



GOVERNMENT RELATIONS UPDATE

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*PA- Section, American Water Works Association
National Association of Water Companies
Water Works Operators' Association of Pennsylvania*

State Lawmakers, Business Leaders Assemble to Avenge Regulatory Overreach

State lawmakers and business leaders from across the Commonwealth joined together today to announce the introduction of the House State Government Committee's Regulatory Overreach Report and five pieces of legislation specifically designed to rein in overregulation.

"The Regulatory Overreach Report is a compilation of the findings from a series of public hearings that I convened to gather testimony from various employers, organizations and experts on state regulatory policy," said House State Government Committee Chairman Daryl Metcalfe (R-Butler). "Without question, this report clearly demonstrates that it's long-past time for the Legislature to avenge the ever-increasing injustices of Pennsylvania's restrictive regulatory environment. Overregulation caused by unelected government bureaucrats is killing family-sustaining jobs, strangling opportunity and crippling economic growth."

Dr. James Broughel from the Mercatus Center at George Mason University in Virginia testified last year that Pennsylvania currently has more than

153,000 regulatory restrictions that stretch across every industry operating within the Commonwealth. Overregulation not only puts Pennsylvanians at serious risk of losing family-sustaining jobs to other states where regulatory compliance is less onerous, it can even weaken the effectiveness of legitimate health and safety regulations already in place.

Another significant finding from these public hearings is that Pennsylvania's Regulatory Review Act, of which the House State Government Committee has oversight, does not give the Legislature any authority to repeal a regulation without the governor's approval. Not surprisingly, regulations created under the administration of both Republican and Democrat governors have been piling up for decades.

Sponsored by House Majority Policy Committee Chairman Kerry Benninghoff (R-Centre/Mifflin), [House Bill 1792](#) would give the Pennsylvania General Assembly the ability to initiate the repeal of any state regulation in effect by concurrent resolution.

"State government has a history of piling on unnecessary, costly regulations that, in the end, only hurt everyday Pennsylvanians," Benninghoff said. "Every dollar that is spent dealing with Pennsylvania's overzealous state agencies is a dollar that could have, and should have, been spent

hiring a new employee, increasing wages, buying new equipment or giving back to the local community. It's time to remove these unnecessary impediments to job creation in Pennsylvania."

[House Bill 209](#), introduced by Rep. Kristin Phillips-Hill (R-York), would establish the Independent Office of the Repealer to undertake an ongoing review of existing regulations; receive and process recommendations; and make recommendations to the General Assembly, the governor and executive agencies for repeal.

Additional provisions of this legislation would both establish a moratorium on new regulatory burdens and create a process for sunsetting existing regulations by placing a cap on the number of regulations and requiring the repeal of existing regulations when promulgating new ones.

"Establishing the Office of the Repealer will allow Pennsylvania to focus on sensible, not outdated, burdensome regulation so that the Commonwealth can be a place where people want to live and do business once again," said Phillips-Hill."

The World Bank and the Mercatus Center both estimate that over-regulation has a negative impact on economic growth, ranging between 0.8 percent and 2.3 percent. Since 2000, Pennsylvania's yearly real Gross Domestic Product has averaged just 1.5 percent.

As a mechanism to improve Pennsylvania's regulatory culture by stopping bad regulations before implementation, Rep. Dawn Keefer (R-York/Cumberland) has introduced [House Bill 1237](#) which would require the General Assembly to vote on a concurrent resolution to approve an economically significant regulation (which has an annual fiscal impact totaling \$1 million or more on the government or private sector), in order for that regulation to go into effect.

"Since taking office last January, I have heard from many business owners and residents about the suffocating regulations Pennsylvania imposes," Keefer said. "My bill would transform the Commonwealth into a less bureaucratic state and

would enhance the review of proposed regulations that stifle economic growth."

The final two elements of successful regulatory reform introduced during this morning's press conference focus on improving the regulatory culture so the application of existing laws is collaborative and not punitive.

With permits processed at a significantly slower pace and Pennsylvania losing business whenever there is uncertainty in the permitting and regulatory environment, Rep. Greg Rothman (R-Cumberland) has sponsored the Pennsylvania Permit Act. [House Bill 1959](#) would require state agencies to create and develop a navigable online permit tracking system; cite specific legal authority for permit denial and provide guidance for correcting deficiencies; establish timelines for completion notifications; and allow certain permit reviews to be transferred to third-party reviewers.

