

# **Pennsylvania Municipal League**

## **2025 Resolutions**

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### **Resolution 1**

2021 Policy Review

### **Resolution 2**

Adoption of National League of Cities' 2025 Municipal Policy and 2025 Federal Action Agenda

### **Resolution 3**

Fire Insurance Escrow Law Update

### **Resolution 4**

Expansion of Heart and Lung Act Eligibility

### **Resolution 5**

Expansion of Tax Exemptions without Replacement Revenue

### **Resolution 6**

Business Gross Receipts/Business Privilege Tax Repeal

### **Resolution 7**

Right to Know AI Requests

## **Resolution #1-2025**

**Submitted by: The League's Legislative Committee**

### **Policy Review – 2021 Resolutions**

Whereas, The League adopted a policy review process in 2016; and

Whereas, that process establishes a review of adopted policy after four years; and

Whereas, the policy adopted via the 2021 Resolutions is up for review and has resulted in the following policy recommendations to the membership:

- Preservation of local government transportation funding – Reaffirm
- Reform of the liquid fuels distribution formula – Reaffirm
- Relief from vexatious requests under the Right to Know Law – Reaffirm
- Development of a local elected official training program at the state level – Reaffirm

Therefore, be it resolved: The League's Policy Statement will be updated accordingly.

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*This resolution follows the policy review process adopted in 2016 to review adopted policies after four years. The 2021 policies are under review this year.*

## **Resolution #2-2025**

**Submitted by: The League's Legislative Committee**

### **NLC's 2025 National Municipal Policy Statement and Federal Action Agenda**

Whereas, Pennsylvania's municipalities are concerned with a wide range of issues at the federal level; and

Whereas, when appropriate, The League sets forth these issues in correspondence with the members of the Pennsylvania congressional delegation; and

Whereas, federal devolution has pushed the responsibilities for funding and administration of many programs onto states and localities; and

Whereas, federal devolution and the federal budget process continue to result in fewer dollars available for municipal programs; and

Whereas, municipalities cannot continue to meet the growing fiscal and societal demands for services and programs without their federal partner; and

Whereas, The League, as a State Municipal League member of the National League of Cities (NLC), takes its lead on federal issues from NLC; and

Whereas, NLC in its *2025 Federal Action Agenda* is asking Congress and the Administration to work in partnership with local governments to maximize support for programs vital to municipalities across the nation.

Therefore, be it resolved: The League reaffirms as its basic federal policy the *2025 Federal Action Agenda* of the National League of Cities.

Be it further resolved: The League reaffirms as its 2025 federal agenda, NLC's *2025 Federal Action Agenda*:

- Streamline Federal Programs for All Communities;
- Increase the Nation's Housing Supply;
- Promote Public Safety;
- Solidify Infrastructure Investment;
- Close the Digital Divide;
- Build Community Resilience; and
- Reduce Legal and Financial Burdens on Local Governments

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*This resolution adopts NLC's 2025 National Municipal Policy Statement, as well as its 2025 Federal Action Agenda.*

## **Resolution #3-2025**

**Submitted by: The League's Legislative Committee**

### **Fire Insurance Escrow Law Update**

Whereas, the Fire Insurance Escrow Law was established in 1994 and allows municipalities to hold fire insurance proceeds in escrow when there is a fire loss claim; and

Whereas, a municipality must adopt a Fire Insurance Escrow ordinance and file the ordinance with the Department of Community and Economic Development in order to be eligible to receive and hold fire insurance proceeds in escrow; and

Whereas, the Fire Insurance Escrow Law is triggered when there is at least \$7,500 in damage, and allows \$2,000 to be held in escrow for each \$15,000 in claims; and

Whereas, the escrowed funds can be used by a municipality to fix or demolish fire damaged structures to ensure public safety if the property owner fails to make the proper repairs; and

Whereas, this Law has not been updated in more than 30 years and inflation and costs have significantly increased; and

Whereas, the monetary thresholds within the Law need to be increased to reflect current expenses.

Therefore, be it resolved: The League supports amending the Fire Insurance Escrow Law to increase both the threshold dollar amount of damage that triggers the Law and the amount of fire insurance proceeds that can be held in escrow.

