

# MCA

## Summary of Legislation

### February 2009

#### **Plumbing Contractor Bill Reintroduced**

Senator Ted Erickson again introduced his bill that will require plumbing contractors to be licensed by the State of Pennsylvania. **The bill number is Senate Bill 288.** It creates the State Board of Plumbing Contractors under the Department of Labor & Industry which would be charged with various duties including regulating the licensing of individuals engaged in providing plumbing services, contracting with a professional testing organization to administer tests to qualified applicants for licensure, maintaining a registry of licensees and ensuring various reporting requirements are met. Individuals who are not licensed could not provide plumbing services and only master plumbers could use the title "licensed plumbing contractor" and the abbreviation "L.P.C.". The bill calls for licensing master, journeymen and apprentice plumbers. The same bill passed through the Senate Consumer Protection and Professional Licensure committee last session before stalling.

An identical bill will be introduced by Representative Tim Solobay in the House shortly. The bill number for that bill will be reported when it is in print. That legislation will be referred to the House Professional Licensure committee. The Chairman of that committee, Representative Mike McGeehan, is believed to be interested in holding a public hearing on the bill.

#### **Prevailing Wage Draws Fire**

As is typical of early legislative sessions, hundreds of bills are being introduced in the state legislature each week. It is also typical that the Prevailing Wage law is targeted by many of the bills, most often to narrow the scope of the law. Much of the antagonism towards prevailing wage appears to come from school districts and municipalities. The associations representing both groups advocate exempting them from the provisions of the law. In particular, local government associations have been promoting bills to reverse a court case that clarified that road milling projects are subject to prevailing wage. On the other front, the Pennsylvania School Boards Association recently issued a press release asking that school construction work be exempted from prevailing wage until projects funded through the federal economic stimulus package are completed.

The reaction in Harrisburg shows up in both subtle and overt ways. During public hearings, several Senators have grilled the Acting Secretary of the Department of Labor and Industry about prevailing wage enforcement. Senator Lisa Baker specifically mentioned receiving complaints from municipalities regarding the threshold at which point projects are covered by prevailing wage and the impact of the road milling decision on local government budgets. Representative Ron Marsico will be introducing legislation that would exempt all municipalities and some economic development projects if enacted. Representative Chris Ross has introduced House Bill 503 that exempts school districts from the Prevailing Wage Act. Many more such bills are on the horizon.

While none of the anti-prevailing wage bills are expected to pass, some of them may clear committee, most likely in the Senate. Of greater concern are attempts to include anti-prevailing wage proposals to the state budget. Our lobbyists will continue to work to preserve the integrity of the prevailing wage law from all of these attacks.

On a positive note, Representative Nick Miccarelli, introduced a bill, **House Bill 499**, that would allow a worker to initiate a complaint under the prevailing wage law protesting the use of illegal alien labor on a covered project. That bill along with the others mentioned is referred to the House Labor Relations committee.

#### **Bill Proposes to Tax Services**

Even with help coming from the Federal Stimulus bill, the Commonwealth budget is still expected to be torturous process that attempts to balance spending cuts and tax income enhancement. While many legislators have already professed that they will not support new taxes, the viability of that remains to be seen. One Senator has already introduced legislation to place the state sales tax on services. Senator Jeff Piccola has introduced **Senate Bill 70**, a bill that expands the sales tax to virtually every service except medical services.

The idea of taxing services is not a new issue. A small number of services have been taxed dating back to the 1991 budget. At that time, design, construction and construction management services escaped being subjected to the sales tax even though they had been included in earlier versions of the proposal. Design and construction interest need to pay close attention to the budget process this year or they may be in for an unhappy surprise.

### **Legislative Activity**

**S Res. 21 RE:** Buy American and Domestic Content clauses (by Sen. Sean Logan, et al)

A Resolution memorializing the President of the United States and the Congress of the United States to ensure the incorporation of Federal and State Buy American and Domestic Content clauses in any publicly funded economic stimulus programs to maintain and expand our nation's aging infrastructure, particularly in Pennsylvania where manufacturing is a key driver to the Commonwealth's economy.

**Referred to Senate Rules and Executive Nominations Committee, 2/6/2009**

**Reported as committed from Senate Rules and Executive Nominations Committee, 2/9/2009**

### **New Bills Introduced**

**The following bills have been introduced since the last report.**

**HB 116 RE:** High-Performance, State-Funded Buildings Standards Act (by Rep. Kate Harper, et al)

Provides for minimum standards for high-performance buildings. All facilities owned or leased by a commonwealth agency and all state-funded major facility projects must meet or exceed these standards. The Department of General Services shall prepare and submit annually a report to the chairmen the House and Senate Environmental Resources and Energy Committees.