"My bill is a common sense proposal to make the permitting process more transparent, boost economic growth and promote job creation," Rothman said. "My bill would create a system so applicants can track the progress of their permits. The reform also would require an explanation of the statutory reasons for a permit denial."

Lastly, [House Bill 1960](#), sponsored by Rep. Brian Ellis (R-Butler) would require each agency to appoint a regulatory compliance officer to better educate the regulated community regarding implementation for any new regulation and the requirements prior to the effective date.

The complete House State Government Committee 2017-18 Regulatory Overreach Report is available for review at www.RepMetcalfe.com.

"Members of the General Assembly need to use every tool available under the current law in order to ensure that Pennsylvania's regulations encourage, rather than discourage, the entrepreneurial spirit of hard-working job creators," said Metcalfe. "As Chairman of the House State Government Committee, I will continue to advance legislation that streamlines and modernizes Pennsylvania's job-killing, regulatory environment, and most importantly, protects taxpayers!"

Source: PA House GOP Caucus, 1/16/2018

Pennsylvania's Unemployment Rate at 4.7 Percent in December

On January 19, 2018, the Pennsylvania Department of Labor & Industry released its employment situation report for December 2017.

Pennsylvania's unemployment rate was up one-tenth of a percentage point from November to 4.7 percent, the first monthly increase since May 2017. The commonwealth's rate remained above that of the United States, which was unchanged in December at 4.1 percent. Over the year, the Pennsylvania unemployment rate declined by seven-tenths of a percentage point.

Pennsylvania's civilian labor force was down 5,000 over the month to 6,392,000. The decline was due to a drop in employment. Resident unemployment increased for the first time in the past six months. Over the year, employment and unemployment were down by 10,000 and 53,000, respectively. Pennsylvania's nonfarm jobs count increased 14,600 to a record high of 5,994,700 in December. Jobs were up in seven of the 11 supersectors. The largest supersector movement over the month was a gain of 7,300 leisure & hospitality jobs, while the largest drop was in trade, transportation & utilities (-4,300). Both education & health services and leisure & hospitality reached new record high levels in December.

Total nonfarm jobs in Pennsylvania were up 1.3 percent from December 2016, similar to the United States over-the-year gain of 1.4 percent. Eight supersectors in the commonwealth added jobs over the year. The largest increase over the past 12 months was in education & health services, up 25,600. Two other supersectors also added more than 20,000 jobs from last December.

Additional information is available on the L&I [website](#).

Note: The above data are seasonally adjusted. Seasonally adjusted data provide the most valid month-to-month comparison.

Source: Labor & Industry Press Release, 1/19/2018

PUC Seeks Public Comment on Tentative Implementation Order for Act 65; Outlines Commission Oversight of Pittsburgh Water & Sewer Authority

On January 18, 2018, the Pennsylvania Public Utility Commission (PUC) approved and posted for public comment a [Tentative Implementation Order](#) for Act 65 of 2017, addressing Commission oversight of water, wastewater and storm water services by entities created by Pennsylvania cities of the second class - specifically, the Pittsburgh Water and Sewer Authority (PWSA).

The Tentative Order, approved by a 5-0 vote, proposes methods for ratemaking, tariff approval, compliance plans, infrastructure improvements, consumer protection and other implementation issues. As part of this process, the Commission has invited interested parties to provide comment on the tentative proposals and relevant statutory interpretations, and offer any additional recommendations for consideration. Comments should be submitted within 20 days of the entry of this Order.

"This is a unique situation for everyone involved - including Pittsburgh residents and businesses, PWSA staff, local and state leaders, and other concerned parties, along with the PUC," said Commission Chairman Gladys M. Brown. "We look forward to input from stakeholders and remain committed to working collaboratively to address these complex issues."

Under the plan outlined in the Tentative Order, existing PWSA rates and terms of service will remain in place as a temporary measure, until the

Commission reviews and approves a rate filing from the Authority. Proposed tariffs for water and wastewater service must be filed no later than Monday, July 2, 2018, and those tariffs would be subject to the PUC's [normal ratemaking process](#) to determine just and reasonable rates, including a Commission investigation, public input and the ability for parties to voice their concerns.

