

Malady & Wooten, LLP

Legislative Report

June 28, 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

June 29, 30

2013 SENATE SESSION SCHEDULE

June 29, 30

PENNSYLVANIA BUDGET UPDATE

The Pennsylvania General Assembly is scheduled to be in session over the weekend until they come to a consensus on a spending plan for the 2013-2014 fiscal year. The status of the three major pieces of legislation (liquor privatization, transportation funding and pension reform) before the House and Senate are very much up in the air.

We will be in the office all weekend if you have any questions related to the actions of the General Assembly. Please feel free to e-mail Drew Lyons at dlyons@malady-wooten.com or call 717-239-9600 with any issues.

PENNSYLVANIA BULLETIN ANNOUNCEMENTS

DELAWARE RIVER BASIN COMMISSION

Notices

[Public hearing and business meeting](#)

COMMITTEE NEWS

House Local Government Committee

6/26/13, 10:00 a.m., Room 205 Ryan Office Building

HB 1523 Toepel, Marcy - (PN 2030) Amends "An act authorizing the Commonwealth of Pennsylvania and the local government units thereof to preserve, acquire or hold land for open space uses" adding that revenue from the tax levy may be used for expenses necessary to prepare the resource, recreation or land use plan; and for costs associated with design, engineering, improvement and development of the real property consistent with the approved resource, recreation or land use plan. - The bill was unanimously **reported as committed**.

Rep. Marcy Toepel (R-Montgomery), prime sponsor of the legislation, and gave an overview of the legislation. "This is very important to our local government units to have some flexibility," she stated.

Chairman Kate Harper (R-Montgomery) questioned if there is any opposition to the bill. Rep. Toepel stated "I'm not aware of any group that opposes it" and noted that Pennsylvania Land Trust and the Pennsylvania State Association of Boroughs support it.

Rep. RoseMarie Swanger (R-Lebanon) questioned if the Open Space tax can be levied at all levels of local government. Chairman Harper said municipalities can utilize the local taxing option but only through referendum.

Minority Chairman Robert Freeman (D-Northampton) commended Rep. Toepel on the bill and noted that it is similar to legislation the committee took up last session. "It really addresses a need in a lot of townships," he stated. "Those that have maxed out on the kind of open space they can acquire, now need to use that money on the maintenance and improvement and maintain that open space in a positive way."

Rep. Maureen Gingrich (R-Lebanon) noted that she sponsored similar legislation last session and commended Rep. Toepel on the bill. "We really worked closely to making it even better the first couple times we made the effort," she stated. "Today's a good end result."

Senate Community, Economic and Recreational Development

6/27/13, 12:05 p.m., Room G-50, Irvis Office Building

SB 838 Alloway, Richard - (PN 1035) Amends the County Code, in fiscal affairs, to allow counties of the fourth class to raise their hotel tax from three percent to five percent. 75 percent of the tax shall go to the county Tourism Promotion Agency for promotion, advertising, and marketing of tourism and special events, as well as administrative costs; 12.5 percent of the revenues shall be used by the county commissioners for economic development, historic preservation and the arts; and 12.5 percent shall be used by the county commissioners for targeted, enumerated grants to municipalities as provided for in the legislation. - The bill was unanimously **reported as amended**.

A02813 by Smith, was said to add language to provide for a 10 percent distribution of part of the revenue generated for certain municipalities in the affected counties with populations of 20,000 people or more. The amendment was **adopted** with Sen. John Gordner (R-Columbia) voting in the negative.

Sen. David Argall (R-Schuylkill) said that the amendment would be a problem for his county because it does not contain a community with over 20,000 people. Sen. Matt Smith (D-Allegheny) said that the amendment would only affect larger communities so no municipalities in Schuylkill County will be affected.

Sen. Randy Vulakovich (R-Allegheny) asked how the amendment would affect Allegheny County. Sen. Smith said the amendment only affects fourth class counties so it would have no effect on Allegheny County.

Sen. Argall said that he understands the goal of dividing funding in the bill, but he said he has concerns about the language of the bill. Jason Brehouse, counsel for the committee, said the bill has the same language as the bill that was passed to achieve the same means in Adams County last year. Sen. Richard Alloway (R-Franklin) said that the language does seem a bit redundant and that he cannot imagine any local police force returning grant funding.

Sen. John Blake (D-Lackawanna) said that he wants to take a closer look at the bill because Monroe County would be affected by its passage.

BILL REPORT

ATTACHED TO THE REPORT

STATE NEWS

HOUSE SPEAKER SAYS PENSION BILLS MAY HAVE TO WAIT

Pennsylvania lawmakers still have time to finish work on major bills, but changes to the state's major public employee pension systems may have to wait until after the Legislature's summer break, House Speaker Sam Smith said. Smith's comments came amid conflicting estimates of the cost of the potential pension changes as the hours ticked down to lawmakers' expected Sunday departure from Harrisburg for the summer.

