



# Legislative Update



## PSAB Opposes UCC Third Party Agency Bill That Advanced in House

For the past two legislative sessions, Rep. Doyle Heffley (R-Carbon) has sponsored legislation to prevent municipalities who opt-in to administer the Uniform Construction Code (UCC) from utilizing only one third party agency (TPA). The Pennsylvania State Association of Boroughs (PSAB) is opposed to this legislation.

House Bill 782 was approved by the House Labor & Industry Committee in June by a vote of 20-7. The bill would prohibit the

current practice of opt-in municipalities from utilizing only one TPA to administer and enforce their building code. A new component added to the bill this year allows a person the option to use any certified TPA in the state for their building project if they pay a surcharge to the municipality of up to 10 percent of the original permit fee. The bill does not affect municipalities that administer and enforce their code by their own employees.

PSAB remains opposed to this

legislation as it will lead to a loss of control of a basic governmental function, the safety of structures, and occupants in our communities. If a builder does not like the municipal TPA, he or she would be able to shop around for a TPA that could be more favorable to his or her needs.

PSAB encourages borough officials to contact their legislator to oppose HB 782. You can access their information at [www.legis.state.pa.us](http://www.legis.state.pa.us). (B)

## Bill to Aid Municipal Traffic Signal Projects Becomes Law



Sen. John Rafferty

Senate Bill 1267 authored by Sen. John Rafferty (R-Montgomery) expands the Green Light-Go Program, which is funded

through the Act 89 Transportation Fund. The Pennsylvania State Association of Boroughs advocated for the bill.

Among other things, the new law (Act 101 of 2016) reduces the local government contribution from 50 percent to 20 percent. Except for transportation improvement program funds, the

match may consist of federal, state, regional, local, and private funds, including in-kind contributions such as exchange of services between PA Department of Transportation (PennDOT) and the municipality.

Act 101 also now allows a municipality to enter into an agreement with PennDOT to replace, synchronize, and time traffic signals located within a critical or designated traffic corridor. A critical corridor is identified as a state highway with average daily traffic of less than 10,000 vehicles or traffic signals at the end of limited access ramps.

The new law now expands the operation of automated red light cameras in cities of the first class through Jan. 1, 2027. Up to \$40 million will be allocated in 2016-2017 and each fiscal year after for upgrading traffic signals to LED technology, and other transportation system applications, such as autonomous – driverless – and connected vehicle-related technology.

*Editor's Note: The Green Light-Go Grant Program is now open through September 30. Visit [www.dot.state.pa.us](http://www.dot.state.pa.us) to apply.* (B)

# PSAB Resolution Legalizing Industrial Hemp Becomes Law



Rep. Russ Diamond

House Bill 967 authored by Rep. Russ Diamond (R-Lebanon) that will allow for pilot programs to re-search products

that stem from cannabis (hemp) plants became law in July. The Pennsylvania State Association of Boroughs adopted a resolution (2015-22) supporting the measure at the 2015 Annual Conference in Lancaster. The resolution was brought forth by the Adams

County Boroughs Association. At one time, the county was the second largest producer of the plant in the region.

Under the law (Act 92 of 2016), industrial hemp research will occur under the oversight of the PA Department of Agriculture or higher education institutions. Hemp can be used to make a variety of products, including clothing, medicine, and food.

Hemp was such an important crop to early America that from 1763-69 it was illegal to refuse to

grow it in Virginia. Beyond being one of the world's most durable fibers for textiles, hemp can also be used to manufacture biodegradable plastics, building materials, food, paper, environmental, and energy products. Production of it stopped in 1937 when the Marijuana Tax Act outlawed it because it came from the same plant as marijuana.

The U.S. annually imports about \$600 million worth of hemp products from Canada and China. (B)

## Bill to Amend Borough Code to Allow for Emergency Purchases Clears House Committee



Rep. David Zimmerman

HB 2222 authored by Rep. David Zimmerman (R-Lancaster) that would amend the Borough Code to allow for a

procedure for boroughs to make emergency purchases was reported out of the House Local Government Committee in June.

Under current law, Title 8 requires that a borough undergo a competitive bidding process for all public works projects over \$19,400.

"In an effort to expedite the ability of a borough to respond swiftly to emergency situations within its jurisdiction, such as broken

water mains or sewer lines, my bill will amend Chapter 14 to allow a borough to make necessary purchases in response to the situation," Zimmerman said.

The bill would also require borough council to adopt a resolution stating the extent of the emergency addressed with the actions taken at the next public meeting.