The Tentative Order also details proposed changes in the handling of consumer complaints. Beginning on Monday, April 2, 2018, the Commission proposes to begin accepting complaints from PWSA customers - either as informal complaints submitted to the PUC's Bureau of Consumer Services (1-800-692-7380 and [online](#)) or as formal complaints filed with the Commission.

Under the Tentative Order, the Commission also proposes to accept informal and formal complaints as of April 2, marking the end of the PWSA's current Exoneration Hearing Board as an adjudicative body, with the Commission reviewing customer complaints in accordance with the due process rights detailed in the Public Utility Code and the Commission's regulations.

The Tentative Order also requires PWSA to file a compliance plan by Friday, September 28, 2018, to ensure compliance for regulatory issues not addressed in the tariff filing - including a Long-Term Infrastructure Improvement Plan - detailing how PWSA intends to replace or upgrade targeted facilities, and how that will improve reliability, adequacy and safety.

Comments regarding the Tentative Implementation Order should be submitted by the close of business (4:30 p.m. EST) on Wednesday, February 7, 2018. Comments should be filed with the Commission's Secretary, at docket numbers M-2018-2640802 and M-2018-2640803. Instructions for e-filing are on the PUC [website](#).

Comments may also be filed in writing, by overnight delivery, certified or priority mail. Written comments should be addressed to:

Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building

400 North Street
Harrisburg, PA 17120

Chairman Brown noted that today's Tentative Order is part of a comprehensive Commission effort to address the PUC's responsibilities related to PWSA.

"We have established an internal PUC Working Group, bringing together experts from across the Commission to explore issues regarding PWSA," Chairman Brown explained. "Those team members have been meeting with and gathering preliminary information from PWSA, and working to explain state regulations and PUC processes to leadership at the Authority, as we work to set a course for implementing Act 65."

Additionally, the Commission will be scheduling public "listening tour" events in the coming weeks - providing Pittsburgh residents and businesses with an opportunity to voice their vision for the future of their water and wastewater services - along with "consumer education" events, to ensure that everyone understands their rights and responsibilities under various consumer protection regulations and the PUC process for reviewing utility rates. Those event dates will be announced shortly.

The Pennsylvania Public Utility Commission balances the needs of consumers and utilities; ensures safe and reliable utility service at reasonable rates; protects the public interest; educates consumers to make independent and informed utility choices; furthers economic development; and fosters new technologies and competitive markets in an environmentally sound manner.

Visit the PUC's [website](#) for recent news releases and video of select proceedings. You can also follow us on Twitter, Facebook, LinkedIn, Instagram and YouTube. Search for the "Pennsylvania Public Utility Commission" or "PA PUC" on your favorite social media channel for updates on utility issues and other helpful consumer information.

Source: PUC Press Release, 1/18/2018

Chairman Bob Godshall to Retire from State Legislature Following More Than 60 Years of Public Service

Rep. Bob Godshall (R-Montgomery) announced that his 18th term, ending Nov. 30, 2018, will be his final one as a member of the Pennsylvania House of Representatives.

"An incumbent is supposed to be able to run on his record, and that has been my motto for 18 elections," Godshall said. "People want public officials who can make a difference, and I believe I have done that for my constituents throughout the years. My office staff and I pride ourselves on the quality of service that we've provided, the people we've helped and all the valuable experience we've gained working on the many issues facing our communities and state."

As a testament of the service to his constituents and communities, Godshall received The Montgomery Media and The Reporter's "Reader's Choice Award" many times, including each of the last eight years. Helping more than 5,000 people each year, the residents of his northern Montgomery County district appreciate his service to constituents.

Throughout his career, Godshall has received numerous awards, citations and special recognition, but none more personally satisfying than the 2011 "American Hero Award" from the National Kidney Registry. The recipient of a life-saving bone marrow transplant, Godshall's groundbreaking legislation to provide tax breaks to employers who grant workers time off to donate an organ or bone marrow was intended to increase donations by living donors. His legislation is being used as a national model to encourage similar measures in other states.

Godshall received the first-ever Government Award from the Water Resources Association of the Delaware River Basin for his 20-year effort to bring a viable surface water supply to the drought-prone North Penn and Indian Valley areas. In fact, 85

percent to 90 percent of the water supply in this area is a result of this effort.

Since 2007, Godshall has been chairman of the House Consumer Affairs Committee. As chairman, he championed legislation to phase in electric rate increases when rate caps were lifted.

