

Legislative Locator

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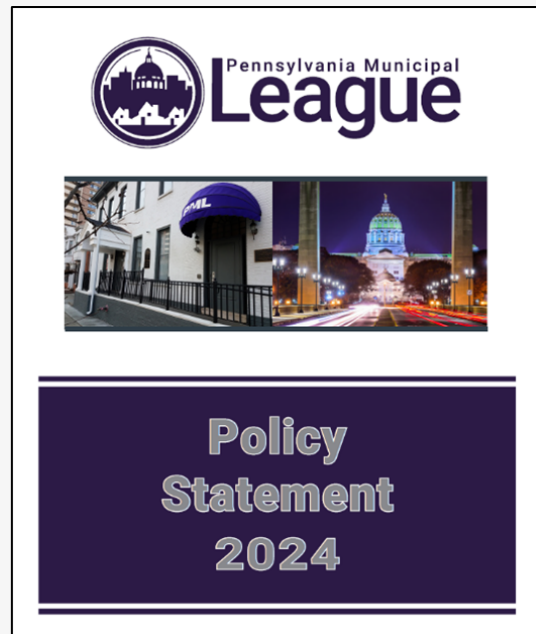
January 2024

The League's 2024 Policy Statement

Each year, League membership adopts policy resolutions during the Municipal Leadership Summit. The adopted resolutions are then incorporated into The League's Policy Statement.

The Policy Statement serves as a guide when representing our members before the legislative and executive branches in Harrisburg, and it is a living, comprehensive statement of goals and policies developed by consensus of The League's members. Our updated 2024 Legislative Priorities can also be found in the Policy Statement.

Please view the 2024 Policy Statement [here](#).



League Provides Testimony to the Senate on Privatization of Assets

On January 22, the Senate Democratic Policy Committee held a public hearing regarding the unintended consequences of Act 12 of 2016, which established a fair market valuation (FMV) process when a municipality or authority plans to sell a public water or sewer system. If the FMV method is agreed to by both the seller and prospective buyer, two independent consultants value the system. As opposed to the traditional valuation of depreciated cost, the FMV method also considers the revenue from ratepayers. This additional factor pushes the value of the system up substantially.

In the cases where a public asset has been privatized under Act 12, rates have skyrocketed, and the inflated purchase price has been passed onto the consumer. Since the law passed, 22 acquisitions have been approved by the Public Utility Commission. Pennsylvania's Consumer Advocate estimates consumers impacted by these acquisitions will be paying \$85 million more each year for water and sewer services because of Act 12.

Amy Sturges, Deputy Executive Director for Advocacy, represented The League before the Senate Democratic Policy Committee. Sturges made clear that The League is not an advocate for selling public assets, but ultimately, the decision-making authority must remain with locally elected officials.

Sturges also cited several financial constraints on municipalities, including an inflexible and archaic taxing structure, limited tax bases, unfunded mandates, lack of routine property reassessments and cost of investing in infrastructure improvements as the true underlying

reasons why municipalities may consider selling an asset. These fiscal pressures on local governments need to be addressed so municipalities are not put in the precarious position of needing to sell their water or sewer system in the first place. Please view The League's written testimony [here](#) and a video recording of the full hearing [here](#).

Both House and Senate members have introduced legislation to either completely repeal or amend Act 12 to provide more checks and balances on the process. The League will continue to monitor any pertinent legislation and conversations to ensure local autonomy remains intact.

2024 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 3.7% change for this year, however, the increase is capped at 3%. Therefore, the base amount for public bids is \$23,200 and the base amount for written or telephonic bids is \$12,600, effective January 1, 2024. [Click here](#) for the complete list of base values.

Enacted Legislation Affecting Local Government

Act 18 of 2023

Senate Bill 746

Signed: October 23, 2023

Effective: January 22, 2024

[Act 18](#) modernizes Pennsylvania's Dog Law administered by the Department of Agriculture, updating the rules and pricing of dog and kennel licensing, increasing the financial penalties for having unlicensed dogs, strengthening the health requirements for dogs transported into the commonwealth, enhancing welfare protections for dogs and improving public safety by defining what constitutes a "dangerous dog" by placing restrictions on those dogs. Some of the Act's specific updates are:

- establishing a state-wide dog licensing platform on the internet that can sell dog licenses in counties that have not made online dog licensing functional;
- requiring dogs to be licensed at three months old or when they are transferred over to a new owner, if that occurs before the dog reaches three months;
- increasing the fees for having unlicensed dogs, making fraudulent statements, and failing to keep updated records;
- allowing the Department of Agriculture to revoke a kennel's license or to refuse an application for a license if the kennel is convicted of animal cruelty;
- mandating that dangerous dogs are isolated for at least ten days. If the dog is outside of the primary enclosure for veterinary care, it must be leashed, muzzled, and placed under physical restraint;
- establishing the criteria for how a magisterial judge should determine whether a dog is considered dangerous and whether an individual is guilty of harboring a dangerous dog;
- increasing the registration fee for a dangerous dog from \$500 to \$1,000 per year. An additional fee may be added to cover the costs of issuing the registration; and
- issuing a seizure and destruction order for a dangerous dog. If there is no appeal after ten days, the dog will humanely be put down, and if an appeal is filed the dog will be confined at the owner's expense until the proceedings are finished.