STATE WILL LOSE \$220M IN FEDERAL FUNDING CUTS

Pennsylvania expects to lose nearly \$220 million for education, health, welfare and other services under federal budget cuts, Gov. Tom Corbett cautioned. He wanted to make clear to Pennsylvanians that the losses will stem from budget inaction in Washington, not the \$28.3 billion state budget, Corbett spokesman Kevin Harley said. "The (state) legislature and the governor are doing their jobs. It's Washington that's not," Harley said.

TAX EXEMPT ISSUES MOVES CLOSER TO REFERENDUM

Statewide voters are a step closer to deciding a constitutional issue of whether the Legislature or courts should ultimately define what a public charity is for tax-exempt purposes. A bill affirming the Legislature's authority in these matters which can affect the fiscal health of older cities won final legislative passage on a first round with a 118-82 vote in the House. As a proposed constitutional amendment, it will need to win approval again in the next two-year legislative session starting in 2015.

IN THE NEWS

SRBC APPROVED 21 PROJECT APPLICATIONS AND CHANGES TO REGULATORY PROGRAM FEES, ADOPTED WATER RESOURCES PROGRAM, RELEASED UPDATES TO COMPREHENSIVE PLAN FOR PUBLIC COMMENT

HARRISBURG, Pa. – The Susquehanna River Basin Commission (SRBC; www.srbc.net) yesterday held its quarterly business meeting in Harrisburg, Pa. Among its actions, SRBC:

- approved 21 water withdrawal and consumptive use applications, tabled 7 applications, rescinded 2 previously approved dockets (see lists below);
- accepted settlement offers from Furman Foods, Inc., and Carrizo (Marcellus) LLC for compliance matters;
- approved amendments to the Regulatory Program Fee Schedule;
- adopted the FY 2014-2015 Water Resources Program;
- approved the release of the draft updated *Comprehensive Plan for Water Resources of the Susquehanna River Basin* for public review and comment, set a comment period to run through August 26, 2013 and scheduled a public hearing for August 15, 2013 (<http://www.srbc.net/planning/compplanfiles.asp>);
- elected new officers with the Federal jurisdiction, represented by Brig. General Kent Savre, serving as Chair and New York State jurisdiction, represented by James Tierney, serving as Vice Chair; and
- adopted the FY-2015 budget.

SRBC's voting commissioners and alternates were (www.srbc.net/about/commissioners/commiss.htm): Dr. Robert Summers, SRBC Chair and Secretary, Maryland Department of the Environment; Colonel Trey Jordan, SRBC Vice Chair and District Engineer, Baltimore District, U.S. Army Corps of Engineers; Kelly Heffner, Deputy Secretary for Water Management, Pennsylvania Department of Environmental Protection; and Kenneth Lynch, Director, Region 7, NYS Department of Environmental Conservation.

SRBC also reported on upgrades to the agency's Early Warning System (EWS), which was first established in 2003. The EWS program is for public water suppliers in Pennsylvania and New York with intakes on the Susquehanna River and major tributaries. Currently, the participating water suppliers represent more than 850,000 customers. The EWS program helps minimize impacts to water supplies when spills occur through data sharing and enhanced communication among water supplies, emergency response personnel and water management agencies.

Projects Rescinded:

1. Chevron Appalachia, LLC (Chest Creek), Chest Township, Clearfield County, Pa. (Docket No. 20100603)
2. Albemarle Corporation, Borough of Tyrone, Blair County, Pa. (Docket Nos. 20010203 and 20010203-1)

Applications Tabled:

- 1. Aqua Infrastructure, LLC (Tioga River), Hamilton Township, Tioga County, Pa.
- 2. Chesapeake Appalachia, LLC (Susquehanna River), Athens Township, Bradford County, Pa.

- 3. New Oxford Municipal Authority. Project Facility: Oxen Country Meadows, Oxford Township, Adams County, Pa.
- 4-6. State College Borough Water Authority, Ferguson Township, Centre County, Pa.
- 7. SWEPI LP (Tioga River), Richmond Township, Tioga County, Pa.

