

MCA
Summary of Legislation
June 2014

House and Senate Pass Budget on Time, Governor Threatens Veto; Senate Goes Home

For the fourth year in a row, the General Assembly passed a spending plan by the June 30 deadline, beating the clock by a single hour. However, since they also did not meet Governor Corbett's demand that public pensions be addressed, the Governor stated he would not sign the bill, while continuing to press for a solution to a huge issue prior to the summer recess. The House Republican leadership did attempt to pass a pension bill, but the members rereferred the bill to the Human Services Committee, after a spontaneous motion by Chairman Gene DiGirolamo (R-Bucks) that (maybe not) surprisingly garnered 107 votes. After some negotiations, DiGirolamo called a committee meeting, and rereported the pension bill back out, putting it in place for a vote in the fall.

The budget bill itself does not, as was commonly assumed would be the case near the end of the process, raise taxes, including Marcellus Shale severance taxes. It does shift some funds from one program to another in one-time transfers to "balance" the budget, though some question whether the numbers actually will work. Still to be finalized is a fiscal code bill, which the Senate passed just prior to adjourning, potentially for the summer. [HB 278](#) was then amended by the House and sent back to the Senate, which returned to session on July 8 and passed the bill as the House amended it. It is on the Governor's desk, awaiting his signature, along with the budget bill, [HB 2328](#).

The Senate also kept the budget process alive by amending and passing a bill ([HB 1177](#)) to allow for several counties to impose or increase their hotel taxes, and to allow the Philadelphia school district to impose a \$2/pack (actually 10 cents per cigarette) tax, to fill the district's budget gap. However, the Senate placed a five-year "Sunset" provision on the cigarette tax, which the House did not contemplate, and specifically restored several provisions the House struck out.

The House is now scheduled to return on August 4, primarily to take action on the Philly tax bill and maybe some others. If the Governor uses his "blue line" veto power on portions of the budget bill, and/or vetoes the Fiscal Code, to carry out his threat over the lack of action on pensions and divestiture of the liquor stores, the House may be in Harrisburg for several days on August. Members were told to be prepared for up to three session days that week. Stay tuned.

PLANCON Moratorium Ends

Since October of 2012, school districts have been unable to apply for reimbursement of school construction costs under the state's PLANCON program because of a statutory moratorium. Those districts already in the PLANCON pipeline continued to receive funding but no new projects could be added. That will change once Governor Corbett signs the budget bill. The Commonwealth budget passed by the House and Senate not only lifted the moratorium it added an additional \$10 million dollars to the PLANCON line item which is normally about \$300 million annually. Legislation that passed the House, [HB 2124](#), also makes changes to the reimbursement process and would rename it ArCon. However, that bill did not move in the Senate. But it could come up again in the fall, so stay tuned.

P3 Bill Moves Out of Committee

Also of interest to the construction industry is [HB 2239](#), which would create guidelines for public-private (P3) partnerships in municipal water and sewer projects. P3 projects are long-term agreements between local governments and developers for construction and upkeep. The concerning part of **HB 2239** is the elimination of multiple prime bidding for these projects. This bill was reported out of the State Government Committee of the House of Representatives on June 25. The bill is also silent on prevailing wage but committee debate left many with the clear impression that the P3 procurement process would be used to circumvent the prevailing wage law too.

The bill did not receive consideration by the full House prior to the summer break. It is currently in the House Rules Committee, where it is under review by House leadership, and cannot receive further consideration before the fall.

Mechanic's Lien Bills Advance

Mechanic's lien bills have been moving back and forth in the legislature for several years now. There are a number of issues covered in the bills but none have passed due largely to a disagreement between general contractors and subcontractors. Those issues appear to have finally narrowed as [HB 473](#) was amended in the Senate and is now poised for a final vote there. That bill establishes an online construction directory that would allow owners to file a "notice of commencement" at the start of a construction project that triggers a requirement for subcontractors to file a "notice of furnishing" in order to be listed as having a lien right. The Senate amendments added protections for subcontractors. They will now have 45 days from the notice of commencement or whenever they first perform work on the site to file the notice of furnishing. That time period was lengthened from 20 days which was in the version of the bill that passed the House. There is also a requirement that a subcontractors contract must contain a written notice that advises him of this process and that it is illegal for anyone to coerce the subcontractor into not filing the notice of furnishing.

