

Malady & Wooten, LLP

Legislative Report

April 5, 2013

For questions, contact:

Drew Lyons

Phone: 717.236.9600

Email: dlyons@malady-wooten.com



Pennsylvania Golf Course Owners Association

LEGISLATIVE UPDATE

Session Schedule:

2013 HOUSE SESSION SCHEDULE

April	8, 9, 10, 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	8, 9, 10, 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

SUSQUEHANNA RIVER BASIN COMMISSION Notices

[Projects approved for consumptive uses of water](#)

UTILITIES OPPOSE FEES TO AGENCY: FISH AND BOAT COMMISSION SEEKS TO CLOSE BUDGET GAP

John Finnerty/CNHI Harrisburg Bureau

HARRISBURG — Electric utilities, the biggest water users in the commonwealth, are bristling at the suggestion that they will be asked to pay a fee to the cash-strapped Fish and Boat Commission.

Through a quirk of geography, electric companies in half of Pennsylvania already pay consumptive use fees to governmental agencies – the Susquehanna River Basin Commission and the Delaware River Basin Commission.

Those fees add up to about \$500,000 a year for PPL, based in Allentown, a spokesman said. PPL provides power to about 1.4 million customers in eastern and central Pennsylvania and pays fees to both of the basin commissions.

Fish and Boat Commission Executive Director John Arway has proposed levying a fee on large water users as a means of closing a budget gap after the commission backed away from a plan to close two trout hatcheries in a bid to save \$2 million.

Last year, the Susquehanna River Basin Commission collected \$3.6 million in fees for consumptive water use – that is, the water was used in a way that prevented it from being immediately returned to the river basin. The money is used to build reservoirs and other infrastructure that can release water into the river basin system during dry periods, said Susan Obleski, a spokeswoman for the Susquehanna River Basin Commission.

The Fish and Boat Commission has estimated that electric companies use more than 6 billion gallons of water a day to generate power.

The public water supply uses about 1.4 billion gallons of water a day. Other industrial uses consume about 770,000 gallons a day.

The \$3.6 million in fees does not include a number of special arrangements that have been made with power companies that have invested in reservoir systems or other ways to collect water rather than pay the basin commission to do it, Obleski said.

The Delaware River Basin Commission was created through a compact formed by Pennsylvania, New York, New Jersey, Delaware and the federal government. The Susquehanna River Basin Commission was created by Pennsylvania, New York, Maryland, Virginia and the federal government. No comparable commission exists in the western portion of the state.

But what that means is that if the Fish and Boat Commission was to begin billing companies for using large amounts of water, electric companies and other large users of water in one half of the state would be getting billed twice by two separate governmental agencies for the same thing, said Jacob Smeltz, president of the Electric Power Generators Association, the trade group representing power plants in

Pennsylvania.

"We would view it as a tax and we would be strongly opposed," Smeltz said.

"We are cognizant of the Fish and Boat Commission's budget problems, but we are dealing with very, very difficult wholesale markets."

The price of wholesale power decreased by 50 percent from 2008-2011, and then from 2011-2012, the price dropped another 23 percent, Smeltz said.

"If we artificially increase the price through a tax, it will add to costs of manufacturing and industrial processes.

"I don't think it makes sense to increase the cost of a commodity that everyone depends on."

COSPONSOR MEMOS

Sens. Fontana and Ward

- [National Tourism Week Resolution](#)

Rep. Maloney

- [Amending the Clean Streams Law to provide that DEP may not require anti-degradation requirements for onlot systems in conjunction with their planning and permitting](#)

COMMITTEE MEETINGS

House Finance

TUESDAY - 4/9/13

9:45 a.m., Room 60, East Wing

SUMMARIES OF THE BILLS ARE ATTACHED TO THE REPORT

To consider:

- | | | |
|---------------|--------------------------|----------------------------------------------------------------------------------------------------------|
| HB 301 | Saylor, Stanley | Amends the Tax Reform Code providing for a natural gas fleet vehicle tax credit; and imposing penalties. |
| HB 305 | Denlinger, Gordon | Amending the Tax Reform Code providing for a natural gas corridor tax credit; and imposing penalties. |
| HB 309 | Grove, Seth | Amends the Tax Reform Code providing for a natural gas vehicle tax credit. |

House Environmental Resources and Energy

WEDNESDAY - 4/10/13

9:00 a.m., Room 60, East Wing

HB 306 AND HB 307 SUMMARIES ATTACHED

- | | | |
|---------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| HB 306 | Pickett, Tina | Amends the Alternative Fuels Incentive Act further providing for title of act, for short title, for defs., for Alternative Fuels Incentive Fund & for biomass-based diesel production incentives; & making editorial changes. |
|---------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- HB 307 Evankovich, Eli** Amends the Air Pollution Control Act providing for the Clean Vehicles Program.
- HB 308 Saylor, Stanley** Amends the Air Pollution Control Act further providing for defs. & for disposition of fees, fines & civil penalties; establishing the Keystone Vehicle Program; & making editorial changes.