Project Applications Approved (includes new approvals, modifications, renewals)(www.srbc.net/wrp/):

- 1. Aqua Infrastructure, LLC (Clearfield Creek), Boggs Township, Clearfield County, Pa.
- 2. Michael and Sandra Buhler (Bennett Branch Sinnemahoning Creek), Huston Township, Clearfield County, Pa.
- 3-6. Chobani, Inc. Project Facility: South Edmeston, Town of Columbus, Chenango County, N.Y.
- 7-9. Delta Borough Municipal Authority. Project Facility: Delta Borough Water System, Peach Bottom Township, York County, Pa.
- 10. Equipment Transport, LLC (Pine Creek), Gaines Township, Tioga County, Pa.
- 11. Equipment Transport, LLC (Susquehanna River), Great Bend Township, Susquehanna County, Pa.
- 12. Furman Foods, Inc., Point Township, Northumberland County, Pa.
- 13. LDG Innovation, LLC (Tioga River), Lawrenceville Borough, Tioga County, Pa.
- 14. Municipal Authority of the Borough of Mansfield, Richmond Township, Tioga County, Pa.
- 15. Martinsburg Municipal Authority, North Woodbury Township, Blair County, Pa.
- 16. Navitus, LLC (North Spring, Logan Branch Watershed), Spring Township, Centre County, Pa.
- 17. New Morgan Landfill Company, Inc. Project Facility: Conestoga Landfill, New Morgan Borough, Berks County, Pa.
- 18. Somerset Regional Water Resources, LLC (Salt Lick Creek), New Milford Township, Susquehanna County, Pa.
- 19. Southwestern Energy Production Company (Middle Lake), New Milford Township, Susquehanna County, Pa.
- 20. WPX Energy Appalachia, LLC (Susquehanna River), Great Bend Township, Susquehanna County, Pa.
- 21. York County Solid Waste and Refuse Authority, Hopewell Township, York County, Pa.

Senate Bill 994: Reduce PA Taxpayer Costs and Meet Federal Clean Water Nutrient Mandates

Legislative Efforts Already Supported by Environmental Agencies

MANHEIM, Pa. – (June 25, 2013) – On Friday, June 21, the *PA Environment Digest* posted the Chesapeake Bay Foundation’s (CBF) letter to all PA Senate members with the headline: “EPA Will Not OK Nutrient Reductions From Manure Treatment Tech Under SB 994.” This statement is not only misleading, but irrelevant to implementation of the Major Watershed Improvement Program set forth in Senate Bill 994.

It’s important to note that the Pennsylvania Department of Environmental Protection, the U.S. Environmental Protection Agency, and the Pennsylvania Senate Agriculture and Rural Affairs Committee are supportive of the program proposed in SB 994.

As it relates to SB 994, the Environmental Protection Agency (EPA) has no regulation, guidance or policy to approve or disapprove any manure technologies and their ability to remove nutrients. And even if they did, the proposed legislation is not exclusive to that form of removal. CBF is clearly trying to create confusion and misunderstanding with underhanded and misleading tactics.

SB 994 is designed to reduce the cost of verified nutrient reduction regardless of source (row crops, livestock, and waste water treatment) or practice (technology, BMPs). SB 994’s specific criteria are that nutrient reductions be verified and approved by PA DEP. That is the Commonwealth’s responsibility, through its DEP, and not the EPA’s.

CBF claims to support projects that are working to reduce nutrients and that are lower cost than current practices. If that were truly the case, their opposition to SB 994 makes no logical sense. Instead of

pursuing their mission to improve water quality, CBF has released a torrent of reasons to oppose SB 994, designed to confuse what is a very clear issue. The Coalition for An Affordable Solution (CABS) recently posted on its website a [point-by-point response](#) to CBF's list of opposition arguments.

The basic premise of SB 994 remains simple: Pennsylvania's existing level of verified nutrient reduction costs are economically unsustainable and, absent an affordable solution, the state will default on its federally mandated obligations. The PA Senate's own Legislative Budget and Finance Committee projected that a competitive bidding program for verified nutrients could save as much as 80% of projected existing costs.

CABS urges the PA Legislature to come together in these last few days before recess and bring SB 994 to a vote. SB 994 has broad public support. The Pennsylvania Senate Agriculture and Rural Affairs Committee has voted overwhelmingly to move the bill to a vote. Failure to do so will result in continued financial burden on PA taxpayers and could lead to a default on Chesapeake Bay EPA nutrient mandates in water year 2015.

There is no controversy surrounding SB 994, only the cries from CBF which has a vested interest to maintain their access to and control over PA taxpayer funds to the detriment of state residents, clean water, and natural habitat/fresh water recreational activities of Pennsylvania.

For more information on Coalition for an Affordable Bay Solution, as well as a list of founding members and supporters, please visit www.AffordableBaySolutions.org.