The bill is pending a final vote in the Senate, which could occur at anytime the Senate returns to voting session. Another mechanic's lien bill was just passed in the Senate and is on the Governor's desk. [SB 145](#) is much less controversial. It adds protections for home owners and reverses a court decision that created problems for lending institutions. It is believed that the bills were the subject of a trade between the House and Senate, so expect House Bill 473 to be enacted at some point. No need to hurry to get up to speed on the online directory process though. It doesn't become effective until December 31, 2016.

Small Business Tax Reform Package Introduced In House and Senate

House lawmakers introduced a small business tax reform package in June, just in time for the new legislation to find its way into the state tax code before the budget passes. House Bills [2400](#), [2401](#) and [2402](#) would align the federal and state tax code to provide flexibility for small businesses which are looking to modernize with upgraded equipment. The package has been referred to the House Finance Committee. Senate lawmakers introduced companion legislation this month as well— Senate Bills [1416](#), [1417](#) and [1418](#). Those bills were referred to the Senate Finance Committee on June 12.

Legislative Activity

The General Assembly acted on the following bills of interest to the construction industry in the past month.

BIDDING / CONTRACTING

[HB 201](#) RE: Evaluation of Competitive Sealed Proposals (by Rep. George Dunbar, et al)

Amends Title 62 (Procurement) regarding the evaluation of competitive sealed proposals by providing no individual who has been employed by an offeror within the last two years may participate in the evaluation of proposals. The legislation also provides for Iran-Free Procurement by disallowing the procurement from any company having a relationship with the country of Iran. The amendment of 62.Pa.C.S. Ch 35 shall take effect July 1, 2015, or immediately, whichever is later; and the remainder of the act shall take effect immediately.

Laid on the table, 6/18/2014

Removed from the table, 7/1/2014

[HB 2239](#) RE: Public-Private Partnerships for Water and Sewer Projects (By Rep. Eli Evankovich, et al)
Amends Title 62 (Procurement) adding a chapter titled "Local Agency Public-Private Partnerships for Water and Sewer Projects." The bill provides for public-private partnerships, for Federal, State and local assistance, for material default remedies; imposes duties on the Pennsylvania Utility Commission; provides for service contracts; provides for utility crossing; provides for use of intellectual property; and provides for government immunity and for regulations.

Reported as amended from House State Government Committee, read first time, and rereferred to House Rules Committee, 6/25/2014

[HB 2331](#) RE: Retainage (by Rep. Tom Killion, et al)

Amends the Contractor and Subcontractor Payment Act further providing for definitions; providing that the act does not apply to a single townhouse or building that consists of one or two dwelling units used, intended or designed to be built, used, rented or leased for living purposes; authorizing a contractor to suspend performance of work until payment is received; further providing for owner's withholding of payment for good faith claims by requiring the amount withheld to be reasonable and written notice; adding that written notice of an incorrect invoice or defect shall specify the defect or impropriety within seven days; stipulating that a construction contract may include terms for the retainage of a portion of the amount due to ensure the proper performance of the contract, except that the sum withheld may not exceed ten percent of the amount due until fifty percent of the performance under the contract is completed; and providing for disposition of the amount retained.

Introduced and referred to House Labor and Industry Committee, 6/10/2014

[HB 2352](#) RE: Workplace Fairness Act (By Rep. Matt Bradford, et al)

Prohibits the use of permanent replacement workers during a labor dispute; prohibits the use of employment agents and contract employment agencies from recruiting or furnishing employees to permanently replace employees in a labor dispute; provides for injunctive relief and damages; and imposes a penalty.