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 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

BILL REPORT

ATTACHED TO THE REPORT

STATE NEWS

CORBETT LEADS 10-DAY TRADE MISSION TO BRAZIL, CHILE

Six American governors have taken their state's trade message to Brazil and/or Chile over the past two years, hoping to make some in-roads in those emerging economies. Soon, that number will grow to seven when Gov. Tom Corbett will lead a 10-day trade mission to both of these South American countries that have attracted recent interest from the likes of Michigan, Iowa, Massachusetts, Delaware, Illinois and Missouri's governors.

WOLF ENTERS GOVERNOR'S RACE

Lured by Gov. Tom Corbett's languishing poll numbers, the swelling roster of his rumored or declared challengers has reached double digits. The latest Democrat to see a career opportunity in the political data is York County businessman Tom Wolf, who served a stint as revenue secretary in the Rendell administration. Mr. Wolf accompanied the launch of his bid with a polling memo that depicted him as a competitive candidate in the likely primary field. The pollsters tested his name against seven potential contenders — and that didn't get them all.

CORBETT URGES LAWMAKERS TO INCREASE FUNDING FOR DOMESTIC VIOLENCE PREVENTION PROGRAMS

Gov. Tom Corbett made a pitch to lawmakers to support his proposed 10 percent increase in state funding to combat domestic violence. At an appearance at the YWCA of Greater Harrisburg, Corbett urged individuals who work with the 60 domestic violence programs to make their voices heard in the Capitol for the proposed \$1.3 million increase in funding for their programs he included in his \$28.4 billion state budget proposal. This increase would bring the total state spending to fight this societal problem to \$13.8 million.

IN THE NEWS

SRBC EXECUTIVE DIRECTOR SWARTZ TO RETIRE IN NOVEMBER

HARRISBURG, Pa. – Susquehanna River Basin Commission (SRBC www.srbc.net) Chairman Dr. Robert Summers today announced that Executive Director Paul Swartz is retiring this November.

"I join my fellow commissioners in congratulating Paul and thanking him for his untiring and passionate dedication to the Commission these past 21 years," said Chairman Summers. "Under his leadership, the Commission grew into a very effective agency that balances the competing uses of the Susquehanna basin's water resources for healthy ecosystems and a vibrant economy."

"Over the years, Paul has done an exceptional job leading the agency's staff in its mission to manage water resources responsibly and equitably, without regard to sectors and political boundaries. He has inspired and promoted the Commission's values of 'Teamwork, Professionalism, and Quality' and has assembled a very strong team that is driven by those values everyday as they serve the public."

Swartz has served as SRBC's executive director since 1992.

Among his varied responsibilities, Swartz oversaw the progressive and responsible growth in SRBC's regulatory, planning, water quality monitoring, information technology and public information programs.

"Because of Paul's hands-on and decisive management skills, he will leave the Commission in an excellent position both fiscally and programmatically. In today's tough financial climate, no one can take those qualities for granted, and we commend him for that," said Chairman Summers.

Prior to joining SRBC, Swartz directed the Bureau of Soil and Water Conservation in the Pennsylvania Department of Environmental Resources. He also served as the Executive Secretary to the Pennsylvania Conservation Commission.

Until Swartz retires in November, the SRBC commissioners will actively seek his replacement. SRBC released the Executive Director job announcement this week, including posting it on SRBC's web site at <http://www.srbc.net/about/employ.htm>.

Swartz, a 1970 graduate of Gettysburg College, and his wife, Patsy, have three sons and a grandson.

The Harrisburg, Pennsylvania-based SRBC is the governing agency established under a 100-year compact signed on December 24, 1970 by the federal government and the states of New York, Pennsylvania and Maryland to protect and wisely manage the water resources of the Susquehanna River Basin. The Susquehanna River starts in Cooperstown, New York, and flows 444 miles to Havre de Grace, Maryland, where the river meets the Chesapeake Bay.

