

MCA
Summary of Legislation
January 2017

Prevailing Wage Law Targeted Early and Often

As the new legislative session ramps up, dozens of bills are introduced every day. Many of the bills are simply being reintroduced because they did not pass during the previous legislative session that ended last November. One theme that has made itself eminently clear so far is a desire by conservative lawmakers to undo the Pennsylvania Prevailing Wage Act. There are already a half dozen bills introduced in the House alone that target the prevailing wage law.

The bills cover the spectrum of outright repeal of the law to narrowing its applicability to certain projects. House Bill 260, offered by Rob Kauffman from Adams County, repeals the law entirely. There are also bills that exempt certain types of projects such as work performed for school districts, healthcare facilities that receive state grants for construction as well as road construction on unpaved or low volume roads. Another bill introduced by Representative Kauffman, House Bill 261, requires that the PA Department of Labor and Industry to publish definitions for worker/craft classifications that would apply statewide. That would replace the Department's long standing practice of using standards contained in the local bargaining agreements.

All of the bills have been referred to the House Labor and Industry committee. Whether or not the bills advance this year remains to be seen. What is clear is that the prevailing wage status quo cannot be taken for granted.

Legislative Activity

The following bills of interest to the construction industry have been introduced and/or acted upon in that past month.

Bidding / Contracting

[SB 153](#) RE: [Higher Education Project Contracts \(Mandate Relief\)](#)

Amends the Public School Code, in the State System of Higher Education, further providing for project contracts by adding that certain contracts shall not be subject to review under section 204(f) of the Commonwealth Attorneys Act. The contracts shall be made available to the public by listing them with the Treasury Department in accordance with the Right-to-Know Law.

Introduced and referred to Senate Education Committee, 1/20/2017

Cosponsor memo filed

SCO 544 (Eichelberger) - [Statewide Bid And Notice Database](#). Provides for an alternative method, in the form of a Statewide Bid and Notice Database on which a local government unit could inform the public of meetings and contract opportunities.

Budget Related Bills

[HB 182](#) RE: Capital Budgets (by Rep. Stan Saylor, et al)

Amends the Capital Facilities Debt Enabling Act, in capital facilities, further providing for bonds & notes, maturity, interest, for appropriation & for limitation & administration on projects; & providing for capital budgets.

Filed, 1/23/2017

[HB 218](#) RE: General Appropriation Act of 2017 (by Rep. Stan Saylor, et al)

Provides from the General Fund for the expenses of the Executive and Judicial Departments, 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, 2017, to June 30, 2018, for certain institutions and organizations, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2017; to provide appropriations from

the State Lottery Fund, the Tobacco Settlement Fund, the Aviation Restricted Account, the Hazardous Material Response Fund, The State Stores Fund, the Milk Marketing Fund, the Home Investment Trust Fund, the Emergency Medical Services Operating Fund, the Tuition Account Guaranteed Savings Program Fund, the Banking Fund, the Firearm Records Check Fund, the Ben Franklin Technology Development Authority Fund, the Oil and Gas Lease Fund, the Home Improvement Account, the Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund, the Commonwealth Financing Authority Debt Service Restricted Revenue Account, the Insurance Regulation and Oversight Fund, the Pennsylvania Racehorse Development Restricted Receipt Account, the Justice Reinvestment Fund and the Multimodal Transportation Fund to the Executive Department; to provide appropriations from the Judicial Computer System Augmentation Account to the Judicial Department for the fiscal year July 1, 2017, to June 30, 2018; to provide appropriations from the Motor License Fund for the fiscal year July 1, 2017, to June 30, 2018, for the proper operation of several departments of the Commonwealth and the Pennsylvania State Police authorized to spend Motor License Fund money; to provide for the appropriation of Federal funds to the Executive Department of the Commonwealth and for the payment of bills remaining unpaid at the close of the fiscal year ending June 30, 2017. The bill is effective immediately and retroactive to July 1, 2017, if enacted after that date.

NOTE: This bill was introduced BEFORE the Governor's budget address, and does not reflect the Administration's spending priorities. It will likely, however, serve as the vehicle for the budget, as the process moves along.

