

MCA
Summary of Legislation
June 2012

P3 enacted

The long awaited legislation allowing for Public Private Partnerships (P3) was finally passed just prior to the Legislature's summer break. House Bill 3 creates enabling legislation that paves the way for these partnerships that have shown to be successful in other states that are also struggling to adequately fund public construction, particularly as it relates to transportation infrastructure. The prime sponsor of the Bill, Representative Rick Geist (R, Blair County) had championed the cause for many years. As Geist is not returning to the Legislature next year, the bill represents a final accomplishment for his long tenure in the General Assembly and as chair of the Transportation committee. The bill had been delayed numerous times this legislative session over disagreements that ranged from prevailing wage applicability to preferences for veteran owned business. In the end, the Senate version of the bill was amended into the House bill and all was agreed to by both chambers and the Administration. During debate, it was pointed out that while this is a positive development for infrastructure funding, it by no means solves Pennsylvania's critical need for additional transportation spending.

E-verify Required

The Pennsylvania General Assembly passed the Public Works Employment Verification Act which requires employers working on a publicly funded construction project to verify the social security numbers of all workers on that job. The legislation, commonly referred to as the E-verify bill, mandates that employers run their workers social security numbers through the federal e-verify data base to check that they are U.S. citizens and not undocumented workers. Competing bills had been introduced in both the House and Senate. In the end, the Senate bill, **SB 637**, was chosen as the bill sent to the Governor. Previous versions of the legislation would have applied to both public and private construction, but opposition from home builders and open shop contractor organizations effectively thwarted the more expansive efforts. The Governor has not yet signed the bill at the time of the writing of this report.

Legislative Activity

The following bills were acted on by the General Assembly this month.

BIDDING / CONTRACTING

[HB 380](#) RE: Construction Industry Employment Verification Act (by Rep. John Galloway, et al) Requires construction industry employers to verify the Social Security numbers of all employees for purposes of wage reporting and employment eligibility. The bill provides for powers and duties of the Department of Labor & Industry, prescribes penalties and establishes good faith immunity, stipulating that a contractor or subcontractor that relies in good faith on NVS and EVP procedures to verify employee SSNs shall be immune from sanctions in the event incorrect information is provided. The bill clarifies it only applies to public works projects.

Reported as amended from House Labor and Industry Committee, read first time, and rereferred to House Rules Committee, 6/20/2012

[HB 2022](#) RE: Pennsylvania Business Permitting Portal Act (by Rep. Mike Peifer, et al) Establishes the Pennsylvania Business Permitting Portal to provide a single online access point to aid existing and potential business owners in completing the necessary permit applications associated with establishing and operating a business in Pennsylvania. Provides for functions of the portal and requires the Department of Community and Economic Development to work with other agencies to determine whether their permits can be obtained through the portal. Establishes the Pennsylvania Business Permitting Portal Advisory Committee and provides for its composition and duties.

Reported as amended from Senate Community, Economic & Recreational Development Committee, and read first time, 6/19/2012

Rereferred to Senate Appropriations 6/29/2012

[HB 2359](#) RE: Removal of Flood-Related Hazards (by Rep. Martin Causer, et al)

Amends the Dam Safety and Encroachments Act to further provide for definitions and requires the Environmental Quality Board to establish procedures for the removal of flood-related hazards or related stream clearing activities by persons owning adjacent property, or municipalities where the flood-related hazards are located or related stream clearing activities are to be completed. Guidelines for the procedures are provided.

Removed from the table, 6/5/2012

Read second time, and Rereferred to House Appropriations Committee, 6/6/2012

Reported as committed from House Appropriations, read third time, and passed House, 6/11/2012 (136-60)

Received in the Senate and referred to Senate Environmental Resources and Energy Committee, 6/15/2012

[HB 2444](#) RE: School Construction Moratorium (by Rep. Brad Roae, et al)

Amends the Public School Code, in State System of Higher Education, further providing for project contracts by adding that through June 30, 2014, the system may not execute or administer any contract for construction, repair, renovation and maintenance projects, unless (1) the contract was entered into prior to the effective date; or (2) the system submits a written request for an exception to the Department of General Services and the department determines, in writing, that an emergency exists and failure to execute or administer the contract would be detrimental to the health or safety of the students served by the system, the employees of the system or the public.