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*This resolution supports increasing the dollar amount thresholds in the Fire Insurance Escrow Law to meet today's costs.*

## **Resolution #4-2025**

**Submitted by: The League's Legislative Committee**

### **Expansion of Heart and Lung Act Eligibility**

Whereas, the Heart and Lung Act was enacted in 1935; and

Whereas, the Act provides police, firefighters, and other public safety personnel with their full salary when temporarily injured in the line of duty and unable to carry out the essential functions of their job; and

Whereas, the Heart and Lung Act has historically only provided benefits to public safety personnel; and

Whereas, this is a unique benefit, as it is reserved for those professions that are deemed high risk and critical to public safety; and

Whereas, expanding this benefit would increase personnel expenses and create a slippery slope by turning the Act into a catchall to add any occupation that has some risk of injury; and

Whereas, all local government employees have access to benefits through their health insurance and the Workers' Compensation Act, which provides coverage for temporary and permanent injury; and

Whereas, the Heart and Lung Act should remain limited to public safety personnel only.

Therefore, be it resolved, The League opposes expanding eligibility for Heart and Lung benefits beyond public safety professionals.

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*This resolution opposes adding additional professions to receive Heart and Lung benefits beyond those serving critical public safety roles.*

## **Resolution #5-2025**

**Submitted by: The League's Legislative Committee**

### **Expansion of Tax Exemptions without Replacement Revenue**

Whereas, uniform taxation is a premise of the Pennsylvania Constitution; and

Whereas, the General Assembly has the authority to authorize tax-exemptions for property and classes of citizens via an amendment to the Constitution; and

Whereas, such an amendment can merely authorize local governments to provide an exemption or can mandate they provide the exemption; and

Whereas, when an exemption is mandated without providing an equivalent revenue tool to make up for lost revenue, more burden is placed on those taxpayers who are not exempt.

Therefore, be it resolved: The League opposes the General Assembly's authorization or expansion of tax-exemptions that do not also provide an equivalent revenue source that matches the amount lost through the exemption.

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*This resolution opposes mandated state expansion of tax-exempt designations without an equivalent revenue source for local governments to make up for the lost revenue.*

## **Resolution #6-2025**

**Submitted by: The League's Legislative Committee**

### **Business Gross Receipts/Business Privilege Tax Repeal**

Whereas, the local taxing structure set out in the 1965 Local Tax Enabling Act (commonly known as Act 511) is 60 years old, does not allow for local flexibility, and no longer keeps pace with today's local government expenditures; and

Whereas, a number of municipalities levy a Business Gross Receipts/Business Privilege Tax on the privilege of doing business in a municipality; and

Whereas, House Bill 1582 of 2025 calls for a repeal of these taxes as antiquated and providing little revenue generation; and

Whereas, a repeal will only worsen the overreliance on Real Property Tax and Earned Income Tax that municipalities struggle with today by increasing these taxes to make up for lost business tax revenue.

Therefore, be it resolved: The League opposes repeal of the Business Gross Receipts/Business Privilege Tax if equivalent replacement revenue is not provided.

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*This resolution expands on our current policy surrounding the Business Gross Receipts/Business Privilege Tax. First, The League supports reauthorization of these taxes allowing those currently unable to levy them to be able to do so. Further, it opposes any repeal of these business taxes if not accompanied by an equivalent replacement tax.*

## **Resolution #7-2025**

**Submitted by: The League's Legislative Committee**

### **Right to Know AI Requests**

Whereas, the Right to Know Law was implemented in 2008 to foster greater access to public records and to develop standards for the sharing of public information; and

Whereas, local governments have and continue to work to comply with the Law; and

Whereas, Right to Know requests generated by artificial intelligence (AI) have become more commonplace over the last few years using AI powered programs, such as FOIA Buddy, to complete and submit requests to municipalities; and

Whereas, AI has allowed individuals, companies, and organizations to submit essentially anonymous Right to Know requests to municipalities using a generic name and address; and

Whereas, many AI generated requests are incorrectly filed, do not provide complete information, or provide municipalities with inaccurate information; and

Whereas, the instantaneous nature of AI generation has allowed for an increase in number of extensive and time consuming requests submitted; and

Whereas, the Right to Know Law was established in 2008 and needs to be updated to align with modern technology; and

Whereas, as the ubiquity of AI increases, it is warranted to put protections in place.

Therefore, be it resolved: The League supports amending the Right to Know Law allowing a municipality to deny a request when it reasonably suspects it was generated using AI.

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*This resolution supports amending the Right to Know Law to allow a local government to reject AI generated requests.*