Introduced and referred to House Labor and Industry Committee, 6/17/2014

[SB 369](#) RE: Procurement "Reforms" (by Sen. Mike Folmer, et al)

Amends Title 62 (Procurement) by adding that records concerning a procurement shall be made public, consistent with the Right to Know Law. The purchasing agency shall post stipulated procurement documents on its website or otherwise make them available. The bill also provides for competitive sealed proposals by adding that no individual who has been employed by an offeror within the last two years may participate in the evaluation of proposals. For certain procurements over \$250,000, the determination shall be signed by the head of the purchasing agency. Regarding emergency procurement, whenever practical, in the case of a procurement of a supply, at least two quotes shall be solicited and no written contract may be required. The supplier of the supply, service or construction may be paid based on the emergency approval and approved invoice.

Reported as committed from Senate State Government Committee, and read first time, 6/10/2014

Rereferred to Senate Appropriations Committee, 6/17/2014

[SB 1189](#) RE: Contractor Bonds (by Sen. John Eichelberger, et al)

Amends the Public Works Contractors' Bond Law further providing for duty of prime contractor to provide financial security in certain contracts involving public works and public improvements by requiring a contractor to furnish performance bond, payment bond, irrevocable letters of credit, or escrow account.

Reported as committed from Senate Appropriations Committee, 7/1/2014

[SB 1399](#) RE: "Diverse" Business Preference (by Sen. Lisa Baker, et al)

Amends Title 62 (Procurement), in procurement of construction and design professional services, further providing for procurement of design professional services by adding that the Secretary of General Services or designee shall review the qualifications, experience and work of small design businesses for small business projects and shall select small design businesses for each small business project from the list of department-verified small design businesses utilizing the factors specified; and, in small and disadvantaged businesses, further providing for policy, for definitions, for duties of department, for bonding and progress payments and for report to General Assembly; and establishing a small business reserve program for the purpose of increasing economic opportunities for small

businesses and affording small businesses. References to "disadvantaged" businesses are changed to "diverse" businesses. The department shall assure that participation by diverse businesses is, if appropriate, factored into the evaluation of proposals for supplies, services or construction when a purchasing agency uses the competitive sealed proposals method; and shall verify the current certification of businesses seeking verification as diverse businesses. For contracts under \$25,000, small and diverse businesses shall be exempt from certain bonding requirements.

Introduced and referred to Senate State Government committee, 6/4/2014

[SB 1424](#) RE: Local Bidder Preference (by Sen. Mike Stack, et al)

Amends Title 62 (Procurement), in general provisions, providing a preference of ten percent to bidders located in Pennsylvania.

Introduced and referred to Senate State Government committee, 6/16/2014

BUDGET RELATED BILLS

[HB 278](#) RE: Fiscal Code (by Rep. Matt Baker, et al)

Amends the Fiscal Code providing in Treasury Department, further providing for investment of moneys; in disposition of abandoned and unclaimed property, further providing for definitions, for property held by financial institutions, for property held by insurers, for property held by utilities, for property held by business associations, for property held by fiduciaries, for property held by courts and public officers and agencies, for miscellaneous property held for or owing to another and for report of property subject to custody and control of the Commonwealth, providing for certificate of finder registration, for revocation of finder registration and for appeals, further providing for examination of records, for proceeding to compel reporting or delivery and for penalties, and providing for relation to **Electronic Signatures in Global and National Commerce Act**; in inquisitorial powers of fiscal officers, further providing for examination and adjustment of public accounts and the collection of amounts due the Commonwealth; in oil and gas wells, providing for legislative findings and further providing for appropriation, for the Department of Conservation and Natural Resources and for additional transfers; in special funds, further providing for funding, establishing the H2O PA Account, and providing for other grants; in additional special funds, further providing for use of fund, providing for termination, for transfer to Public School Employees' Retirement System, and further providing for distributions from Pennsylvania Race Horse Development Fund; in general budget implementation, further providing for State Civil Service Commission; providing for the Environmental Quality Board, for surcharges and for other agencies; providing for rural regional college for underserved counties, for 2014-2015 budget implementation and for 2014-2015 restrictions on appropriations for funds and accounts; and making related repeals. The amendment of section 301.1 (i)(2) providing for the extension of the State Treasurer's prudent person investment authority effect in 60 days. The amendments of sections relating to report of property subject to custody and control of the Commonwealth; certificate of finder registration; revocation of finder registration and penalties shall take effect in 180 days. The repeal of sections 304 and 305 of the Tobacco Settlement Act shall take effect January 1, 2015. The remaining sections are effective immediately.