**Referred to House Environmental Resources and Energy Committee, 1/30/2009**

**HB 185 RE:** Electricians Licensure Act (by Rep. Bob Godshall, et al)

Provides for the licensure of electricians and establishes the State Board of Licensed Electricians. The bill provides for the composition of the board, and for its powers and duties. The bill institutes fees, fines and civil penalties, and stipulates the sum of \$85,000 or as much as may be necessary be appropriated from the Professional Licensure Augmentation Account to the Department of State for the payment of costs associated with processing licenses and renewing licenses, for the operation of the board and for other costs associated with the act.

**Referred to House Professional Licensure Committee, 2/2/2009**

**HB 195 RE:** The New Home Construction Consumer Protection Act (by Rep. Joe Preston, et al)

Provides no person shall hold himself out as a home builder nor shall a person build a new home without first registering with the Bureau of Consumer Protection in the Office of the Attorney General. Also provides for the regulation of home construction contracts; the prohibition of certain acts; and for penalties. Also establishes the Home Builder Guaranty Fund in State Treasury to be administered by the bureau and provides for claims against fund.

**Referred to House Consumer Affairs Committee, 2/2/2009**

**HB 230 RE:** WC "Hybrid Policies" (by Rep. Tina Pickett, et al)

Amends Workers' Compensation Act, in State Workers' Insurance Fund, requiring the fund to provide a hybrid policy for certain business entities. "Hybrid policy" is defined as an insurance policy for business entities that includes workers' compensation coverage and health benefits. The Departments of Labor and Industry and Insurance would promulgate rules and regulations and develop a mechanism for joint oversight of the health insurance component of the hybrid policy. The fund shall underwrite applications, evaluate claims and establish a commission schedule for insurance producers. The fund shall report annually the numbers of hybrid policies sold in PA.

**Referred to House Insurance Committee, 2/4/2009**

**HB 439 RE:** Procurement Code Restrictions (by Rep. Scott Petri, et al)

Amends Title 62 (Procurement) prohibiting Commonwealth agencies from awarding contracts to bidders engaged in outsourcing of jobs or functions.

**Referred to House State Government Committee, 2/13/2009**

**HB 440 RE:** Procurement Code Restrictions (by Rep. Scott Petri, et al)

Amends Title 62 (Procurement) prohibiting Commonwealth agencies from awarding contracts to bidders engaged in outsourcing of jobs or functions.

**Referred to House State Government Committee, 2/13/2009**

**HB 441 RE:** Procurement Code Restrictions (by Rep. Scott Petri, et al)

Amends Title 62 (Procurement) prohibiting Commonwealth agencies from awarding contracts to bidders engaged in outsourcing of jobs or functions.

**Referred to House State Government Committee, 2/13/2009**

**HB 444 RE:** Standards for State Funded Buildings (by Rep. Matt Smith, et al)

An Act requiring the design, construction and renovation of buildings that receive a State appropriation to comply with specified energy and environmental building standards.

**Referred to House Environmental Resources and Energy Committee, 2/13/2009**

**HB 445 RE:** High-Performance Buildings Tax Credit. (by Rep. Matt Smith, et al)

Amends the Tax Reform Code of 1971, providing for the High-Performance Buildings Tax Credit.

**Referred to House Environmental Resources and Energy Committee, 2/13/2009**

**HB 447 RE:** Green Roof Tax Credit (by Rep. Matt Smith, et al)

Amends the Tax Reform Code authorizing the green roof tax credit.

**Referred to House Finance Committee, 2/13/2009**

**HB 448 RE:** Window Technologies Tax Credit (by Rep. Matt Smith, et al)

Amends the Tax Reform Code providing for an Energy Star related glass or window technologies tax credit.

**Referred to House Environmental Resources and Energy Committee, 2/13/2009**

**HB 491 RE:** Give Pennsylvanians a Voice Act (By Rep. Ken Smith, et al)

States whenever an executive agency proposes to make a significant change in the administration of or benefits available through a program funded in whole or in part with revenues from the Commonwealth and makes a determination to implement a pilot program to review the impact of the changes, the executive agency shall conduct at least one public hearing in the geographic area of this Commonwealth that will be affected by the proposed changes. If the proposed changes will be implemented in a pilot program conducted on a statewide basis, at least one public hearing shall be held in each of the following geographic areas: the Northeast, North Central, Northwest, Southeast, South Central and Southwest.

**Referred to House Intergovernmental Affairs Committee, 2/18/2009**

**HB 499 RE:** Prevailing Wage Act re: Immigrant Labor (by Rep. Nick Miccarelli, et al)

Amends the Pennsylvania Prevailing Wage Act further providing for posting of rates, for remedies and penalties and for failure to comply and termination. The legislation adds language providing for the report and investigation of the use of illegal immigrant labor.

