

A Monthly Publication of The Pennsylvania Municipal League

December 2019

Welcome Kaitlin!



The League is pleased to introduce Kaitlin Errickson, our newest staff member.
Kaitlin joined the Governmental Affairs Department as our Governmental Affairs
Representative on December 6.

She is a native of central Pennsylvania and has returned to the area to join The League. Kaitlin is a graduate of Muhlenberg College with a double major in Political Science and History. She has also earned a Masters in American Government from Georgetown University. Kaitlin most recently worked as the Governmental Affairs Coordinator for the American Society of Landscape Architects. She also served as a Fellow in the Office of Congressional and Legislative Affairs for the U.S. Department of Veterans Affairs. In her free time, Kaitlin enjoys gardening, ceramics, knitting, and cheering for the Philadelphia Eagles.



SAVE THE DATE

2020 CAPITOL CONFERENCE

Tuesday, March 31, Hilton Harrisburg

The Capitol Conference is The League's annual legislative conference.

Topic ideas are welcome.

Contact Amy Sturges at asturges@pml.org.



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COSPONSOR MEMOS TO WATCH

Municipal Identification Programs

Representative Martina White has announced intention to introduce legislation to authorize municipalities to create municipal identification programs and to provide guidelines to standardize program implementation.

Combating Blight

Representative Pam Snyder has announced intention to introduce legislation to require purchasers of abandoned properties during a tax sale to enter into a redevelopment agreement with the municipality, or redevelopment authority, to ensure the property does not remain in poor condition.

EMS Drivers

Senator Michele Brooks has announced intention to introduce legislation to exempt individuals driving an emergency service vehicle (EMS) from the requirement to hold EMS certification.

LEGISLATION ENACTED

Act 91 of 2019 House Bill 49 (PN 2893)

Signed: November 27, 2019 Effective: Immediately

Act 91 amends the Public School Code. For municipal purposes, the act corrects an error made in Act 67 of 2019. Act 67 addressed a number of school safety issues and inadvertently removed arrest powers for school police officers. Act 91 returns that power thereby relieving local law enforcement of the responsibility to arrive on scene and make the arrests.

Act 99 of 2019

House Bill 1203 (PN 2937) Signed: November 27, 2019

Effective: January 26, 2020

Act 99 amends the Municipalities Authorities Act concerning annual audits. The act provides minimum standards for annual audits. It also clarifies a municipality's examination of its authority's accounts if a municipality determines there is





LEGISLATION ENACTED

a need for review. A municipal review shall be conducted within a year of a required annual audit and at the expense of the municipality. Such a review exempts the authority from having to conduct the subsequent year's annual audit. If the review is done because of a failure of the authority to make an annual audit, the review shall be at the authority's expense.

Act 106 of 2019

Senate Bill 146 (PN 1160) Signed: November 27, 2019 Effective: January 26, 2020

Act 106 provides for the establishment of on-line firefighter training by the State Fire Commissioner. This bill requires the training to be voluntary, free of charge, and available to both paid and volunteer firefighters.

Act 109 of 2019

Senate Bill 317 (PN 296) Signed: November 27, 2019 Effective: January 26, 2020

Act 109 amends the Second Class Township Code requiring a revised budget to be advertised at least 10 days prior to adoption if it is 10% in aggregate or 25% in a major category over the proposed budget.

LEGISLATION OF INTEREST

Property Owner's Bill of Rights

House Bill 188 (PN 160), introduced by Representative Christopher Quinn, would direct the Attorney General to create a landowner Bill of Rights explaining the rights of a property owner in the process of eminent domain. This legislation, cited as the Property Owner's Bill of Rights Act, would require the property owner to be provided the Bill of Rights at least seven days prior to the declaration of a taking. The Bill of Rights would also be required to be posted on the Attorney General's website.

Location: Received First Consideration in the House, October 30, 2019





LEGISLATION OF INTEREST

Municipal Pension Reform

House Bill 2081 (PN 2934), introduced by Representative Keith Greiner, makes a number of commonsense, good government changes to uniform and non-uniform municipal pension plans. This proposal does not change the type of pension available to employees or the benefits currently provided under Act 600 or the Third Class City Code.