Previously, Godshall was the long-time chair of the House Tourism and Recreational Development Committee, when, working with former Gov. Tom Ridge, they took Pennsylvania from ranking in the lower half of the country to the top five in the nation promoting Commonwealth tourism, which is the second-leading industry in Pennsylvania. The industry has an economic impact of nearly \$33 billion annually, provides more than 433,000 travel-and tourism-related jobs and generates more than \$3 billion in tax revenues. Godshall was also chairman during the development of the National Constitution Center, of which he served on the board of directors for 12 years.

"I want to thank the people of northern Montgomery County for their support over the years; it really has been one of my life's greatest honors to serve and represent friends and neighbors of the 53rd Legislative District for 36 years," Godshall added.

He is also a longtime member of the Hatfield, Indian Valley and North Penn chambers of commerce; past president and former board member of the Perkiomen Valley Watershed Conservancy, where he worked on development of the Montgomery County park system along the Perkiomen Creek; and has served on the boards of trustees of the National Constitution Center, the Philadelphia Convention and Visitors Bureau, the Legislative Budget and Finance Committee, the Harleysville Senior Adult Activity Center and the American Red Cross (North Penn branch), and as a member of the Indian Valley Public Library Steering Committee.

Raised on the family farm in Franconia, Godshall later helped run the family's poultry business. Godshall, who took office in 1983, previously served on the Souderton Area School Board, including being chairman, and as Montgomery County comptroller.

The 53rd Legislative District contains Lansdale, Hatfield and Souderton boroughs, along with part of Telford, and Franconia, Hatfield, Salford and Upper Salford townships in Montgomery County.

Source: Rep. Godshall Press Release, 1/18/2018

Lackawanna County Water Treatment Operator Agrees to Surrender Certifications Operator Admits to Falsifying Reports

The Pennsylvania Department of Environmental Protection (DEP) announced that it has entered into a consent order and agreement with J. Robert DeSandis of Clarks Summit, Lackawanna County to surrender his operator certifications as a Water and Wastewater Systems Operator. DeSandis has admitted to submitting, on 130 separate occasions, false water and wastewater treatment reports from public drinking water systems and sewage waste facilities that he operates.

DeSandis was the systems operator at facilities in Luzerne, Lackawanna, Monroe, Pike, Susquehanna, and Wyoming County and was responsible for monitoring, testing, and reporting water quality to DEP. The suspension of his certification is for an indefinite period.

"As soon as we discovered the falsification of these records, we took the actions necessary to protect public health and public resources from this operator," said Mike Bedrin, Director of DEP's Northeast Regional Office in Wilkes-Barre. "There is no place in Pennsylvania for fraudulent reporting of the quality of resources that have a real effect on the public health. We will continue to work with the affected community to make sure that everyone has a safe, reliable source of water."

In 2015, DeSandis as the operator of the drinking water system at the Village of Four Seasons in Herrick Township and the Dallas Mobile Home Park in Dallas Township, revealed to DEP staff that on 27 separate occasions, he knowingly reported

false test results for chlorine levels in drinking water samples. At least one of those samples would have resulted in a boil-water advisory to residents.

DeSandis also operated eight waste water facilities, including Deer Haven in Palmyra Township; Edgewood Mobile Home Park in Glenburn Township; Outhouse Springs, LLC of Benton Township; Village of Four Seasons in Herrick Township; St. Gabriel's Monastery in South Abington Township; Stillwater Sewer Corporation in Coolbaugh Township; Stone Hedge Sewer Company in Tunkhannock Township; and Tall Timbers Village in LaPlume Township.

In 2016, DeSandis admitted to filing false discharge monitoring reports. Those reports indicate the volume of sewage waste-water being discharged from treatment facilities and the level of contaminants.

As part of the agreement, DeSandis has agreed to not seek reinstatement of his operator certification or apply for a new one.

The false sample reports are a violation of the facility's National Pollutant Discharge Elimination System (NPDES) permits, DeSandis's operating certificate, the Safe Drinking Water Act, and the Clean Streams Law.