Act 22 of 2023

House Bill 735

Signed: November 1, 2023

Effective: Immediately

[Act 22](#) creates the Flood Insurance Premium Assistance Task Force to conduct an analysis and review of existing laws, practices and rules on flood insurance premiums. The Task Force is required to publish a final report, which must include recommendations to provide for premium discounts, create incentives for local governments to undertake or continue flood mitigation efforts, change existing law and practices relating to flood insurance and educate the public about flood mitigation. The report must be submitted to the Governor and General Assembly within six months of the bill's enactment, and the Task Force expires 30 days after submitting the report.

Act 34 of 2023

House Bill 1300

Signed: December 13, 2023

Effective: Immediately

[Act 34](#) amends the Fiscal Code to provide for the 2023/2024 budget implementation. The Act includes several provisions impacting local government.

911 services – The 911 surcharge is maintained at \$1.65 through February 29, 2024, and beginning March 1, 2024 and ending January 31, 2026, the surcharge will increase to \$1.95. Additionally, the Legislative Budget and Finance Committee, Joint State Government Commission and the Local Government Commission are tasked to conduct an efficiency study on 911 services to be completed by December 30, 2024.

Keystone Opportunity Expansion Zones (KOEZ) – Two additional KOEZs are created. The first new KOEZ is for deteriorated, underutilized or unoccupied parcels to be used for a renewable or nonrenewable micro-grid power source. The second new KOEZ is for parcels impacted by current or former mining operations to be used for the production, generation or storage of renewable energy.

Keystone Communities – \$6,405,000 is dedicated to the Main Street, Elm Street, and Enterprise Zone Programs.

DCED – Directs how certain DCED funding can be used for workforce development, tourism, local municipal relief and community and economic assistance.

Multimodal Transportation Fund – Extends the existing multimodal local match waiver through December 31, 2024.

Legislation Affecting Local Government

Authorizing Stormwater Management Fees

First Consideration in the House, December 13, 2023

[House Bills 31 \(PN 21\)](#) and [32 \(PN 22\)](#), introduced by Representative James Struzzi, would amend the Borough, Third Class City and First Class Township Codes authorizing political subdivisions to plan, manage, implement, construct and maintain storm water facilities. Each municipality must enact an ordinance to govern and regulate stormwater management.

All political subdivisions would be authorized to assess reasonable and uniform fees on properties to pay for stormwater management activities. Fees would be based on the characteristics of the property receiving the benefit, and municipalities would have the ability to provide exemptions and credits for installed and maintained stormwater facilities that meet best

practice standards. Fees levied by a local government may be assessed in one of the following ways:

- on all properties in a municipality;
- on all properties receiving a benefit by a specific stormwater project; and
- by establishing stormwater management districts and assessing a fee on all property owners within the designated district.

Any fees collected would only be used for the purposes authorized by these bills.

Process to Suspend a Municipal Merger

Senate Local Government Committee, January 5, 2024

[Senate Bill 1027 \(PN 1309\)](#), introduced by Senators Cris Dush and Rosemary Brown, would establish a process to allow a municipality to back out of a merger or consolidation. The governing body of a municipality participating in the merger or consolidation may, by resolution, petition the court of common pleas to suspend the merger or consolidation due to an alleged or apparent fraud, error or material loss impacting the finances that was undisclosed by a participating municipality prior to the initial referendum vote.

After holding a hearing, the court may order a new referendum to be held if the governing body's petition is supported by substantial evidence. If a new referendum is ordered, the original merger or consolidation agreement would be suspended until the new referendum vote occurs.

HOUSE AND SENATE SESSION DAYS 2024

House:

February 6 (Governor's Budget Address)
March 18-20, 25-27
April 8-10, 15-17, 29-30

Senate:

February 5-7
March 18-20
April 8-10, 29-30

**reminder - session dates are subject to change*

Local Government Cybersecurity Survey to Gauge Interest in Next Round of Federal Funding

Background

In federal fiscal year (FFY) 2022, the federal government allocated approximately \$185 million in funding for the State and Local Cybersecurity Grant Program (SLCGP), with up to \$5.2 million earmarked for Pennsylvania. The focus of that funding was on continuing and expanding the cybersecurity prevention tools and services available to Pennsylvania local governments from the Commonwealth of Pennsylvania.

- Intrusion Detection Service MS-ISAC Albert Sensors: Systems placed on government networks and monitored 24/7 to identify intrusion attacks, alert key personnel, and report nationally on coordinated cyberattacks.
- Cofense Security Awareness Services: Employee training on information security best practices and identifying potential threats such as phishing attacks, the ability to send simulated phishing emails to employees, penetration testing services.

In FFY 2023, the federal government has allocated approximately \$374 million in funding for the SLCGP, with up to \$10.4 million for Pennsylvania. The Commonwealth will continue to offer Intrusion Detection Service MS-ISAC Albert Sensors and Cofense Security Awareness Services, and will add the following:

- Security Information and Event Management (SIEM) solution: Software to help organizations identify, monitor, record, and analyze security events or incidents within a real-time IT environment.
- Vulnerability Management solution: A solution to scan, assess, and manage potential weaknesses in computer systems, networks, and applications that may be exploited by cyberattacks.

Survey of Interest for FFY 2023

The Commonwealth is surveying local government entities to determine the level of interest in the SIEM and Vulnerability Management initiatives for FFY 2023. Please complete the survey by **Friday, February 16, 2024, at 5:00 p.m.**

[FFY2023 State and Local Cybersecurity Grant Program Survey](#)

Please note that the survey is just the first of several steps in the process of receiving services through the SLCGP. Future steps will be communicated as needed to ensure you are fully aware of any required actions to continue to move forward through the process.

Please direct all questions to slcgp-pa@pa.gov.



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