Provisions for new hires include – capping overtime at 10% of salary; basing final average salary on the last 60 months of service; and increasing the retirement age to 55 years and 25 years of service for uniformed employees. Other provisions include – reducing the assumed rate of return on pension investments over 10 years to a more attainable rate; requiring the use of GASB accounting standards; prohibiting the use of pension state aid for plan administration; requiring disclosure of pension costs; prohibiting Deferred Retirement Option Plans (DROPs); and prohibiting plan changes that would result in plan funding dipping below 80%.

Location: House Local Government Committee, November 20, 2019

First Class Township Code Rewrite

House Bill 2073 (PN 3052), introduced by Representative Dan Moul, comprises the First Class Township Code Rewrite. This code modernization was considered by the House Local Government Committee on December 17. Several amendments were adopted in committee. One reverts back to language currently in the code regarding the elected offices a police officer may hold. A second amendment reverts to the current requirement to bid the various work specifications – plumbing, heating, ventilation, and electrical – separately for work on a public building rather than awarding one bid to a prime contractor. An amendment to remove the ability for a board of commissioners to adjust commissioner compensation from rates last set in 1995 failed by a close vote of 10-14.

All first class townships should be asking their House member to vote "YES" when this bill comes to the full House in early 2020.

Location: Received First Consideration in the House, December 17, 2019

Increasing Penalties for Code Violations

Senate Bill 329 (PN 311), introduced by Senator Andrew Dinnaman, would amend Act 90 of 2010, the Neighborhood Blight Reclamation and Revitalization Act, increasing penalties for code violations of blighted properties. This legislation would establish a grade of additional fines for every offense for a property owner(s) who received funding for construction, rehabilitation, repair, or maintenance of that property through any program administered by a state agency or authority and who is convicted of a serious violation of the same provision of the municipal code on the same property. The grade of additional penalties would include – misdemeanor of the first degree for a second conviction and a \$5,000 fine; felony of the third degree for a third conviction and a \$10,000 fine; felony of the third degree for a fourth conviction and a \$15,000 fine; and a felony of the third degree for a fifth or greater conviction and a \$20,000 fine.

Location: Received First Consideration in the Senate, October 23, 2019





LEGISLATION OF INTEREST

Sale of Municipal Real Estate

Senate Bill 690 (PN 829), Senate Bill 691 (PN 830), and Senate Bill 692 (PN 831), introduced by Senator Scott Hutchinson, are a package of bills that increase the value of municipal real estate requiring competitive bidding to be sold by incorporated towns, second class townships, boroughs, and third class cities from \$1,500 to \$6,000. Any real estate valued at \$6,000 or less would not need to be advertised before selling, however, the municipal government shall make an announcement about the intention to sell the property at least 30 days prior to the sale.

Location: Senate Bills 690, 691, and 692: Received First Consideration in the House, December 17, 2019

Local Solar Program

Senate Bill 929 (PN 1356) and House Bill 1970 (PN 2735), introduced by Senator Jay Costa and Representative Lori Mizgorski, respectively, are identical bills that would authorize local solar programs as a way for electric distribution companies to earn credits toward compliance with the Alternate Energy Portfolio Standards Act. This legislation, cited as the Local Solar Programs Act, would allow an electric distribution company, under the jurisdiction of the PA Public Utility Commission, to establish a local solar program by contracting with a developer to construct, own, operate, and maintain the solar energy facility for a minimum of 15 to a maximum of 25 years. Customers served by the electric distribution company would have the opportunity to subscribe to the 100 percent localized solar program, and a portion of the local solar facility's output would be reserved for subscription for low income participants. The PA Public Utility Commission would establish procedures for approving local solar programs, as well as regulating the contract between the electric distribution company and developer.

Location: Senate Bill 929: Senate Consumer Protection and Professional Licensure Committee, October 31, 2019 House Bill 1970: House Consumer Affairs Committee, October 21, 2019

HOUSE AND SENATE SESSION DAYS:

January 7, 27, 28, 29

Senate: February 3, 4, 5

March 16, 17, 18, 23, 24, 25

January 7, 13, 14, 15, 21, 22

House: February 3, 4, 5

March 16, 17, 18, 23, 24, 25

*Session dates are subject to change.





