

Legislative



Updates



WEEK OF JANUARY 1, 2015

As we come in to a new legislative session bills are being considered and reconsidered. The following list gives us a heads up on some of the bills. Those that do not include a note following the description of the bill indicate support for the legislation. Those that do contain a note question the validity of the bill and reason we may choose not to support the bill. While, at the time of this publication, The School Property Tax Elimination bill has not been reintroduced, both the House and the Senate are reviewing strategies for the reintroduction of the legislation and we'll let you know as soon as we have concrete information.

This is just a window of the legislation currently being considered. We will continue to review this legislation and send out similar memos to keep you informed of what is happening in Harrisburg. This issue focuses on legislation in the Senate.

We are including links to the reintroduction/co-sponsorship memos which includes more information on the legislation as well as existing primes and sponsors of the legislation.

Government Reforms – Per Diem Request: We will soon be reintroducing SB 1291 which would reform government per diems by requiring receipts for reimbursement. Over the years, there have been many reported instances of high per diem claims. In 2010, the Senate Government Management and Cost Reduction Commission recommended “a comprehensive review of the current per diem reimbursement system for legislators to determine if a receipt-based system would result in taxpayer savings.” Our legislation would provide for transparency and consistency by simply requiring receipts in order to obtain reimbursement. The reimbursement level would remain at the same rate set by the IRS. SB 1291 was sponsored by Senators Vulakovich, Alloway, Baker, Blake, Brewster, Brubaker, Eichelberger, Folmer, Gordner, Greenleaf, Rafferty, Teplitz, Vance, Vogel, Ward, and Yudichak.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15774>

Municipal Debt Reform Bill #1 - Local Government Debt Act: Would reform issues revealed during hearings on Municipal debt as related to the introduction of Senate Bill 901. Much of the problems arise from the provisions of the Local Government Unit Debt Act - LGUDA (53 Pa.C.S. §§ 8001-8049). The hearings revealed negligence and malfeasance on the part of contractors, government officials, and their advisers. Financial and legal advisers, who made hundreds of thousands of dollars from these transactions, repeatedly let down their real clients—the taxpayers.. This legislation would:

- Establish an actual review process of complicated transactions by DCED before debt is incurred;
- Eliminate the ability to charge a fee for issuing a guarantee;
- Limit the ability of municipalities to provide unlimited guarantees of other entities' debts;
- Amend the “self-liquidating” and “working capital” definitions to prohibit reimbursements for payments made under a guarantee or other non-project-related costs;
- Provide for fiduciary duties of those who represent local governments, as well as penalties for false filings.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=16024>

“Mary’s Law”- to Protect Public Employees and Taxpayers: In the near future, we will be introducing legislation in the Senate, as will our colleagues in the House, to ensure political campaign funds are no longer collected through government-provided mechanisms with taxpayer resources. It is a principle of good government that electoral politics are not mixed with official government business. Yet state and local governments in Pennsylvania continue to collect political campaign funds on behalf of public-sector unions—and only public-sector unions. This is wrong. The legislation will only apply to public-sector union contracts that currently benefit from this taxpayer-funded legal and financial privilege. Public safety and law enforcement personnel—because they are under different sections of the law—would not be affected, nor would, of course, any private sector unions. This legislation will allow for payroll deduction of 100% of non-political union dues money otherwise known as the “Fair Share” amount (i.e., dues money used strictly for collective bargaining purposes, grievances, arbitrations, and other non-political uses for the benefit of the members).

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15904>

Taxpayer Protection Act: Reintroduction of “Taxpayer Protection Act”, which was previously Senate Bill 7. As reported from the Senate Finance Committee, this legislation would limit – not reduce – the growth of state spending through the lower of the following thresholds:

- Limit state government spending to the average change in personal income for the three preceding calendar years, OR;
- Limit state government spending to the average inflation rate plus the average percentage change in state population over the three preceding years (with exceptions for certain extraordinary circumstances).