Introduced and referred to House State Government Committee, 6/6/2012

[SB 9](#) RE: Proof of Citizenship for Receipt of Public Benefits Act (by Sen. Joe Scarnati, et al)

Requires identification of lawful presence in the United States as a prerequisite to the receipt of public benefits. Further provides an agency may not issue an access device to a person who is not lawfully present in the United States as determined by federal immigration officials. Also provides a person who is not lawfully present commits a felony of the third degree if that person possesses or uses an access device. Adds language providing if an agency encounters errors and significant delays when using the SAVE program, the agency shall report the errors and delays to the United States Department of Homeland Security and the Attorney General. Further provides the Attorney General shall monitor the SAVE program and provides for notification to the Governor's Office of Administration and posting on PennWATCH. This law shall not apply if compliance would lead to a loss of federal funding or would be in conflict with federal law

Removed from the table, 6/19/2012

Read second time and rereferred to House Appropriations Committee, 6/20/2012

Reported as committed from House Appropriations read third time, and passed House, 6/21/2012 (157-34)

Received as amended in Senate and rereferred Senate Rules and Executive Nominations, 6/25/2012

Re-reported on concurrence as amended from Senate Rules and Executive Nominations, 6/29/2012

Senate concurred in House amendments as further amended by the Senate, 6/30/2012

Received as amended in House and rereferred House Rules committee, re-reported as committed from House Rules Committee, 6/30/2012

[SB 637](#) RE: E-Verify (by Sen. Kim Ward, et al)

Amends Title 62 (Procurement), in contracts for public works, adding a subchapter requiring verification of the employment eligibility of all employees for purposes of wage reporting and employment eligibility in certain public works projects as a precondition of being awarded a contract. The bill prescribes penalties.

Removed from the table, 6/20/2012

Amended on House floor, read second time, and rereferred to House Appropriations Committee, 6/28/2012

Reported as committed from House Appropriations, read third time, and passed House, 6/29/2012 (193-6)

Received as amended in Senate and rereferred to Senate Rules and Executive Nominations, 6/29/2012

Re-reported on concurrence as committed Senate Rules and Executive Nominations, and Senate concurred in House amendments, 6/30/2012 (47-2)

Signed in the House and Senate, 6/30/2012

[SB 1192](#) RE: Roofing Projects Act (by Sen. Patricia Vance, et al)

Amends Title 62 (Procurement) to add a chapter providing for the Roofing Projects Act detailing roofing projects undertaken by local governments. Definitions and project specifications, including proposals from design professionals and bidding so as not to allow for favoritism. Brand name specifications and specification features are detailed. Certain prohibited acts and required disclosures are provided for along with a model certification form for those working on the roofing project. Bid advertisement requirements and enforcement remedies are provided for. The enforcement authority of the Attorney General and local governments is detailed.

Reported as committed from Senate State Government Committee, and read first time, 6/19/2012

Rereferred to Senate Appropriations Committee, 6/28/2012

BUDGET RELATED BILLS

[HB 1901](#) RE: School Code Amendments (by Rep. Garth Everett, et al)

Amends the Public School Code, in preliminary provisions, further providing for definitions, for background checks of prospective employees and conviction of employees of certain offenses and for collection of identifying information of students attending institutions of higher education; providing for adjustments based on Consumer Price Index and for Keystone Exams; in school districts, further providing for moratorium on certain data collection systems and data sets; in school finances, providing for reopening of 2012-2013 budget and for intergovernmental agreements for school security and safety; **in grounds and buildings, providing for limitation on new applications for the Department of Education's approval of public school building projects and further providing for work to be done under contract let on bids and exception;** in books, furniture and supplies, further providing for purchase of supplies; in district superintendents and assistant district superintendents, further providing for eligibility and for manner of election or approval, providing for performance review and further providing for election of assistant district superintendents, for term and salary of assistants, for commissions and for removal; in professional employees, further providing for rating system and for causes for suspension; in pupils and attendance, further providing for liability for tuition and enforcement of payment and for school lunch and breakfast reimbursement; in safe schools, further providing for regulations; adding a requirement relating to cardiopulmonary resuscitation; providing for open campus initiatives; in high schools; further providing for attendance in other districts; reenacting and amending provisions relating to school boards and educational empowerment; in community colleges, further providing for financial program, reimbursement of payments; **in Thaddeus Stevens College of Technology, further providing for contracts for construction, repair, renovation or maintenance; in State System of Higher Education, further providing for project contracts and for powers and duties of institution presidents; in school districts of the first class, further providing for superintendents of schools or buildings and of supplies;** in funding for public libraries, providing for State and for fiscal year 2012-2013; in reimbursements by Commonwealth and between school districts, providing for basic education funding for 2011-2012 school year, further providing for payments to intermediate units and for special education payments to school districts, providing for assistance to school districts certified as education empowerment districts, further providing for Pennsylvania accountability grants and providing for targeted industry cluster certificate scholarship program; and making editorial changes.