Reported as committed from Senate Public Health and Welfare Committee, and read first time, 6/25/2014

Read second time and Rereferred to Senate Appropriations Committee, 6/26/2014

Reported as amended from Senate Appropriations Committee, 6/30/2014

Read third time and passed Senate, 7/1/2014 (26-24)

Received as amended in House and rereferred House Rules Committee, and Re-reported on concurrence as amended from House Rules Committee, 7/1/2014

House concurred in Senate amendments as amended by the House, 7/2/2014

Received as amended in Senate and rereferred Senate Rules and Executive Nominations Committee, Re-reported on concurrence as committed Senate Rules and Executive Nominations Committee, and Senate concurred in House Amendments to Senate Amendments, 7/8/2014

Signed in the Senate, 7/8/2014

Signed in the House, 7/9/2014

[HB 2124](#) RE: School Construction Costs (by Rep. Seth Grove, et al)

Amends the Public School Code, in grounds and buildings, further providing for approval by Department of Education of plans, etc. of buildings and exceptions; providing for accountability and reducing costs in construction process; further providing for limitation on new applications for Department of Education approval of school building projects; in reimbursements by Commonwealth and between school districts, further providing for definitions, for approved reimbursable rental for leases hereafter approved and approved reimbursable sinking fund

charges on indebtedness, for payments on account of leases hereafter approved and on account of sinking fund charges on indebtedness for school buildings hereafter constructed and for payments on account of building costs; providing for lump sum reimbursement for construction or reconstruction and for reimbursement for school districts not submitting required documentation; and imposing a duty on the State Public School Building Authority.

Removed from the table, 6/3/2014

Amended on House floor, read second time, and Rereferred to House Appropriations Committee, 6/4/2014

Reported as committed from House Appropriations Committee, read third time, and passed House, 6/9/2014 (109-86)

Received in the Senate and referred to Senate Education Committee, 6/20/2014

[HB 2219](#) RE: Highway Capital Budget Project Itemization Act of 2014-2015 (by Rep. Mark Keller, et al)
Provides for the highway capital budget project itemization for the fiscal year 2014-2015 to be financed from current revenue or by the incurring of debt.

Reported as amended from House Transportation Committee, read first time, and rereferred to House Rules Committee, 6/18/2014

[HB 2244](#) RE: Highway-Railroad and Highway Bridge Capital Budget (by Rep. Nick Micozzie, et al)
Supplement to the Highway-Railroad and Highway Bridge Capital Budget Act for 1982-1983, itemizing additional State and local bridge projects.

Reported as amended from House Transportation Committee, read first time, and rereferred to House Rules Committee, 6/18/2014

Reported as committed from House Rules Committee, 6/25/2014

Read second time, and rereferred to House Appropriations Committee, 6/26/2014

Reported as committed from House Appropriations Committee, amended on House floor, read third time, and passed House, 6/27/2014 (200-2)

Received in the Senate and referred to Senate Transportation Committee, 6/28/2014

Reported as committed from Senate Transportation Committee, and read first time, 6/29/2014

Read second time, rereferred to Senate Appropriations Committee, and reported as committed from Senate Appropriations Committee, 6/30/2014

Read third time and passed Senate, 7/1/2014 (50-0)

Signed in the House and in the Senate, 7/1/2014

In the hands of the Governor, 7/1/2014. Last day for Governor's action, 7/11/2014

[HB 2328](#) RE: General Appropriation Act of 2014 (By Rep. Bill Adolph, et al)
Provides from the General Fund for the expenses of the Executive and Judicial Departments, the State Government Support Agencies and the General Assembly of the Commonwealth, the public debt and the public schools for the fiscal year July 1, 2014, to June 30, 2015.