06-28-2013 **[Gettysburg prepares for tourist invasion](#)**

GETTYSBURG, Pa. -- Adams County Commissioner Jim Martin is used to seeing big crowds flocking to the county's most famous town in early July. But he's sure that the 10-day period that begins today will be crazier than anything from previous years. "We could be looking at 30,000 or more folks coming here each day -- or... - [Pittsburgh Post-Gazette](#)

06-26-2013 **[Battle erupts over Senate bill aimed at cleaning up Chesapeake Bay](#)**

A war of words is intensifying over a Pennsylvania Senate bill with significant Lancaster County ties that could change the focus of efforts to reduce agriculture pollution here and across the state. Under SB994, a major strategy in reducing nutrient runoff that... - [Lancaster Intelligencer Journal](#)

06-24-2013 **[The cost of saving the bay](#)**

Substantial progress has been made in restoring the Chesapeake Bay, and everyone who lives within the Susquehanna River watershed - including most Northeast Pennsylvanians - is aware of the cost. Major upgrades to sewer systems in the region, due at least partially to... - [Towanda Daily Review](#)

WEEK IN REVIEW

06-28-2013 **[Privatizing the Pennsylvania Lottery's management continues to be a Corbett priority](#)**

While Gov. Tom Corbett has focused a lot of attention in recent weeks on the big-ticket items at the top of his wishlist, he hasn't forgotten about an item a little farther down. Corbett still wants to outsource the Pennsylvania Lottery's management that he initiated last year. And he still has a pending bid from a British... - [Harrisburg Patriot-News](#)

06-28-2013 **[Another day of mixed progress on Pennsylvania state budget issues](#)**

One of Gov. Tom Corbett's priorities got new momentum, and others remained stalled Thursday as the legislature and Corbett Administration staffers continued to slog toward passage of the 2013-14 state budget. The upshot? Everything is pretty much guaranteed to come down to a final... - [Harrisburg Patriot-News](#)

06-27-2013 **[Corbett's wishlist proving to be a distraction to getting a budget done, Sen. Jake Corman says](#)**

Work continues on a \$28.4 billion state general fund budget, but Senate Appropriations Committee Jake Corman said on Wednesday he wishes negotiations were further along with just days left until

the June 30 deadline. Corman said getting in the way of settling differences with the House... - [Harrisburg Patriot-News](#)

- 06-27-2013 **State budget deal close; Corbett's budgetary policy plans not so close**
HARRISBURG — This time of year, they wait here. Lawmakers in the minority party wait. Lobbyists wait. State employees, hoping beyond hope to keep their jobs, wait. » The latest on traffic, delays and road construction delivered to your mobile phone. Click to sign up to receive text alerts!... - [Allentown Morning Call](#)
- 06-26-2013 **What would Pa. pension switch cost? There's no easy answer**
A House committee on Tuesday endorsed legislation to shift Pennsylvania's major public pension systems to 401(k)-style plans for newly hired employees starting in 2015, a concept previously endorsed by a Senate panel, but the financial implications remained unclear... - [AP](#)
- 06-26-2013 **More details emerge in alleged Pa. Turnpike Commission bid-rigging scheme**
HARRISBURG - State prosecutors began outlining Tuesday how the money raised by charging drivers to use the Pennsylvania Turnpike eventually benefited the people who ran it in ways that violated state law. As a preliminary hearing against six men charged with turnpike-related... - [Scranton Times](#)
- 06-25-2013 **State budget, alcohol sales overhaul, transportation funding, Medicaid expansion await legislative action with less than week left in session**
HARRISBURG — Gov. Tom Corbett and a top Senate GOP leader say they support legislation that would place elected officials, once they are re-elected, in defined contribution pension plans along with new state employees. That would mean a 401(k)-type plan, rather than a guaranteed pension, for... - [Pittsburgh Tribune-Review](#)
- 06-25-2013 **Pennsylvania voter ID challenge moves toward July 15 trial**
HARRISBURG — A trial to determine the future of Pennsylvania's Voter ID law is to begin July 15 as planned, but the judge who suspended the requirement for the 2012 presidential election will not preside. Commonwealth Court Judge Robert Simpson on Monday handed the case over to a... - [Allentown Morning Call](#)
- 06-24-2013 **Pa. Legislature readies big changes to child abuse law**
HARRISBURG -- A single word would make a difference in whether some injured children in Pennsylvania are classified as abused. Because state law says that a child must suffer "serious" bodily injuries to be considered abused, cases have slipped through the cracks.... - [Pittsburgh Post-Gazette](#)
- 06-24-2013 **In Pa., it's 6 days until change or 6 days to sameness**
OK, GET READY. This week determines the fate of the governor, Philly schools, state stores, pension reform, the state budget, SEPTA, whether Pennsylvania bridges will collapse under the weight of their own decrepitude and, by implication, life as we know it. Maybe.... - [Philadelphia Daily News](#)