Reported as amended Senate Education Committee, and Rereferred to Senate Appropriations, 6/27/2012

Reported as amended from Senate Appropriations, read third time, and passed Senate, 6/29/2012 (47-2)

Received as amended in House, rereferred to House Rules Committee, and Re-reported on concurrence as committed from House Rules Committee, 6/29/2012

House concurred in Senate amendments, 6/30/2012 (115-82)

Signed in the House and Senate, 6/30/2012

Approved by the Governor 6/30/2012 (Act No. 82 of 2012)

[HB 1916](#) RE: Rehabilitation of Areas Affected by Hurricane Irene and Tropical Storm Lee (by Rep. Dave Millard, et al)

Implements the provisions of clause (1) of subsection (a) of section 7 of Article VIII of the Pennsylvania Constitution, authorizing the incurring of debt for the rehabilitation of areas affected by Hurricane Irene and Tropical Storm Lee; imposing duties upon the Governor, the Auditor General and the State Treasurer; prescribing the procedures for the issuance, sale and payment of general obligations bonds, the funding of debt and refunding of bonds; exempting said bonds from State and local taxation; creating the Disaster Relief Fund and the Disaster Relief Redemption Fund; providing for allocation of proceeds; making appropriations; providing for highway projects itemization, public bridge projects itemization, disaster mitigation and assistance projects itemization and disaster railroad assistance projects itemization for flood damages; and stating an estimated use. The bill further provides for itemized projects for repair following the 2011 floods resulting from Hurricane Irene and Tropical Storm Lee.

Reported as amended from Senate Appropriations Committee, and read first time, 6/4/2012

Read second time, 6/5/2012

Amended on Senate floor, 6/12/2012

Read third time and passed Senate, 6/13/2012 (47-0)

Received as amended in House and rereferred to House Rules Committee, 6/13/2012

[HB 2020](#) RE: Infrastructure Future Fund Act (by Rep. Jerry Knowles, et al)

Establishes the Infrastructure Future Fund in the State Treasury which shall be composed of by the deposits of the net proceeds from the privatization of wine and liquor operations of the Pennsylvania liquor stores and the net proceeds from the sale of any wine or liquor inventory owned or maintained by the Pennsylvania liquor stores. The bill grants exclusive control and authority to manage, invest and reinvest money in the fund to the State Treasurer. The money in the account shall be used for construction cost of transportation infrastructure projects and the Governor shall submit, yearly, an itemization of transportation infrastructure projects to be funded by this Act along with a description and estimated cost.

Reported as committed from House Transportation Committee, read first time, and rereferred to House Rules Committee, 6/5/2012

[HB 2175](#) RE: Capital Debt Enabling Act (by Rep. Mike Turzai, et al)

Amends a variety of Redevelopment Assistance Capital Projects (RACP) provisions contained within the Capital Debt Enabling Act. Among them, it transfers from the existing act the definition of "applicant" to make it a defined term. "Capital projects" is amended to include five categories and to clarify that infrastructure can be funded as a part of the capital project. Types of eligible projects are expanded to include stormwater infrastructure and tunnels can be funded if they are associated with an economic development project. A minimum 50-percent private match is required for state funding and the Budget Office can give preference to projects with at least 75-percent private funding. Upon enactment, the RACP debt limit would be cut from \$4.05 billion to \$3.5 billion, and would then decrease incrementally until it reaches \$1.5 billion sometime after 2020. No redevelopment assistance capital project may be approved in the period between the date of the general election at which the governor-elect was elected and the third Tuesday of January next following the election. All projects not authorized as of December 31, 2011, would expire and need to be re-listed in compliance with the updated requirements of the act. Requires projects to be submitted to the General Assembly as a single piece of legislation and approved by the General Assembly. Also requires certain reports on the projects to the General Assembly. Provides for disclosure of approved projects on a publicly accessible website.