Introduced and referred to House Appropriations Committee, 6/9/2014

Reported as committed from House Appropriations Committee, read first time, and rereferred to House Rules Committee, 6/11/2014

Reported as committed from House Rules Committee, read second time, and Rereferred to House Appropriations Committee, 6/23/2014

Reported as amended from House Appropriations Committee, 6/24/2014

Read third time, and passed House, 6/25/2014 (110-93)

Received in the Senate and referred to Senate Appropriations Committee, reported as committed from Senate Appropriations Committee, and read first time, 6/26/2014

Read second time, and Recommitted to Senate Appropriations Committee, 6/27/2014

Reported as amended from Senate Appropriations Committee, 6/29/2014

Read third time, and passed Senate, 6/30/2014 (26- 24)

Received as amended in House and rereferred to House Rules Committee, Re-reported on concurrence as committed from House Rules Committee, and House concurred in Senate amendments, 6/30/2014 (108-95)

Signed in the House and Signed in the Senate, 6/30/2014

In the hands of the Governor, 7/1/2014. Last day for Governor's action, 7/11/2014

[HB 2355](#) RE: Capital Budget Act of 2014-2015 (by Rep. Bill Adolph, et al)

Provides for the capital budget for the fiscal year 2014-2015, totaling \$1,295,000,000; itemizing redevelopment assistance capital projects to be constructed or acquired or assisted by the Department of Community and Economic Development, together with their estimated financial costs; authorizing the incurring of debt without the approval of the electors for the purpose of financing the projects to be constructed, acquired or assisted by the Department of Community and Economic Development; and making appropriations.

Introduced and referred to House Appropriations committee, 6/18/2014

Reported as committed from House Appropriations Committee, read first time, and rereferred to House Rules Committee, 6/24/2014

Reported as committed from House Rules, 6/25/2014

Read second time and rereferred to House Appropriations Committee, 6/26/2014

Reported as committed from House Appropriations Committee, read third time, and passed House, 6/27/2014 (180-22)

Received in the Senate and referred to Senate Appropriations Committee, 6/28/2014

Reported as amended from Senate Appropriations Committee, and read first time, 6/29/2014

Read second time, 6/30/2014

Read third time and passed Senate, 7/1/2014 (50-0)

Received as amended in House and rereferred House Rules Committee, and re-reported on concurrence as committed House Rules Committee, 7/1/2014

House concurred in Senate amendments, 7/2/2014 (172-27)

Signed in the House, 7/2/2014

Signed in the Senate, 7/8/2014

In the hands of the Governor, 7/9/2014. Last day for Governor's action, 7/19/2014

[HB 2366](#) RE: Highway Construction law Repeal (by Rep. Nick Micozzie, et al)

Act repealing the act of 1943 entitled "An act establishing as state highways, certain county highways and requiring their construction, repair and maintenance as such."

Introduced and referred to House Transportation Committee, 6/19/2014

[SB 1383](#) RE: Highway-Railroad and Highway Bridge Capital Budget (by Sen. Don White, et al)

Supplement to the Highway-Railroad and Highway Bridge Capital Budget Act for 1982-1983, itemizing additional State and local bridge projects. Effective immediately.

Reported as amended from Senate Transportation Committee, and read first time, 6/4/2014

Read second time, and rereferred to Senate Appropriations Committee, 6/9/2014

Reported as amended from Senate Appropriations Committee, 6/10/2014

Read third time, and passed Senate, 6/11/2014 (49-0)

Received in the House and referred to House Transportation Committee, 6/12/2014

[SB 1384](#) RE: Highway Capital Budget Project Itemization Act of 2014-2015 (by Sen. John Gordner, et al)

provides for the highway capital budget project itemization for the fiscal year 2014-2015 to be financed from current revenue or by the incurring of debt of \$19,154,285,000.