Introduced and referred to House Appropriations Committee, 1/24/2017

[HB 286](#) RE: Capital Budgets (by Rep. George Dunbar, et al)

Amends the Capital Facilities Debt Enabling Act adding language requiring a capital budget bill to enumerate the amount of debt being authorized in each category to fund projects for which debt had been previously authorized and the amount of debt being authorized in each category to fund projects for which debt had not previously been authorized. Also requires the governor, immediately upon introduction of a capital budget bill, compile an itemized list of projects for each category of projects to be financed by the authorized debt. Further provides for the information to be included in the list and requires the report to be sent to all members of the General Assembly.

Introduced and referred to House Appropriations Committee, 2/2/2017

[SB 267](#) RE: Redevelopment Assistance Capital Projects (by Sen. Vincent Hughes, et al)

Amends the Capital Facilities Debt Enabling Act, in capital facilities, further providing for definitions of "redevelopment assistance capital project," for appropriation for housing units for veterans, and for limitation on redevelopment assistance capital projects. The bill provides for a minimum of \$25,000,000 to be used for the construction of units to house veterans who are Pennsylvania residents and homeless or in need of housing.

Introduced and referred to House Appropriations Committee, 1/31/2017

Cosponsor memo filed

HCO1054 (Topper) - Amends the Capital Facilities Debt Enabling Act to establish an annual spending limit on RACP and PIP projects.

Filed, 1/26/2017

Environmental Building Standards

[HB 417](#) RE: Water Well Construction Standards (by Rep. Bob Godshall, et al)

Amends Title 27 (Environmental Resources), in conservation and natural resources, adding a chapter providing water well construction standards. Portions are effective after regulations are promulgated and the remainder is effective in 30 days.

Introduced and referred to House Consumer Affairs Committee, 2/8/2017

Cosponsor memo filed

[SCO 413](#) (Rafferty) - Requires that the design, construction, and renovation of state government buildings comply with specified energy and environmental building standards.

Filed, 1/10/2017

Liability

NONE

Local/State Government/Regulations

[HB 162](#) RE: Code Manuals (by Rep. David Maloney, et al)

Amends the Pennsylvania Construction Code Act, in Uniform Construction Code, adding language allowing the Department of Labor and Industry to contract with the ICC to establish and publish code manuals that contain the standards of the Uniform Construction Code. The department shall require in any such contract that the standards be made available on the department's website.

Introduced and referred to House Labor and Industry Committee, 1/23/2017

Reported as committed from House Labor and Industry Committee, read first time, and laid on the table, 2/6/2017

Removed from the table, 2/8/2017

[HB 176](#) RE: Farm Structures (by Rep. Tina Pickett, et al)

Amends the PA Construction Code Act, in preliminary provisions, further providing for definitions and for application. Defines "farmer." Excludes from the act structures used for the direct, seasonal sale of agricultural, horticultural and food products which are open on at least one side, operated by a farmer whose products make up not less than 50 percent of the commodities being sold, is not located on the farmer's property, is temporary in nature, and has an area of less than 1,000 square feet.

Introduced and referred to House Labor and Industry Committee, 1/23/2017

[HB 284](#) RE: One Call System (by Rep. Matt Baker, et al)

Amends the Underground Utility Line Protection Law removing the jurisdiction of the Department of Labor and Industry and transferring it to the Public Utility Commission; further providing for definitions; requiring submission of reports of alleged violations; requiring facility owners to maintain records of abandoned lines, to participate in the One Call System's Member Mapping Solutions, and to notify a facility owner that an excavator has identified an unmarked or incorrectly marked facility and of the owner's responsibilities; further providing for the One Call System, other parties, designers, excavators and project owners and for penalties; adding that an excavator, designer or operator who proposes to commence excavation or demolition work and requests information from the One Call System shall pay to the One Call System an annual fee; requiring designers to request line and facility information; requiring excavators to renotify the One Call System of an unmarked or incorrectly marked facility in certain instances and to make a locate request to the One Call System prior to excavation or demolition work and to pay the applicable fee; establishing a Damage Prevention Committee in the commission to review and take action on alleged violations; establishing the Underground Utility Line Protection Fund to receive penalties and assessments; and extending the expiration of the act through 2022. Provisions establishing the fund are effective immediately and the remainder is effective in 180 days.