04-05-2013 **[New Philly tourism campaign is talking to locals](#)**

PHILADELPHIA — A new tourism campaign is turning a spotlight from the heart of the city to the soul, its neighborhoods, with a novel focus toward inspiring Philadelphians themselves to venture beyond their own backyards to other parts of their hometown... - *AP*

04-03-2013 **[Washington County shines as economic development 'winner'](#)**

PITTSBURGH – The 10-county Pittsburgh region notched its fifth consecutive year as a top U.S. location for business investment, a Pittsburgh economic development group announced Tuesday. Washington County made its mark by taking the No. 2 spot just behind Allegheny County in the number of economic development deals that were... - *Washington Observer-Reporter*

04-03-2013 **[A lot of trade-offs required for any energy cocktail](#)**

(EDITOR'S NOTE: This is the second in an eight-part series of articles focusing on a science

experiment being conducted by Penn State University under a National Science Foundation grant. The researchers are using the Marcellus Shale natural gas drilling activity in the state to determine how...
- [Lock Haven Express](#)

04-01-2013 **Utilities oppose fees to agency: Fish and Boat Commission seeks to close budget gap**
HARRISBURG — Electric utilities, the biggest water users in the commonwealth, are bristling at the suggestion that they will be asked to pay a fee to the cash-strapped Fish and Boat Commission. Through a quirk of geography, electric companies in half of Pennsylvania... - [Johnstown Tribune-Democrat](#)

04-01-2013 **DEP award to help county battle West Nile**
The Department of Environmental Protection announced Thursday \$2.2 million in West Nile Virus Control program grants are being awarded to 26 counties, including \$79,500 for Luzerne County. Because of the mild winter and early spring, 2012 was a record year for... - [Hazleton Standard-Speaker](#)

WEEK IN REVIEW

04-05-2013 **Philly mulls liquor tax to raise money for schools**
PHILADELPHIA — Philadelphia officials may soon be asking you to raise a drink to the city's school system... - [AP](#)

04-05-2013 **Pennsylvania business owners feeling cautious**
Owners of small and medium-sized businesses in Pennsylvania are feeling more cautious than optimistic as they look to the months ahead. That's according to the latest installment of a survey of business owners conducted twice a year by Pittsburgh-based PNC Financial Services Group... - [Erie Times-News](#)

04-04-2013 **U.S. judge gives PA Supreme Court first crack at judge retirement dispute**
A federal judge is giving the Pennsylvania Supreme Court first dibs on considering whether to overturn a state law that requires Pennsylvania judges to retire at age 70. Several county- and state-level judges have filed lawsuits in the federal and state courts to try to kill the retirement mandate. They are arguing... - [Harrisburg Patriot-News](#)

04-04-2013 **March slots revenue down slightly at Pa. casinos**
HARRISBURG, Pa. — Pennsylvania gaming regulators say gross slots revenue was down slightly last month compared to a record-setting March 2012, but it was still the state's second-highest month ever for slots revenue... - [AP](#)

04-03-2013 **Pa. Gov. Corbett discusses Medicaid issues with Health and Human Services Secretary**
WASHINGTON -- The Obama administration wants to be as flexible as possible within the confines of the Affordable Care Act, Health and Human Services Secretary Kathleen Sebelius told Pennsylvania Gov. Tom Corbett Tuesday night in a meeting aimed at persuading him to agree to accept federal... - [Pittsburgh Post-Gazette](#)

04-03-2013 **State drilling fee revenue falls below \$200M, following natural gas prices**
Pennsylvania's drilling fee revenue dropped below \$200 million this year as lower gas prices triggered a lower amount that deep-shale drillers must pay to the state. The state expects to collect about \$198 million based on a per-well fee state lawmakers approved in February 2012, according to data the Public... - [Pittsburgh Tribune-Review](#)

04-02-2013 **Pa. state tax collections for March come in lower than anticipated**
March is the biggest revenue collection month of the year for the commonwealth, but it wasn't as big as Gov. Tom Corbett's administration had hoped. The March revenue report shows tax collections generated \$4.2 billion, which was \$69.4 million, or 1.6 percent, less than anticipated to support... - [Harrisburg Patriot-News](#)

- 04-02-2013 **Many Pa. Dems weigh prospects of Corbett challenge**
The list of Democrats who are seeking or considering running for the party's nomination against Republican Gov. Tom Corbett's expected 2014 re-election bid includes:... - [AP](#)
- 04-01-2013 **Death toll on Pennsylvania roads rose 1.9 percent in 2012**
The number of people killed in crashes on Pennsylvania roads last year rose 1.9 percent, but is the third-lowest number on record, according to the 2012 report issued today by PennDOT Secretary Barry J. Schoch. In 2012, 1,310 people died in accidents on Pennsylvania roads, up 24 from... - [Harrisburg Patriot-News](#)
- 04-01-2013 **New state prison in central Pa. opens in ceremony**
BELLEFONTE, Pa. — The state Department of Corrections has opened its newest prison with a ceremony at the State Correctional Institution-Benner in central Pennsylvania... - [AP](#)