Reported as amended from Senate Transportation Committee, and read first time, 6/4/2014

Read second time, and Rereferred to Senate Appropriations Committee, 6/9/2014

Reported as amended from Senate Appropriations Committee, 6/10/2014

Read third time, and passed Senate, 6/11/2014 (49-0)

Received in the House and referred to House Transportation Committee, 6/12/2014

Reported as amended from House Transportation Committee, read first time, and laid on the table, 6/23/2014

Removed from the table, 6/24/2014

Amended on House floor, read second time, and Rereferred to House Appropriations Committee, 6/25/2014

Reported as committed from House Appropriations Committee, 6/26/2014

Read third time, and passed House, 6/27/2014 (202-0)

Received as amended in Senate and rereferred Senate Rules and Executive Nominations Committee, 6/28/2014

Re-reported on concurrence as committed from Senate Rules and Executive Nominations Committee, 6/29/2014

Senate concurred in House amendments, 6/30/2014 (50-0)

Signed in the Senate and in the House, and the hands of the Governor, 6/30/2014

Last day for Governor's action, 7/10/2014

[SB 1400](#) RE: Capital Budget Act of 2014-2015 (by Sen. Jake Corman, et al)

Provides for the capital budget for the fiscal year 2014-2015 with a total appropriation of \$1,295,000,000. Effective July 1, 2014, or immediately, whichever is later.

Introduced and referred to committee on Senate Appropriations, 6/3/2014

Reported as committed from Senate Appropriations Committee, and read first time, 6/9/2014

Read second time, 6/10/2014

Read third time and passed Senate, 6/16/2014 (48-0)

Received in the House and referred to House Appropriations Committee, 6/18/2014

[SB 1408](#) RE: Water and Sewer Systems Assistance (by Sen. John Yudichak, et al)

Amends the Water and Sewer Systems Assistance Act further providing for legislative findings; authorizing the incurring of indebtedness, with the approval of the electors, of \$600,000,000 for grants and loans for the cost of the labor, materials, necessary operational machinery and equipment, lands, property, rights and easements, plans and specifications, surveys, estimates of costs and revenues, prefeasibility studies, engineering and legal services and the other expenses necessary or incident to the acquisition, construction, improvement, expansion, extension, repair or rehabilitation of all or part of a project shall be submitted to the electors at the next election; providing for the powers and duties of the Pennsylvania Infrastructure Investment Authority and for authorization and expiration; and making editorial changes. The proceeds of the bonds sold are appropriated on a continuing basis to the Pennsylvania Infrastructure Investment Authority for the purpose of making loans and grants. The aggregate amount of grants awarded may not exceed \$200,000,000 and the bill provides for additional limits.

Introduced and referred to Senate Environmental Resources and Energy committee, 6/9/2014

ENVIRONMENTAL BUILDING STANDARDS

[HB 343](#) RE: National Groundwater Association Standards (by Rep. Ron Miller, et al)

Amends Title 27 (Environmental Resources) providing for the adoption of National Groundwater Association standards. Provides for water well construction standards; decommissioning of abandoned wells; water well completion reports; and inspections. Also provides for the powers and duties of the EQB and DEP under this new chapter and for penalties for violations of this new chapter.

Removed from the table, 6/24/2014

Read second time and Rereferred to House Appropriations Committee, 6/26/2014

Reported as committed from House Appropriations Committee, read third time, and passed House, 6/27/2014 (164-38)

Received in the Senate and referred to Senate Environmental Resources and Energy Committee, 6/28/2014

[HB 1672](#) RE: State Agency Green Technology Implementation Act (by Rep. Ron Miller, et al)

Provides for the testing of new, environmentally beneficial and energy efficient technologies within various state agencies. The secretary of the Department of General Services is authorized to direct a state agency with the approval of the governor to test certain technology, products or processes that promote energy conservation or efficiency on a trial basis. The testing agency shall maintain records, proprietary information is exempt from the Right to Know Law, and the testing period shall be 30-60 days. Acquisition of any technology, product or process for purposes of the test program shall not be deemed to be a purchase under the provisions of the Procurement Law. After the test period, purchases would be subject to the procurement law. Provides for the promotion of demand-side management and for penalties for displaying Commonwealth endorsement when no such proper endorsement exists.