The “Taxpayer Protection Act” would also require:

- 25% of any moneys in excess of these limits be returned to the taxpayers
- 25% be allocated to the Rainy Day Fund to help balance state budgets during trying economic times
- 50% to help pay down the unfunded liabilities of the Public School Employees’ Retirement System (PSERS) and the State Employees’ Retirement System (SERS)

According to the National Conference of State Legislatures, 30 states operate under a tax or expenditure limitation. Pennsylvania is in the minority of states having no controls.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15724>

Medical Cannabis: Reintroduction of Senate Bill 1182 as passed by the full Senate: legislation to allow physicians in Pennsylvania to recommend medicinal cannabis to patients who would medically benefit from such a treatment. The emphasis of the efforts has focused on a strain of cannabis very high in Cannabidiols (CBD), a compound with anti-inflammatory and antioxidant properties, and very low in Tetrahydrocannabinols (THC), the psychoactive ingredient in cannabis. Called “Charlotte’s Web,” this strain has been used to treat disorders with dramatic results that are rapid, non-intoxicating, and free of side effects for children using this medicine, as seen in this video: <http://www.youtube.com/watch?v=CiShwotFJR8>. The legislation would allow patients who have a recommendation from their doctor to purchase and use medical cannabis from centers licensed by a to-be-created State Board of Medical Cannabis Licensing. The entire process would be regulated by licensing: medical cannabis growers, processors, and dispensers.

Prohibitions in the legislation include:

- No individual may smoke medical cannabis
- No individual may undertake any task under the influence if it would constitute negligence or professional malpractice
- No individual may operate or drive a motor vehicle, aircraft, motor boat, or heavy machinery with more than 10 nanograms of THC in their system

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15539>

Openness & Transparency – Procurement Code: Reintroduction of Senate Bill 369 to provide for more accountability in the award of state (sole-source/no-bid and emergency) contracts. The purpose of this legislation is to address questions with various state contracts. Some of these issues were outlined in an October 2009 Auditor General audit on technology contracts. The legislation would require more public access to procurement records – including the posting of information on the websites of the Department of General Services and other purchasing agencies. Written

determinations of purchasing officers would also be required when entering into sole-source/no-bid and emergency contracts deemed to be “in the best interests of the Commonwealth.”

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=16276>

Taxpayer Funded Advertising Transparency Act: Reintroduction of Senate Bill 279 as unanimously passed by the full Senate two Sessions ago. This legislation would require all Commonwealth agencies (executive, legislative and judicial branches) to note whenever tax moneys are used for advertising: "Paid for with Pennsylvania taxpayer dollars." This requirement would include:

- Television and radio ads
- Broadcast and print ads
- Newspaper, magazine, and billboard ads (however, not classified ads)

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=16123>

Industrial Hemp: To permit the cultivation and processing of industrial hemp in Pennsylvania. While a member of the cannabis family, industrial hemp has a very low level of tetrahydrocannabinol (THC) and does not have a psychoactive effect. The level of THC in marijuana, for example, ranges from six percent to more than 20 percent, while the level in industrial hemp is less than 0.03 percent. Industrial hemp has been used for thousands of years in numerous applications, and until the last century was commonly grown in the Commonwealth. Today it is estimated that there are more than 50,000 potential applications for it across a wide spectrum of industries, including textiles, building materials, industrial products, baby care, food, paper and energy and environmental products. The proposal will provide for an industrial hemp industry in the Commonwealth through the establishment of an Industrial Hemp Licensing Board within the Department of Agriculture to license and regulate the cultivation, growth and sale of industrial hemp. Members of the board would be the president of the Pennsylvania Farm Bureau, the Secretary of Agriculture and the Commissioner of Professional and Occupational Affairs, or their designees; two public members appointed by the governor; and two representatives of state-related universities and research institutions in the commonwealth appointed by the governor.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15976>

Conscientious Objection Act: Healthcare providers are currently provided some protection under the Abortion Control Act, but that Act does not extend to contraception or other services. There is also some ambiguity as to how far these protections extend, given that abortions were surgical and not chemical at the time of the Act’s passage. The courts have yet to opine on some of these related issues. The Conscientious Objection Act would clearly provide that it is the public policy of the Commonwealth that a health care provider or institution not be compelled to perform practices which are contrary to moral or religious beliefs. Among other things, this Act would allow health care professionals and institutions to refuse to provide prescriptions for contraceptives and abortifacients without legal consequence.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15739>

Local Agencies and Abortion services: The Commonwealth’s public policy on the use of public monies for abortion is clear. Section 3215 of Title 18 of the Pennsylvania Consolidated Statutes provides that no Commonwealth funds and no Federal funds which are appropriated by the Commonwealth shall be expended by any State or local government agency for the performance of abortion, unless necessary to save the woman’s life, or in cases of rape or incest. This legislation would amend Title 53 to make clear that state policy pre-empts local policy on this matter, and no municipal agency may arrange or pay for any abortion with public funds from any source, unless the reason the abortion is performed is one for which the expenditure of public funds would be permitted under 18 Pa.C.S. § 3215(c), and all reports required under 18 Pa.C.S. § 3215(c) are made.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15740>