Received in the Senate and referred to Senate Appropriations Committee, 6/15/2012

Reported as committed from Senate Appropriations Committee, and read first time, 6/27/2012

Read Second time and recommitted to Senate Appropriations Committee, 6/28/2012

[SB 1466](#) RE: FY 2012-13 General Fund Budget (By Sen. Jake Corman, et al)

Provides for the General Fund expenses of the Executive and Judicial Departments and the State Government Support Agencies and the General Assembly of the Commonwealth, the public debt and the public schools for the fiscal year July 1, 2012, to June 30, 2013.

9 Floor amendment(s) adopted, read second time, and re-referred to House Appropriations Committee, 6/5/2012

Reported as amended from House Appropriations Committee, 6/27/2012

Read third time and passed House, 6/28/2012 (120-81)

Received as amended in Senate and rereferred to Senate Rules and Executive Nominations Committee, and Re-reported on concurrence as committed from Senate Rules and Executive Nominations Committee, 6/28/2012

Senate concurred in House amendments 6/29/2012 (32-17)

Signed in the House and in the Senate, 6/29/2012

Approved by the Governor, 6/30/2012

[SB 1480](#) RE: Capital Budget Act of 2012-2013 (by Sen. Jake Corman, et al)

Appropriates the following sums for capital projects: \$995,000,000 for buildings and structures (general and special funds); \$40,000,000 for furniture and equipment (general and special funds); \$210,000,000 for transportation assistance projects (general fund); \$345,000,000 for redevelopment assistance projects (general fund); and \$85,000,000 for bridge projects (general fund or motor license fund).

Laid on the table, removed from the table, 6/12/2012

Read third time and passed Senate, 6/20/2012 (45-2)

Received in the House and referred to House Appropriations Committee, 6/21/2012

Reported as committed from House Appropriations Committee, and laid on the table, 6/26/2012

Removed from the table, 6/27/2012

[SB 1563](#) RE: Cracker Plant (by Sen. Elder Vogel, et al)

Amends the Tax Reform Code establishing a resource manufacturing tax credit in an amount equal to \$0.05 per gallon of ethane purchased and used in manufacturing ethylene in this Commonwealth by a qualified taxpayer. The credit shall be limited to 20 percent of the qualified taxpayer's qualified tax liabilities incurred in the taxable year for which the credit was approved. The Department of Revenue shall annually report to the General Assembly on the tax.

Introduced and referred to Senate Finance Committee, 6/15/2012

ENVIRONMENTAL BUILDING STANDARDS

None

LOCAL/STATE GOVERNMENT/REGULATIONS

[SB 405](#) RE: Mercantile or Business Privilege Tax (by Sen. Pat Browne, et al)

Amends the Local Tax Enabling Act to limit a local taxing authority's ability to levy a mercantile or business privilege tax to only where such transactions take place. A taxpayer may exclude such gross receipts from any tax on or measured by such gross receipts which is imposed by a jurisdiction in which the taxpayer maintains a base of operations. Where a business has more than one base of operations, the taxes collected by a local jurisdiction may be only for the local base of operations. Pertinent definitions are provided.

Public hearings held in Subcommittee on Fiscal Policy, House Appropriations Committee, 6/5 and 6/8/2012

PREVAILING WAGE

NONE

TRANSPORTATION

[HB 3](#) RE: Public-Private Transportation Partnerships (By Rep. Rick Geist, et al)

Amends Title 74 (Transportation) adding a chapter providing for public-private transportation partnerships and making a related repeal.

Read Second time and rereferred to Senate Appropriations Committee, 6/11/2012

Reported as amended from Senate Appropriations Committee, 6/18/2012

Read third time and passed Senate, 6/30/2012 (49-0)

Received as amended in House and rereferred to House Rules Committee, reported as committed from House Rules, and House concurred in Senate amendments, 6/30/2012 (117-79)

Signed in the House and Senate, 6/30/2012

In the hands of the Governor, 7/2/2012. Last day for Governor's action, 7/12/2012

UNEMPLOYMENT/WORKERS COMP

[HB 1539](#) RE: Keystone Works I Program Act (By Rep. Stan Saylor, et al)

Establishes said program under the purview of the Department of Labor and Industry. The program shall permit a claimant to be matched with a participating business, which will then provide skill enhancement for up to 24 hours per week for up to six weeks. Upon completion of the six-week period, claimants must be considered for employment by the business. A business shall not be required to compensate claimants involved with the program. The bill outlines other duties of the department. The bill also provides eight weeks of training with an employer to displaced workers while continuing to receive unemployment compensation (UC), by outlining comprehensive eligibility standards, establishing guidelines, providing for the arrangement of workers compensation payments, providing for incentive payments to employers, and placing a five-year moratorium on the program. Provides for voluntary nature of the program, duty of CareerLink locations, and further details definitions. The bill requires businesses to register with a CareerLink office, provides for business requirements, and for further business incentives.