Laid on the table, 6/17/2014

[SB 1255](#) RE: Storm Water Management (by Sen. Ted Erickson, et al)

Amends Title 53 (Municipalities Generally), in municipal authorities, authorizing storm water authorities to establish programs that would allow property owners to reduce their storm water rates and charges by implementing and maintaining storm water best management practices that address their own contributions to the problems caused by storm water runoff.

Reported as amended from House Local Government Committee, read first time, and laid on the table, 6/25/2014

Removed from the table, 6/29/2014

Read second time, and Rereferred to House Appropriations Committee, 6/30/2014

Reported as committed from House Appropriations Committee, read third time, and passed House, 7/1/2014 (178-25)

Received as amended in Senate and rereferred to Senate Rules and Executive Nominations Committee, re-reported on concurrence as committed from Senate Rules and Executive Nominations Committee, and Senate concurred in House amendments, 7/1/2014 (50-0)

Signed in the Senate and in the House, and in the Hands of the Governor, 7/1/2014

Last day for Governor's action, 7/11/2014

[SB 1274](#) RE: Warning Signs (by Sen. Tim Solobay, et al)

Amends Title 35 (Health and Safety), in the State Fire Commissioner, requiring warning signs to be posted by owners of any commercial or industrial structure that uses light-frame truss-type construction. The bill provides for penalties and regulations.

Reported as committed from Senate Veterans Affairs & Emergency Preparedness Committee, and read first time, 6/25/2014

Rereferred to Senate Appropriations Committee, 6/30/2014

LOCAL/STATE GOVERNMENT/REGULATIONS

[HB 1607](#) RE: Damage Prevention Commission (by Rep. Matt Baker, et al)

Amends the Underground Utility Line Protection Law to further provide for definitions and to make substantial editorial revisions. The bill transfers oversight authority for PA One Call from the Department of Labor and Industry to the Public Utility Commission and adds that the lawful start date for applicable projects is three business days following notification to PA One Call. The bill places duties upon facility owners to maintain records of notice to the One Call system, verify where underground utility lines run in certain instances, report violations, and participate in One Call's member mapping system. The legislation details when a fee must be paid by an excavator, designer, or operator and further requires the reporting of alleged violations. The legislation establishes a Damage Prevention Commission, responsible for establishing a Damage Prevention Committee, the purpose and duty of which is enumerated in the legislation. The bill also establishes the Underground Utility Line Protection Fund to be used by the commission for enforcement of the Underground Utility Line Protection Law. The act shall expire December 31, 2021 (changed from 2016). Section 7.9 shall take effect immediately; and the remainder of the act shall take effect in 180 days.

Removed from the table, 6/25/2014

Amended on House floor, read second time, and Rereferred to House Appropriations Committee, 6/26/2014

Reported as committed from House Appropriations Committee, read third time, and passed House, 6/27/2014 (202-0)

Received in the Senate and referred to Senate Consumer Protection & Prof. Licensure Committee, 6/28/2014

[SB 1023](#) RE: Pennsylvania Construction Code Updates (by Sen. Chuck McIlhinney, et al)

Amends the Pennsylvania Construction Code Act adding that the council shall review the provisions revised in published International Code Council updates; the council shall report within 24 months (changed from 12 months) following official publication of the latest triennial code revisions with provisions of the codes that are specified for adoption and which provisions are specified for modification; the provisions of the codes that are specified for rejection (changed from adoption) shall be separately designated in the report; an architect or engineer specializing in building energy efficiency, to be appointed by the governor, is added to the council; terms of council members are increased to three years; the department shall (changed from may) provide staff to assist the council; council members shall not receive a salary but shall be entitled to certain reimbursement; further providing for revised or successor codes; stipulating that 40 percent of money from the fee shall be deposited in the Municipal Code Official Training Account, 40 percent shall be deposited in the Construction Contractor Training Account, and 20 percent shall be deposited in the newly created Review and Advisory Council Administration Account; and stipulating that moneys in the Review and Advisory Council Administration Account shall be transmitted quarterly to the Department of Labor and Industry for expenses of the Review and Advisory Council.