**Referred to House Labor Relations Committee, 2/18/2009**

**HB 503 RE:** Prevailing Wage (by Rep. Chris Ross, et al)

Amends the Pennsylvania Prevailing Wage Act further providing for definitions; and providing for school district options. The definition of the term "public body" would include any political subdivision except a school district or an authority, agency or instrumentality established by one or more school districts. The bill would also provide for school district option to be a public body.

**Referred to House Labor Relations Committee, 2/18/2009**

**HB 516 RE:** Construction Safety Training (by Rep. Tim Seip, et al)

Amends Title 62 (Procurement) providing for construction safety and health training, requiring all contracts entered into by a government agency in excess of \$250,000 contain a clause requiring all laborers, workers and mechanics be certified prior to performing any work on the project as having successfully completed a 10 hour or longer course in construction safety and health approved by the United States Department of Labor's Occupational Safety and Health Administration.

**Referred to House Labor Relations Committee, 2/18/2009**

**SB 149 RE:** Home Inspections (by Sen. Stewart Greenleaf, et al)

Amends Title 68 (Real & Personal Property) repealing provisions relating to home inspections; providing for home inspections; establishing the Pennsylvania Board of Home Inspectors in the Bureau of Professional and

Occupational Affairs; providing for licensure of home inspectors and for disciplinary proceedings by the Pennsylvania Board of Home Inspectors; and making an appropriation of \$85,000 from the Professional Licensure Augmentation Account to the Department of State for the payment of costs associated with processing licenses and renewing licenses, for the operation of the Pennsylvania Board of Home Inspectors and for other associated costs.  
**Referred to Senate Consumer Protection & Prof. Licensure Committee, 1/30/2009**

**SB 195 RE:** "Industrialized/commercial Modular Building" (by Sen. Mike Waugh, et al)  
Amends the Industrialized Housing Act adding definitions for "industrialized/commercial modular building" and "industrialized/commercial building module" and authorizing the Department of Community and Economic Development to enter into a multistate agreement for the purpose of regulating the construction of components of industrialized/commercial modular buildings. The department shall adopt regulations to administer the program.  
**Referred to Senate Labor and Industry Committee, 2/2/2009**

**SB 288 RE:** Plumbing Contractors Licensure Act (by Sen. Ted Erickson, et al)  
Provides for plumbing contractor licensure, establishes the State Board of Plumbing Contractors and provides for their powers and duties, and establishes fees, fines and civil penalties. The State Board of Plumbing Contractors within the Department of Labor & Industry shall be created and charged with various duties including regulating the licensing of individuals engaged in providing plumbing services, contracting with a professional testing organization to administer tests to qualified applicants for licensure, maintaining a registry of licensees and ensuring various reporting requirements are met. Individuals who are not licensed could not provide plumbing services and only master plumbers could use the title "licensed plumbing contractor" and the abbreviation "L.P.C.", subject to certain exceptions. Qualifications for various classes of plumbers are further provided for under the act as are disciplinary options. Reciprocity with other states is also provided for, subject to certain conditions. The sum of \$85,000 shall be appropriated to the department for the payment of costs associated with this bill. This amount shall have to be repaid by the board within three years of the beginning of issuance of licenses. Also the bill creates a restricted account in the State Treasury which shall be known as the Plumbing Contractors Licensure Account. Beginning July 1, 2010, and thereafter, all moneys collected by the board shall be paid into the account.  
**Referred to Senate Consumer Protection & Professional Licensure committee, 2/20/2009**

**SB 444 RE:** Public School Construction Authority (by Sen. Vincent Hughes, et al)  
Amends Title 24 (Education) establishing the Pennsylvania Public School Construction Authority and the Pennsylvania Public School Construction Task Force; providing for their powers and duties; establishing the Public School Construction Reserve Fund, the Public School Building and Facility Adequacy Grant Program, a direct grant program and an interest subsidy program; and authorizing the issuance of bonds.  
**Referred to Senate Education Committee, 2/24/2009**

### **Remaining Spring 2009 Session Schedules**

#### **SENATE SESSION SCHEDULE FOR MARCH – JUNE 2009**

**March** 9, 10, 11, 16, 17, 18, 23, 24, 25, 30, 31

**April** 1, 20, 21, 22, 27, 28, 29

**May** 4, 5, 6, 11, 12, 13

**June** 1, 2, 3, 8, 9, 10, 15, 16, 17, 22, 23, 24, 25, 26, 29, 30

#### **HOUSE SESSION SCHEDULE FOR MARCH – JUNE 2009**

**March** 9, 10, 11, 16, 17, 18, 23, 24, 25, 30, 31

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Copies of all bills of interest can be accessed via the Internet at:  
<http://www.legis.state.pa.us/WU01/LI/BI/billroom.htm>.