Removed from the table, 6/4/2012

Amended on House floor, read second time, and rereferred to House Appropriations, 6/6/2012

Reported as committed from House Appropriations Committee, 6/11/2012

Read third time, and passed House, 6/12/2012 (198-0)

Received in the Senate and referred to Senate Labor and Industry Committee, Reported as committed from Senate Labor and Industry, and read first time, 6/13/2012

Read second time, 6/18/2012

Amended on Senate floor, and rereferred to Senate Appropriations Committee, 6/19/2012

Reported as committed from Senate Appropriations Committee, 6/25/2012

Read third time and passed Senate, 6/28/2012 (49-0)

Received as amended in House and rereferred House Rules Committee, 6/28/2012

Re-reported on concurrence as committed from House Rules, and House concurred in Senate amendments, 6/29/2012 (199-0)

Signed in the House and in the Senate, 6/29/2012

[SB 1310](#) RE: UC Contributions (by Sen. John Gordner, et al)

Amends the Unemployment Compensation Law further providing for definitions, for determination of contribution rate and experience rating and for contributions by employees; providing for additional contribution for debt service; further providing for trigger determination, for trigger rate redeterminations, for reports by employers and

assessments, for contributions to be liens and entry and enforcement thereof, for collection of contributions and interest and injunctions, for dishonored checks, for qualifications required to secure compensation, for rate and amount of compensation and for Unemployment Compensation Fund; providing for Debt Service Fund and for Reemployment Fund; further providing for State Treasurer as custodian and for recovery and recoupment of compensation; providing for unemployment compensation bonds and for unemployment compensation amnesty program; and making a related repeal.

Re-reported on concurrence as amended from Senate Rules and Executive Nominations, 6/4/2012

Senate concurred in House amendments as further amended by the Senate, 6/5/2012

Received as amended in House and rereferred House Rules Committee, 6/5/2012

Re-reported on concurrence as committed from House Rules Committee, House concurred in Senate amendments to House amendments, and Signed in the Senate and House, 6/6/2012

In the hands of the Governor 6/7/2012

Approved by the Governor 6/12/2012 (Act No. 60 of 2012)

Other Bills of Interest

[HB 1349](#) RE: Regulatory Flexibility Analysis (by Rep. Tina Pickett, et al)

Amends Regulatory Review Act requiring an impact statement for any proposed regulation that may have an adverse impact on small business and providing guidelines for regulatory flexibility analysis. Regulatory approval without a small business impact evaluation is prohibited. The bill also provides for judicial review for aggrieved small businesses, for comment making, and for pertinent definitions.

Read second time, 6/11/2012

Amended on Senate floor, 6/18/2012

Read third time and passed Senate, 6/19/2012 (48-0)

Received as amended in House and rereferred to House Rules Committee, 6/20/2012

Re-reported on concurrence as committed from House Rules and House concurred in Senate amendments, 6/21/2012 (191-0)

Signed in the House, 6/22/2012

Signed in the Senate, 6/25/2012

Approved by the Governor, 6/29/2012 (Act No. 76 of 2012)

[HB 2543](#) RE: Handheld Electronic Devices (by Rep. Peter Daley, et al)

Amends Title 75 (Vehicles) adding a new subsection prohibiting a motor vehicle operator from using a handheld electronic device while in an active construction zone. Further provides a violation of the subsection shall be a summary offense.

Introduced and referred to House Transportation Committee, 7/2/2012

[HB 2547](#) RE: PA Council on Workforce Development (by Rep. Joe Preston, et al)

Act establishing the PA Council on Workforce Development; & providing for its powers and duties as lead agency in cooperation with other State agencies to promote workforce development.

Filed, not yet referred, 7/2/2012

Upcoming meetings of Interest

The House and Senate are in recess until September 24.

2012 SENATE FALL SESSION SCHEDULE

September 24, 25

October 1, 2, 3, 15, 16, 17

November 14 (Leadership Elections)

The Fall House Session schedule has not yet been announced. However the House and Senate leaders have announced there will NOT be voting session days after the November elections.

Copies of all bills of interest can be accessed via the Internet at:

<http://www.legis.state.pa.us/WU01/LI/BI/billroom.htm>