Other municipal codes already contain similar provisions. Boroughs would also have similar abilities in instances when the governor of the Commonwealth declares a statewide emergency under Title 35.

The bill is now before the House Rules Committee. (B)

## How Did Your Legislator Vote?



Get to know your state representatives and state senators and find out how they voted on key issues. Find their contact information and check their voting records at [www.legis.state.pa.us](http://www.legis.state.pa.us).



## Boroughs Have Another Tool to Fight Blight



Rep. Joseph Petrarca

Boroughs across Pennsylvania will have another tool to fight blight in their communities with Act 84 of 2016, which was signed into law by Gov. Tom Wolf. It will exempt land banks from the state realty transfer tax.

The legislation, previously HB 1198, contains Rep. Joseph Petrarca's (D-Westmoreland/Armstrong/Indiana) proposal to exempt from the state portion of the realty transfer tax all real estate transactions involving a land bank.

Land banks are entities that focus

on converting vacant, abandoned, tax-delinquent, and foreclosed properties into productive use. When the original law was passed in 2012, Petrarca said the intent was to exempt land banks from all state and local taxes, including the realty transfer tax. However, the Revenue Department continued to assess the tax on land banks for certain transactions.

"We want to encourage redevelopment of blighted properties in our communities, not hinder it, which is what the assessment of the realty transfer tax does. My legislation was designed to correct that oversight, and I am pleased this proposal to eliminate collection of the state realty transfer tax has

received support in the General Assembly," Petrarca said.

Petrarca said that land banks do good work in communities. For example, in his district, the Westmoreland County Land Bank actively pursues opportunities to return blighted properties to the tax rolls, with both commercial and housing developments. In fact, it became the first land bank in the Commonwealth to sell a formerly vacant and blighted property to a new owner.

Recently, the Westmoreland County Land Bank acquired seven properties from a family estate, and it plans to market the parcels as a multi-family housing complex for moderate income families in Latrobe. (B)

## Call for Resolutions

On PSAB's website, [www.boroughs.org](http://www.boroughs.org) under the "Legislative" section, you can learn more about the Resolutions process. Resolutions are voted on by PSAB delegates at the Annual Conference and help to shape the Association's legislative agenda. Boroughs or County Boroughs Associations can submit resolutions. **Resolutions are due by March 7, 2017.**



## Provision in State Budget Phases Out Use of Highway Funds to Pay State Police

When the General Assembly adopted supplemental revenue and tax bills to finalize the state budget process for the 2016-17 fiscal year, a provision was added that will slowly phase down the amount of money going from the Motor License Fund (MLF) to the PA State Police for its operations. The Pennsylvania State Association of Boroughs supported this measure.

State Senate leadership inserted into the fiscal code language that would cap the amount of money diverted in this fiscal year for state police operations at \$802 million. The funding will then decrease – starting in the 2017-2018 budget – at an annual rate of 4 percent over the next 10 years until it reaches a cap of \$500 million.

What this means is that money that had for years been diverted from the highway construction and maintenance program to fund the State Police will now be used for vital road and construction projects. The General Assembly will be obligated to find any future increases in State Police funding from the General Fund or other revenue streams.

However, the language enacted this year *can* be amended or changed by any future action by the General Assembly. The impact of this action on future construction lettings is still uncertain. Pennsylvania Department of Transportation Secretary Leslie S. Richards had been advocating for the cap to occur in just three years. <sup>(B)</sup>

## Have a Question?

**PSAB's Government Affairs Department Can Help.**

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## Volunteer Fire and Emergency Medical Services Grant Program Extended Through 2020



Rep. Stephen Barrar

The Volunteer Fire Company and Ambulance Grant Program has been extended through June 30, 2020, after Gov. Tom Wolf signed

HB 1877 into law as Act 60 of 2016. The bill was authored by Rep. Steve Barrar (R-Chester/Delaware). The current program would have expired on June 30.

“I appreciate the governor

acknowledging the need of organizations that provide public safety and emergency services for all Commonwealth citizens with his quick signature,” Barrar said. “By endorsing the bill, he avoided a lapse in this vital program that serves and assists fire and ambulance organizations.”

Act 60 not only reauthorizes the grant program, but it also adds career EMS companies as eligible recipients if they are designated as a municipality’s primary EMS provider.

Through this program, fire and ambulance companies receive a boost for the purchase of turnout gear, apparatus, and other items necessary to protect Pennsylvania’s citizens.

The program is administered through the Office of the State Fire Commissioner. The annual mandated funding amount for the program is \$30 million. The program is funded by gaming revenue. <sup>(B)</sup>