,000 lodgings approved by AAA make the Four Diamond list.

"We are particularly proud to have achieved this award for three consecutive years," John Culetsu, Executive Vice President and General Manager. "We are honored to be recognized as a AAA Four Diamond establishment, and are committed to providing a premier gaming resort destination to all of our guests by continuing to consistently exceed expectations."

"AAA Four Diamond Award winners consistently deliver superior hospitality marked by personal service and extensive amenities in high-quality, comfortable surroundings," said Michael Petrone, AAA director of Tourism Information Development. "To achieve and maintain this level of service is a commendable accomplishment, and AAA is pleased to honor Mount Airy Casino Resort."

04-12-2013 **State urgently subsidizes rich interests**

Gov. Tom Corbett and like-minded members of the state Legislature scoff at the notion that taxpayers should subsidize the development of an alternative energy industry. They have killed a once-promising solar manufacturing industry in the state and have slowed wind development.... - [Scranton Times](#)

04-11-2013 **Pickett proposal to apply incentives for natural gas vehicle purchases heads to House floor**

HARRISBURG - The House Environmental Resources and Energy Committee on Wednesday endorsed Rep. Tina Pickett's (R-Bradford/Sullivan/Susquehanna) proposal to provide grants to municipalities, schools and the private sector for the purchase of natural gas vehicles.... - [Towanda Daily Review](#)

04-10-2013 **House panel approves Marcellus tax credits**

HARRISBURG - Bills to provide millions of dollars of state tax credits to develop natural gas markets were approved by a House committee Tuesday after a debate over favoritism to Marcellus Shale companies and job creation strategies. The bills advanced by the Finance Committee are part... - [Scranton Times](#)

04-10-2013 **Governor pushes trade and tourism during visit to Brazil**

HARRISBURG — Gov. Tom Corbett is leading a team that's promoting Pennsylvania in Brazil, hoping to spur tourism and trade in one of the world's biggest economies. The delegation started with a tourism luncheon in Sao Paulo, where dozens of tour operators and travel agents were pitched the state's historical and... - [Sunbury Daily Item](#)

04-08-2013 **House moving Marcellus economic bills**

HARRISBURG - House lawmakers plan action this week on bills providing millions of dollars of state tax credits and grants to develop a bigger market with vehicles using natural gas in Pennsylvania. The package of bills called "Marcellus Works" was unveiled by Republican... - [Wilkes-Barre Citizens' Voice](#)

04-08-2013 **Bills represent next step in natural gas expansion in region**

We've said several times in this space that this area should benefit the most for being the host to some of the world's greatest natural gas production. Given the infrastructure pressures that go with the process not to mention the heightened vigilance toward our environment that must accompany natural... - [Williamsport Sun-Gazette](#)

04-08-2013 **Home Rentals Expected To Pickup In Delco With U.S. Open Coming This Summer**

ARDMORE, Pa. (CBS) – The U.S. Open comes to Merion Golf Club in Delaware County in June, and many homeowners who live near the course are offering their houses for rent. Main Line realtor Bob Thomas has been working on this for 18 months. He's set up a website and put flyers in mailboxes of homes surrounding... - [KYW News Radio 1060](#)

04-08-2013 **Adams County officials to develop comprehensive growth plan**  
A bolstered Adams County Department of Planning and Development is already providing benefits for local municipalities while helping promote regional development. The Adams County Commissioners this week authorized the planning office to develop a joint comprehensive plan for Gettysburg Borough and Cumberland... - [Hanover Evening Sun](#)

## WEEK IN REVIEW

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- 04-12-2013 **Experts: State's turnpike corruption 'the worst such case'**  
HARRISBURG — The Pennsylvania Turnpike scandal is the worst of its kind in the nation in recent history, experts say. "There's been nothing as systemic, as enduring and widespread," Peter Samuel, publisher of Tollroadsnews.com in Frederick, Md., said of allegations in a state grand jury report last month.... - [Pittsburgh Tribune-Review](#)
- 04-12-2013 **Weak Corbett faces strong Democratic field**  
Never in modern Pennsylvania political history has a field emerged to challenge a sitting governor like the one forming to take on Tom Corbett. It includes a high-profile member of Congress with powerful committee assignments and a party leadership role willing to give all that up to... - [Allentown Morning Call](#)
- 04-11-2013 **Pa. Democrats speak against altering Electoral College**  
HARRISBURG -- Several Democratic state legislators and advocates Wednesday asked Gov. Tom Corbett to oppose any effort to change how Pennsylvania awards its 20 electoral votes during presidential contests. The changes would unfairly favor Republicans and would rob Pennsylvania of... - [Pittsburgh Post-Gazette](#)
- 04-11-2013 **Public hearings to begin for 2nd Philly casino**  
PHILADELPHIA - A second round of public hearings on applications for Philadelphia's second casino license is set to begin... - [Philadelphia Inquirer](#)
- 04-10-2013 **Case against three Penn State officials to advance**  
HARRISBURG -- A judge ruled Tuesday that the criminal case can move forward against three Penn State University administrators accused of covering up reports that Jerry Sandusky was behaving improperly with children... - [AP](#)
- 04-10-2013 **Municipal red ink mars Pa.'s future**  
By ERIC BOEHM PA Independent April 10, 2013 HARRISBURG — More than 5.2 million Pennsylvanians — about 41 percent of the state's 12.6 million inhabitants — live in a city, township or borough facing some form of financial distress. And civic leaders warned this week that things are probably going to get... - [Pocono Record](#)
- 04-09-2013 **Schwartz launches Pennsylvania gubernatorial campaign**  
U.S. Rep. Allyson Y. Schwartz launched her campaign for the 2014 Democratic nomination for governor Monday, declaring that Gov. Tom Corbett's "failed leadership" has crippled the Pennsylvania economy in a competitive world. "He's just missing in action most of the time," Ms. Schwartz, of Montgomery... - [Pittsburgh Post-Gazette](#)
- 04-09-2013 **Trout season opens statewide in Pennsylvania on Saturday**  
People in the Lehigh Valley have been trout fishing for almost two weeks now after the regional opener in Southeastern Pennsylvania kicked off on March 30. The rest of the state opens for trout season 8 a.m. this Saturday, April 13, and should see much warmer temperatures than Pennsylvanians did. That... - [Allentown Morning Call](#)
- 04-08-2013 **State considers online registration**  
By MELISSA DANIELS PA Independent April 08, 2013 HARRISBURG — It's possible in these days of

instant connectivity to monitor nearly every financial, physical and social transaction using the Internet — from banking to travel, and from dieting to dinner reservations.... - [Pocono Record](#)

04-08-2013

**[Pennsylvania lawmakers propose laws to change state contracting, gift rules](#)**

HARRISBURG — Republican and Democratic lawmakers on Monday proposed a package of reform bills that include proposals to require state contractors to reveal subcontractors they are hiring and require final scoring of bids to be posted a state website. The legislators said recent allegations of pay-to-play practices at the... - [Pittsburgh Tribune-Review](#)