Introduced and referred to House Consumer Affairs Committee, 2/1/2017

[SB 142](#) RE: Unconventional Oil and Gas Conservation (by Sen. Gene Yaw, et al)

Amends Title 58 (Oil and Gas), in unconventional oil and gas conservation, consolidating the Oil and Gas Conservation Law with modifications relating to definitions, standard unit order, process, administration, standard of review, hearings and appeals, establishment of units, integration of various interests, lease extension and scope, providing for gas and hazardous liquids pipelines; and repealing the Oil and Gas Conservation Law. The bill adds a chapter providing for Unconventional Oil and Gas Conservation, entitled the Unconventional Oil and Gas Unit Conservation and Integration Act. The chapter seeks to promote the development of unconventional oil and gas resources in accordance with the best principles and practices of oil and gas conservation while reasonably protecting the correlative rights of the person affected and to provide for the protection of the environment.

Introduced and referred to Senate Environmental Resources and Energy Committee, 1/20/2017

[SB 269](#) RE: Uniform Construction Code Review and Advisory Council (by Sen. Lisa Baker et al)

Amends the Pennsylvania Construction Code Act, in preliminary provisions, further providing for definitions, adding that the Uniform Construction Code Review and Advisory Council shall also gather information from construction trades and consumer representatives; repealing provisions providing for review; reconstituting the

membership of the council and providing for removal of members; requiring members to participate in person, via teleconference, or via video conference; establishing technical advisory committees; providing for review of updated sections and adoption of updated sections into Uniform Construction Code; in Uniform Construction Code, further providing for revised or successor codes; in adoption and enforcement by municipalities, further providing for administration and enforcement; in training and certification of inspectors, further providing for education and training programs; and, in exemptions, applicability and penalties, further providing for applicability to certain buildings. Additionally, the fee collected shall be allocated as follows: 40 percent in the Municipal Code Official Training Account, 40 percent in the Construction Contractor Training Account, and 20 percent in the Review and Advisory Council Administration Account to be used by the Department of Labor and Industry. Provisions regarding uncertified buildings over which the department does not have jurisdiction are effective in 60 days and the remainder is effective immediately.

Introduced and referred to Senate Labor and Industry Committee, 1/31/2017

[HB 409](#) RE: Uniform Construction Code Review and Advisory Council (by Rep. Eli Evankovich, et al) Amends the Pennsylvania Construction Code Act, in preliminary provisions, further providing for definitions and for Uniform Construction Code Review and Advisory Council and providing for review of updated sections and adoption of updated sections into Uniform Construction Code; in Uniform Construction Code, further providing for revised or successor codes; in adoption and enforcement by municipalities, further providing for administration and enforcement; in training and certification of inspectors, further providing for education and training programs; and, in exemptions, applicability and penalties, further providing for applicability to certain buildings.

Introduced and referred to House Labor and Industry Committee, 2/8/2017

[SB 242](#) RE: One Call System (by Sen. Lisa Baker, et al) Amends the Underground Utility Line Protection Law further providing extensively for definitions, for duties of facility owners, for duties of the One Call System, for duties of excavators, for duties of designers, for duties of project owners and for penalties; providing for enforcement, for underground utility line protection fund and for compliance; and further providing for One Call System authority and for expiration. Among the many changes, facility owners shall maintain existing records of main lines abandoned on or after the effective date and to mark, locate or identify the main lines if possible, based upon the existing records. A damage prevention committee is established to review reports of violations, issue warnings and determinations and require persons to attend damage prevention educational programs. The Act expires December 31, 2024, (changed from 2017).

Introduced and referred to Senate Consumer Protection & Prof. Licensure Committee, 1/26/2017

Cosponsor Memos Filed

HCO 627 (Rothman) - [Economically Significant Regulation](#). Amends the Regulatory Review Act by requiring any economically significant regulation to be approved by the General Assembly.