Reported as amended from Senate Appropriations Committee, 6/2/2014
Read third time, and passed Senate, 6/3/2014 (47-1)
Received in the House and referred to House Labor and Industry Committee, 6/6/2014
Tabled in House Labor and Industry Committee as amended, 7/2/2014

[SB 1254](#) RE: Definition of "Lead Free" (by Sen. John Yudichak, et al)

Amends the Plumbing System Lead Ban and Notification Act changing the definition of "lead free" to, when used with respect to solders and flux, solders and flux containing not more than 0.2 percent lead and, when used with respect to the wetted surfaces of pipes, pipe fittings, plumbing fittings and fixtures, the term refers to the wetted surfaces of pipes, pipe fittings, plumbing fittings and fixtures containing not more than a weighted average of 0.25 percent lead. The definition includes a formula for calculating the weighted average lead content of a pipe, pipe fitting, plumbing fitting or fixture.

Reported as committed from House Appropriations Committee, read third time, and passed House, 6/2/2014 (195-1)

Signed in the Senate and in the House, 6/3/2014

Approved by the Governor, 6/10/2014. Act No. 55 of 2014

LIABILITY

NONE

LICENSURE BILLS

NONE

MANDATE WAIVERS

NONE

MECHANIC'S LIEN

[HB 473](#) RE: Formal Notice (by Rep. Tom Killion, et al)

Amends the Mechanics' Lien Law further providing for formal notice by subcontractor to the prothonotary of the Court of Common Pleas of the relevant jurisdiction as condition precedent to beginning construction. Notice must be given within 15 days of commencement of the construction. Form of the notice is provided for and a model notice given. A petition for a claim from a lien for a construction project must be filed within four months after completion of the work. Requires the Department of General Services to establish and maintain the database. Further, it provides that a searchable project means a commercial construction project costing a minimum of \$1,500,000, makes Notices of Commencement filing by owners a mandatory requirement.

Reported as amended from Senate Labor and Industry Committee, and read first time, 6/18/2014

Read second time, and referred to Senate Appropriations Committee, 6/27/2014

Reported as amended from Senate Appropriations Committee, 6/29/2014

[HB 2319](#) RE: Definition of Subcontractor (by Rep. Bill Keller, et al)

Amends the Mechanics' Lien Law adding to the definition of subcontractor a fund governed or regulated by the Employee Retirement Income Security Act of 1974 for the benefit of persons furnishing labor or materials to an improvement.

Introduced and referred to House Labor and Industry Committee, 6/6/2014

[SB 145](#) RE: Residential Construction Liens (by Sen. Kim Ward, et al)

Amends the Mechanics' Lien Law to detail instances where subcontractors do not have the right to the lien including: if the owner or tenant paid the full contract price to the contractor; the property is or is intended to be used as the residence of the owner or subsequent to occupation by the owner, a tenant of the owner; and the residential property is a single townhouse or a building that consists of one or two dwelling units used, intended or designed to be built, used, rented or leased for living purposes. Also details when a lien may be discharged against a residential property owner.

Reported as amended from House Labor and Industry Committee, read first time, and laid on the table, 6/26/2014

Removed from the table, 6/27/2014

Read second time, and rereferred to House Appropriations Committee, 6/29/2014

Reported as committed from House Appropriations Committee, 6/30/2014

Read third time, and passed House, 7/1/2014 (202-0)

07-01-14 S

Received as amended in Senate and rereferred Senate Rules and Executive Nominations Committee, 7/1/2014

MINIMUM WAGE

NONE

PREVAILING WAGE

NONE

LOCAL/PROPERTY TAX REFORM

NONE

TRANSPORTATION

NONE

UC/Workers Comp

NONE

Upcoming meetings of Interest

2014 HOUSE SESSION SCHEDULE

August 4

2014 FALL SENATE SESSION SCHEDULE

September 15, 16, 22, 23, 24

October 6, 7, 8, 14, 15

November 12

2014 FALL HOUSE SESSION SCHEDULE

September 15, 16, 17, 22, 23, 24

October 6, 7, 8, 14, 15

November 12

Copies of all bills of interest can be accessed via the Internet at:

<http://www.legis.state.pa.us/cfdocs/legis/home/session.cfm>