Source: DEP Press Release, 1/17/2018

PennDOT Reminds Pennsylvanians that Current Driver's Licenses and ID Cards are Acceptable for Domestic Air Travel

Pennsylvania is under REAL ID enforcement extension through October 10, 2018

The Pennsylvania Department of Transportation (PennDOT) reminds customers that Pennsylvania is under an [enforcement extension](#) from the Department of Homeland Security until October 10, 2018, which means that Pennsylvanians may use their current

driver's license or ID card to board commercial aircraft or enter federal facilities that require ID until at least that date.

The Department of Homeland Security (DHS) has [stated](#) that beginning January 22, 2018, travelers who have driver's licenses issued by a state that is not yet compliant with REAL ID and that has not received an extension will need to show an alternative form of acceptable identification for domestic air travel. Because PennDOT is currently under a REAL ID extension, travelers with PennDOT-issued driver's licenses or ID cards may continue to use their licenses as usual.

"We understand that there is a lot of information out in the public about REAL ID," said PennDOT Secretary Leslie S. Richards. "We want to assure Pennsylvanians that their current licenses are acceptable for boarding commercial flights and entering federal buildings."

A federally-accepted [form of identification](#) (whether it's the forthcoming Pennsylvania REAL ID driver's license or ID card, a U.S. Passport/Passport Card, a military ID, etc.) must be used as identification to board a commercial flight or visit a secure federal building on and after October 1, 2020.

PennDOT anticipates that REAL ID-compliant driver's licenses and ID cards will be available to customers that want them in spring 2019, and will continue to apply for extensions from DHS until becoming REAL ID compliant.

More information about REAL ID, including [frequently asked questions](#) and information on [documents required for REAL ID](#) can be found at <http://www.penndot.gov/REALID>.

Source: PennDOT Press Release, 1/18/2018

House, Senate Appropriations Budget Hearing Schedule Now Set

With the publication of the House Appropriations Committee budget hearing schedule Tuesday, the dates for Senate and House hearings on agency budgets are now set. Key environmental budget hearings will be:

- **February 20** -- House: 10:00 - Independent Fiscal Office
- **February 20** -- Senate: 1:00 - Independent Fiscal Office
- **February 22** -- House: 1:00 - Department of Conservation and Natural Resources; 10:00 - Department of Transportation
- **February 26** -- House: 10:00 - [Department of Environmental Protection](#); 3:00 - Department of Agriculture
- **February 26** -- Senate: 3:00 - Department of Transportation
- **February 28** -- Senate: 1:00 - Department of Agriculture; 3:00 - Department of Conservation & Natural Resources
- **March 1** -- Senate: 3:00 - [Department of Environmental Protection](#)
- **March 8** -- House: 10:00 - Governor's Budget Secretary
- **March 8** -- Senate: 1:00 - Governor's Budget Secretary

All House budget hearings will be held in Room 140 of the Main Capitol in Harrisburg. Click [here](#) to watch the hearing online. Click [here](#) for the full House budget hearing schedule.

All Senate budget hearings will be in Hearing Room 1, North Office Building. Hearings are typically [webcast on the Committee webpage](#). Click [here](#) for the full Senate budget hearing schedule.

The Governor's Budget Address is February 6.

Source: PA Environmental Digest, 1/22/2018

DEP Invites Comments on Draft Revised Drinking Water Total Coliform Rule Guidance

The Department of Environmental Protection [published notice](#) of draft technical guidance on [Revised Total Coliform Rule Guidance](#) for public comment in the January 20 PA Bulletin. (DEP ID: 393-2129-001)

On September 24, 2016, the Department finalized the Revised Total Coliform Rule, which amended 25 Pa. Code Chapter 109 (relating to safe drinking water) by requiring public water systems that are vulnerable to microbial contamination to perform assessments to identify sanitary defects and subsequently take action to correct them.

This technical guidance will clarify coliform monitoring requirements, explain new start-up procedure requirements for seasonal public water systems, and describe the Revised Total Coliform Rule assessment process and provide examples of sanitary defects.

Click [here](#) for a copy of the draft guidance.

Interested persons may submit written comments on this Draft Technical Guidance Document through February 20, 2018. Commentators are encouraged to submit comments through the Department's [eComment system](#) or by e-mail to: ecomment@pa.gov. Written comments should be submitted to Technical Guidance Coordinator, Policy Office, 400 Market Street, Harrisburg, PA 17101.

Questions should be directed to Jeff Allgyer at 717-772-4015 or send email to: jallgyer@pa.gov

Source: PA Environmental Digest, 1/22/2018

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