Filed, 1/10/2017

Professional Licensure

[HB 298](#) RE: Training and Certification of Inspectors (by Rep. Sheryl DeLozier, et al) Amends the Pennsylvania Construction Code Act, in training and certification of inspectors, further providing for training of inspectors. The bill states that the department may by regulation establish a separate trainee classification for each certification category. The trainee classification shall be considered optional for all individuals seeking certification under this act. An applicant for trainee classification shall secure the sponsorship of an individual certified in each category for which the trainee seeks certification. A trainee classification is nonrenewable and shall be limited. Individuals with trainee classifications may perform all the duties of a certified individual while under the supervision of a sponsor. The department may establish fees and applications and registration procedures to establish the trainee classification system. Individuals with trainee classifications shall be listed on the department's website.

Introduced and referred to House Labor and Industry Committee, 2/2/2017

Reported as committed from House Labor and Industry Committee, read first time, and laid on the table, 2/6/2017

Removed from the table, 2/8/2017

[SB 183](#) RE: Plumbing Contractors Licensure Act (by Sen. Tom McGarrigle, et al)

Provides for plumbing contractors licensure; establishing the State Board of Plumbing Contractors and providing for its powers and duties; conferring powers and imposing duties on the Department of Labor and Industry; establishing fees, fines and civil penalties; establishing the Plumbing Contractors Licensure Account; and making an appropriation.

Introduced and referred to Senate Labor and Industry Committee, 1/25/2017

Local/Property Tax Reform

NONE

Mandate Waivers

NONE

Mechanic's Lien

NONE

Prevailing Wage

[HB 148](#) RE: Prevailing Wage (by Rep. Matt Baker, et al)

Amends the Pennsylvania Prevailing Wage Act amending the definition of "public work" by providing the definition shall not apply to work performed on a project by or on behalf of a health care facility as defined in section 103 of the Health Care Facilities Act or work performed on a project by or on behalf of an entity subject to Article IX or X of the Public Welfare Code.

Introduced and referred to House Labor and Industry Committee, 1/23/2017

[HB 172](#) RE: Prevailing Wage (by Rep. Ron Marsico, et al)

Amends the PA Prevailing Wage Act further providing for definitions; providing for referendum for prevailing wage rates, for subsequent public referenda and for election interference prohibited; and repealing related provisions of the Public School Code. Excludes school districts from the "public body" definition and establishes definitions for County Board, County, and school district. Requires referendum questions and subsequent statements to determine whether the voters in each county favor the payment of minimum prevailing wage rates on public works projects situated in that county and undertaken by a school district. Approval of the county referendum shall be by majority vote of the electors voting on the question in the county. In instances where a school district is located in more than one county, the referendum result shall apply solely to the public works projects constructed by a school district in the geographic territory of the county where the public works project is located.

Introduced and referred to House Labor and Industry Committee, 1/23/2017

[HB 260](#) RE: Prevailing Wage (by Rep. Rob Kauffman, et al)

Repeals the Pennsylvania Prevailing Wage Act.

Introduced and referred to House Labor and Industry Committee, 1/31/2017

[HB 261](#) RE: Statewide Worker Classification (by Rep. Rob Kauffman, et al)

Amends the Pennsylvania Prevailing Wage Act requiring the Secretary of Labor and Industry to develop and adopt a complete list of statewide worker classification and craft definitions, and to make the list available to the public on the department's website.

Introduced and referred to House Labor and Industry Committee, 1/31/2017

[HB 297](#) RE: Maintenance Work (by Rep. Cris Dush, et al)

Amends the Pennsylvania Prevailing Wage Act adding that "maintenance work" includes work performed under Title 75 (Transportation), section 9106 (relating to dirt, gravel and low-volume road maintenance).

Introduced and referred to House Labor and Industry Committee, 2/2/2017

Cosponsor memos Filed

HCO 458 (Marsico) - [Prevailing Wage - Political Subdivision Exemption](#) . Exempts political subdivisions and their authorities, agencies, or instrumentalities from the Prevailing Wage Act's coverage, repealing the prevailing wage mandate.

Filed, 1/4/2017

HCO 540 (F. Keller) - [Legislation Amending the Pennsylvania Prevailing Wage Act, Raising the Threshold for Applicability](#). Updates the threshold of the Prevailing Wage Act for the effects of inflation, raising the current threshold of \$25,000 to \$197,000 and establishes an annual inflation adjustment to ensure the threshold remains current.