Senior Citizen’s Property Tax Freeze: This legislation would prohibit any political subdivision from imposing any increase in property taxes on residents that:

- are age 65 or older,
- have lived in their homes for at least five years, and
- make less than \$65,000 annually.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15700>

NOTE: While a property tax freeze would be beneficial for senior citizens on fixed income the funding for this freeze would fall on other property owners in the community. The property tax structure is broken and we believe that a different system for funding local government should be put in place that begins with the enactment of SB 76- School Property Tax Elimination. Decreasing the cost for some while increasing the cost for everyone else is not a solution. Many seniors are already barely able to hold on to their properties and a freeze won't be a solution for them. We agree that the property tax places an unfair burden on seniors but we also believe that it places similar burdens ALL property owners. We need solutions that fix the problem that include controls on spending. A similar bill is being considered that would provide for exemptions to Disabled Veteran's. Our concerns with the legislation is not to question the need for such legislation related to our Seniors and our Disabled Vet's. We agree with the need to eliminate property taxes for these groups, but not just these groups, all Pennsylvania Property Owners. We believe that we can't keep making exemptions to the property tax while increasing that burden on the remaining property owners in the state. With 167 municipalities in the state already in serious pension debt, recognizing the problems related to Seniors and Disabled Vet's is just the tip of the iceberg. It's a warning signal to the actual problems which is the Property Tax itself. (<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15868>).

The Pennsylvania Commonwealth Constitution calls for uniformity in taxation on all classes of citizens and the property tax is levied against property owners. Every time another exemption is applied the uniformity that is supposed to be in place concerning Property Tax becomes less uniform for all Property Owners. In essence, the legislators are dividing Property Owners into different classes of Property Owners. Where the Property Tax in an agrarian society was once established because Property earned income, this is no longer the case. It is based on an assumption of wealth and an assumption of property value that, time and again, during assessments and appeals demonstrates the flawed nature of Property as a basis for Taxation.

Same Day Election Voter Registration: amending the Election Code to provide for Election Day Registration (EDR). By implementing an EDR process, eligible persons are able to register and vote on the same day of any primary, municipal or general election by completing a registration card and providing proof of residence.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15665>

NOTE: Is it really that difficult to register to vote prior to an election? We already know that voter fraud takes places and this is just an avenue that would allow this sort of fraud to advance. With no time to check an application for verification while still being able to cast a vote has proven to change the outcome of elections as it did is states that helped put the current administration in office. The increased voter turnout cited in this memo is not a plus if you don't have the time to demonstrate the votes are valid.

Limit purchases of handguns to one per person per 30-day period, with exceptions: This bill would limit purchases of handguns in the Commonwealth to one handgun per individual within any 30-day period. The limits on purchases would not apply to: a licensed firearm dealer, a licensed firearm collector, law enforcement, correctional facilities, a licensed private security company, sale of antique firearms, or a person who loses or has stolen a firearm, so long as, there is a police report provided to the seller. The seller of a handgun would be required to complete a handgun purchase history check with the State Police. The bill would make violation of selling or purchasing more than one handgun in a 30-day period a third degree misdemeanor; however, if a person has been sentenced for selling or purchasing more than one handgun in a 30-day period, the violation would be a third degree felony. Additionally, any fines or fees imposed would be deposited into a Violence Prevention Fund in the State Treasury, which would be used for grants to police to prevent gun-related injuries.

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cosponId=15844>

Note: To begin with the wording of the memo is a mess.....is the selling or purchasing more than one handgun in a 30 day period a misdemeanor or a felony....it would be both according to this bill. Is exempting a person who has stolen a firearm really a good idea (a person who loses or has stolen a firearm...I'd like to think that this is simply a mistake in the wording but you never know these days)? While the bill proposes to protect our Second Amendments rights it also ignores the Pennsylvania Constitution which declares that the right to bear arms for the protection of our state and property SHALL NOT BE QUESTIONED! In short, the purchasing of illegally obtained firearms isn't regulated by this legislation and the average law-abiding citizen has no intention of using their firearm for illegal purposes. Isn't it time to stop finding new ways to make individuals purchasing firearms for the own protection look like criminals?