OTHER NEWS

IMPORTANT REMINDER:

Newly Elected Official Affidavits of Residency

Prior to taking the Oath of Office, each newly elected official in a third class city, borough or first class township, must present a signed affidavit to the city clerk, secretary, or manager attesting to continuous residency for one year preceding the individual's election. This affidavit is a qualification for office.

Please see the following sections of the codes:

Section 11001 of the Third Class City Code Section 501 of the First Class Township Code Sections 801 and 901 of the Borough Code

Each municipality should reach out to its newly elected officials and provide notice of this requirement well in advance of January's swearing-in ceremonies. Here is a <u>sample residency affidavit</u>. Your solicitor should approve prior to its use.

2020 Bid Limits Announced

The PA Department of Labor and Industry has announced changes to the base amounts triggering the requirement for public bids, telephonic bids, or separate bids, for certain contracts. There is a 1.7% change for this year. The base amount for public bids is \$21,000 and the base amount for written or telephonic bids is \$11,300, effective January 1, 2020. Click here for the complete list of base values.









FCC Cable Order - What Comes Next for Cities?

Nearly two months after a final order from the Federal Communications Commission upending the cable franchise system went into effect, cities remain uncertain about the future of their franchises. After the order was finalized, NLC joined more than forty municipalities and local government organizations in a legal alliance to challenge the order. NLC also joined its local government allies in a motion to the FCC requesting a stay, or pause, in the implementation of the order.

Unsurprisingly, the FCC denied that request for a stay, but its denial of that request has thrown some aspects of the cable order's implementation into confusion. In its denial, the FCC indicated that NLC had not adequately demonstrated the potential for harm to cities, because "If [franchise] negotiations fail, the terms in the franchise remain in effect unless and until a cable operator challenges those terms and proves that the terms violate the Order's requirements." That would seem to indicate that when cable providers bring amended terms to cities, those communities could simply decline to agree to them, and keep the current franchise agreement in place.

Organizations representing cable providers have filed a petition for clarification of that part of the FCC's denial. The Internet & Television Association (NCTA) argued that the FCC's statement in that denial of stay conflicted with the terms laid out in the final cable order. The FCC has opened that petition up to public comment – a move that both further muddies the legal waters around what cities may or may not do in their negotiations with cable providers, and delays the process of legal challenge while this issue is resolved at the agency.

In the meantime, communities are already feeling the impact of the order. Many communities have reported that cable providers have either halted ongoing franchise or renewal negotiations or have requested substantive changes beyond fee obligations that could have major impacts for local oversight of cable providers in their communities. These changes, if agreed to, could allow cable providers to stop providing cable television service altogether. When combined with the preemption provisions in the new cable order, this would allow providers to avoid franchise oversight altogether by only providing over-the-top streaming video, broadband, and VoIP telephone service over their cable networks – services that state and local governments are now prohibited from franchising. Combined with the downward trends in many franchise revenues from cord-cutting, communities are facing serious threats to local media supported through franchises.

As many local leaders know, most Americans currently obtain broadband service via cable, which offers technological advantages over DSL in areas without comprehensive fiber coverage. The reason these cable broadband networks are so ubiquitous is because of franchise buildout obligations established decades ago, when cable service only included television. Without vigorous local involvement and oversight, American communities risk an increase in the digital divide and digital redlining, as network upgrades and new buildouts, free of franchise requirements, go only to the most profitable communities and neighborhoods.

NLC and its allies will continue to fight this industry handout by the FCC. Communities concerned about the impact of the order, and any potential expansion of its reach by the FCC, should contact their members of the House Energy & Commerce Committee, which held an <u>oversight hearing of the FCC on Thursday, December 5</u>. While the committee is likely to focus on the planned auction of C Band spectrum to make room for 5G, cities must make sure that these important local and consumer issues remain on the committee's agenda.