Filed, 1/5/2017

HCO 622 (Topper) - [Re-Introducing Prevailing Wage School Exemption \(Prev. HB 707\)](#) Exempts Pennsylvania school districts (as well as any authority, instrumentality, or agency established by a school district) from the requirements of the Prevailing Wage Act.

Filed, 1/10/2017

HCO 904 (Marsico) - [Keystone Opportunity Zone - Prevailing Wage](#) Exempts construction/reconstruction projects in Keystone Opportunity Zones (KOZs) from the requirements of the Prevailing Wage Act.

Filed, 1/20/2017

HCO 906 (Bloom) - [Prevailing Wage Reform - The Competitive Wage Initiative \(Previously HB 1095 of 2013-14 Session\)](#) Places a three-year moratorium on the Prevailing Wage Act.

Filed, 1/20/2017

School Construction

[HB 356](#) RE: Tax on School Construction (by Rep. Matt Baker, et al)

Amends the Tax Reform Code, in sales and use tax, further providing for exclusions from tax for a construction contract by providing a sale and use tax exemption for items and services purchased by a contractor on behalf of a school district, intermediate unit, area vocational-technical school or charter school that are related to a construction project.

Introduced and referred to House Finance Committee, 2/7/2017

[SB 212](#) RE: LEED Compliant Schools (by Sen. Daylin Leach, et al)

Amends the Public School Code, in grounds and buildings, further providing for referendum or public hearing required prior to construction or lease by exempting monies paid to build a LEED compliant school from consideration under Act 34's formula; and providing for reimbursements by the Commonwealth and between school districts.

Introduced and referred to Senate Education Committee, 1/26/2017

Cosponsor memos Filed

HCO 817 (Nesbit) - [Requiring the Use of Prototypical Design in the Construction of School Facilities](#) Requires any school entity to use a Department of Education approved, prototypical design in the construction of school facilities. PDE will establish a prototypical school design clearinghouse.

Filed, 1/18/2017

Transportation

NONE

Worker's Comp/ Unemployment Comp

[SB 159](#) RE: Proof of Workers' Compensation Coverage (by Sen. Christine Tartaglione, et al)
Amends the Home Improvement Consumer Protection Act further providing for procedures for registration as a contractor by requiring a registrant to provide proof of workers' compensation coverage in compliance with the Workers' Compensation Act.

Introduced and referred to Senate Consumer Protection & Prof. Licensure Committee, 1/20/2017

Cosponsor Memo Filed

SCO 546 (Gordner) - [Proposed Legislation Reforming the Workers' Compensation Uninsured Employers Guarantee Fund](#) Addresses ongoing funding deficiencies in the Workers Compensation Uninsured Employers Guarantee Fund (UEGF) by requiring an injured worker to file a claim within 180 days.

Filed, 1/25/2017

Workforce Development

[SB 12](#) RE: Minimum Wage (by Sen. Christine Tartaglione, et al)
Amends the Minimum Wage Act further providing for definitions, for rate of minimum wages, for Minimum Wage Advisory Board, for investigations, for duty of employer, for penalties and for civil actions; establishing the Wage Enforcement Fund; and further providing for preemption. The minimum wage is increased incrementally to \$15/hour by July 1, 2020, and thereafter shall be tied to the consumer price index. Quarterly, the department shall collect certain data, investigate high-violation industries, train investigators, and engage in cross-agency referrals to protect workers' rights. The bill outlines recordkeeping duties and penalties for failure to do so. All fines and penalties collected shall be deposited into the Wage Enforcement Fund, to be appropriated to the department for periodic inspections, for investigations of violations and for the enforcement. The department shall report annually to the governor and General Assembly.

Introduced and referred to Senate Labor and Industry Committee, 2/6/2017

[SB 155](#) RE: State Apprenticeship and Training Commission Act (by Sen. Mike Folmer, et al)
Establishes the State Apprenticeship and Training Commission; transfers functions of the State Apprenticeship and Training Council to the new commission; provides for an Executive Director of Apprenticeship and Training and for subjects of transfer; and makes repeals.

Introduced and referred to Senate Labor and Industry Committee, 1/20/2017

[SB 161](#) RE: Wage Enforcement Fund (by Sen. Christine Tartaglione, et al)
Amends the Wage Payment and Collection Law further providing for definitions; providing for duty of department to report; further providing for civil remedies and penalties, for liquidated damages and for criminal penalties; providing for employer liability; and establishing the Wage Enforcement Fund. The department is required to collect on a quarterly basis certain data categorized by industry, such as information on violations, complaints, and investigations. The department shall report semiannually to the legislature and conduct investigations and other duties. Penalties are changed to \$1,000 per violation or twice the underpaid wages and the secretary may issue civil penalties in some instances. The money in the Wage Enforcement Fund shall consist of the fines and penalties collected under sections 9.1 and 11.1 and section 12 of The Minimum Wage Act and is appropriated to the department for periodic inspections, for investigations of violations and for the enforcement.

Introduced and referred to Senate Labor and Industry Committee, 1/20/2017

[SB 162](#) RE: Minimum Wage (by Sen. Christine Tartaglione, et al)
Amends the Minimum Wage Act further providing for definitions of "wages" by adding that an employer that permits a customer to pay a gratuity by credit card shall pay the employee the full amount of the gratuity that the customer indicated on the credit card slip without deduction for any credit card payment processing fee or cost that may be charged to the employer by the credit card company. Payment of a gratuity made by a customer using a credit card shall be made to the employee not later than the next regular payday following the date the customer authorized the credit card payment.

Introduced and referred to Senate Labor and Industry Committee, 1/20/2017

HCO 631 (Rothman) - [Veterans and Reservists Entrepreneurial Training and Support Program](#)
Filed, 1/10/2017

Upcoming meetings of Interest

Some House Committee meetings and session can be viewed online at: <http://www.pahousegop.com/>
Senate Committee meetings and session can be streamed at: <http://www.pasenategop.com/>

MONDAY - 2/13/17

Public School Building Construction & Reconstruction Advisory Committee
11:00 a.m., Red Lion High School, 200 Horace Mann, Red Lion
Public hearing to consider school building construction issues

WEDNESDAY - 2/15/17

House Labor and Industry Committee
10:30 a.m., Room G-50, Irvis Office Building (Note time change from 10am)
Public hearing on Mackenzie legislation to require a drug formulary for workers compensation (prevention of opioid abuse in workers compensation)

House Labor and Industry Committee

1:00 p.m., Room G-50, Irvis Office Building
Informational meeting with the PA Compensation Rating Bureau (PCRB) on an overview of PCRB along with a summary on the current state of worker's compensation in Pennsylvania. This will include some commentary of the latest Loss Cost Filing. Additionally, the Department of Labor & Industry will be presenting information in regards to their role in the worker's compensation system.

WEDNESDAY - 2/22/17

House Appropriations Committee
1:00 p.m., Room 140 Main Capitol
Budget Hearing - Department of Labor & Industry

WEDNESDAY - 3/1/17

House Commerce Committee
9:00 a.m., Exact Location TBD, Philadelphia
Public hearing on Contractor and Subcontractor Payment Act

House Appropriations Committee

3:00 p.m., Room 140 Main Capitol
Budget Hearing - Department of General Services

2017 SENATE SESSION SCHEDULE

February	1, 6, 7, 8
March	20, 21, 22, 27, 28, 29
April	17, 18, 19, 24, 25, 26
May	8, 9, 10, 22, 23, 24
June	5, 6, 7, 12, 13, 14, 19, 20, 21, 22, 26, 27, 28, 29, 30

2017 HOUSE SESSION SCHEDULE

February	6, 7, 8
March	13, 14, 15, 20, 21, 22
April	3, 4, 5, 18, 19, 24, 25, 26
May	8, 9, 10, 22, 23, 24
June	5, 6, 7, 12, 13, 14, 19, 20, 21, 22, 26, 27, 28, 29, 30

Copies of all bills of interest can be accessed via the Internet at:
<http://www.legis.state.pa.us/cfdocs/legis/home/session.cfm>