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Water Utility Council of the
PA-Section, American Water
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GOVERNMENT RELATIONS UPDATE

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Revenue Department Releases December 2018 Collections

Pennsylvania collected \$2.9 billion in General Fund revenue in December, which was **\$70.1 million, or 2.5 percent, more than anticipated**, Revenue Secretary Dan Hassell reported. Fiscal year-to-date General Fund collections total \$15.3 billion, which is **\$403.7 million, or 2.7 percent, above estimate**.

Since the start of the 2018-19 fiscal year, overall tax revenue is \$934.7 million, or 6.7 percent, more than was collected in the same period of the last fiscal year.

Sales tax receipts totaled \$935.2 million for December, \$23.2 million above estimate. Year-to-date sales tax collections total \$5.6 billion, which is \$163.2 million, or **3 percent, more than anticipated**.

Personal income tax (PIT) revenue in December was \$972.4 million, \$132.4 million below estimate. This brings year-to-date PIT collections to \$5.9 billion, which is \$203.4 million, or **3.3 percent, below estimate**.

December corporation tax revenue of \$577.9 million was \$87.5 million above estimate. Year-to-date corporation tax collections total \$1.7 billion, which is \$294.6 million, or **21.6 percent, above estimate**.

Inheritance tax revenue for the month was \$87 million, \$3.8 million below estimate, bringing the year-to-date total to \$517.8 million, which is \$0.3 million, or **0.1 percent, above estimate**.

Realty transfer tax revenue was \$48.1 million for December, \$1 million below estimate, bringing the fiscal-year total to \$276.9 million, which is \$5.7 million, or **2 percent, less than anticipated**.

Other General Fund tax revenue, including cigarette, malt beverage, liquor and gaming taxes, totaled \$190.8 million for the month, \$14.2 million above estimate and bringing the year-to-date total to \$950.6 million, which is \$3.8 million, or **0.4 percent, above estimate**.

Non-tax revenue totaled \$93.6 million for the month, \$82.3 million above estimate, bringing the year-to-date total to \$355.5 million, which is \$151 million, or **73.8 percent, above estimate**.

In addition to the General Fund collections, the **Motor License Fund** received \$192.8 million for the month, \$15.5 million below estimate. Fiscal

year-to-date collections for the fund - which include the commonly known gas and diesel taxes, as well as other license, fine and fee revenues - total \$1.4 billion, which is \$36.9 million, or **2.6 percent, below estimate.**

Source: PA Department of Revenue Press Release, 1/2/2019

Wolf Administration Transition Update

Department of Aging

In January, Governor Tom Wolf will nominate Robert Torres to be Secretary of Aging. Robert currently serves as Acting Secretary of State. Prior to his appointment to Executive Deputy Secretary at State, Robert served in various public and private sector senior management positions. He has a strong background in both health care and information technology, including serving as Deputy Secretary for Administration at the Department of Health under Governor Rendell and as Vice President of Health Information Technology at Capital Blue Cross.

Outgoing Secretary of Aging Teresa Osborne will be nominated to the Pennsylvania Civil Service Commission, where she will work to transition the agency and inspire others to public service.

Department of State

Governor Wolf will nominate Kathy Boockvar to be the Secretary of the Commonwealth. Kathy currently serves in the Department of State as the Senior Adviser to the Governor on Election Modernization, where she has worked over the past year to improve security and technology in our voting systems. Kathy has an extensive background in public interest law and policy, election administration, and nonprofit health care administration. She has previously served as chief counsel for the Pennsylvania Auditor General, an attorney in private practice, and a non-profit executive.

Pennsylvania Emergency Management Agency

Governor Wolf named Randy Padfield as the acting PEMA Director. Randy previously served the Deputy Director for Response at PEMA. Rick Flinn is retiring.

Office of Administration

Governor Wolf named Michael Newsome as the Secretary of Administration. Michael previously served on the Pennsylvania Liquor Control Board. He is also the former CFO of the Wolf Organization. Sharon Minnich is joining PASSHEE as the Vice Chancellor for Administration and Finance.

Governor's Budget Office

As already announced, Governor Wolf named Jen Swails as the Secretary of the Budget. Jen previously served with the Department of Human Services. Randy Albright is leaving the Governor's Office of the Budget.

Governor's Office of Policy and Planning

Governor Wolf named Meg Snead the Secretary of Policy and Planning. Meg previously served as a Deputy Policy Secretary in the Governor's Office of Policy and Planning. Sarah Galbally will be taking on a senior advisor role in Philadelphia while she transitions to a new opportunity.

Source: Governor Wolf's Press Office, 1/2/2019

Scarnati Sworn-In as Senate President Pro Tempore

On January 1, 2019, at the State Capitol in Harrisburg, State Senator Joe Scarnati (R-25) was sworn in as President Pro Tempore of the Pennsylvania Senate for 2019.

The State Senate convened at noon on New Year's Day for the 2019-2020 Legislative Session Swearing-In Ceremony for re-elected members, newly elected members and to see to administrative duties. The Pennsylvania Constitution mandates

that the Senate convene for Swearing-In Day on the first Tuesday in January of every odd year.

This is the thirteenth time Senate colleagues have elected Senator Scarnati to serve as President Pro Tempore, the third-highest constitutional office in the Commonwealth. The Honorable Justice Thomas G. Saylor administered the Oath of Office.

Following being sworn-in as President Pro Tempore, Senator Scarnati offered remarks on issues impacting the Commonwealth.

"We are here at the beginning of a New Year, and ready to continue our work on the issues before us in the 2019-2020 legislative session. This year brings with it significant challenges. The budget will certainly be a tremendous focus this coming year. We must find balance with the budget while ensuring that we respect taxpayers.

"It is also crucial that we recognize decisions and policies we put forth must lead to more jobs and opportunities for Pennsylvanians. The importance of business growth and development across our state cannot be overlooked. Providing a solid environment for family sustaining jobs is a critical responsibility.

"It is clear that we all come from different parts of the state and have very diverse backgrounds. This diversity has the ability to help us advance legislation that strengthens each of our communities across rural, urban and suburban regions of our state.

"While we are certainly a diverse group, it is crucial that we remember to also be a body that works together in a civil manner, despite our differences. In this new legislative session, when we disagree, may we remember to do so without being disagreeable with one another."

Source: Senate Republican Communications, 1/1/2019

2019-20 House Session Opens with Turzai Elected Speaker

Improving Economic and Educational Opportunities, Fiscal Responsibility, and Re-imagining Government Services Top Agenda

Cutler becomes floor leader with a majority of 110 Republican members

The 2019-20 Session of the Pennsylvania House of Representatives opened today with the election of Rep. Mike Turzai (R-Allegheny) as speaker. Two hundred of the 203 members took their oaths of office today (see note below). The House also adopted a set of rules governing how the body operates.

"We have a responsibility to govern, and I believe all of us who have taken the oath of office today are committed to making the House and state government as a whole more open and transparent," Turzai said. "The mandate given to each person who just took their oath of office comes from the people and the very residents of our communities. Theirs is the only special interest that really matters."

In a House Chamber packed with family, friends and guests, including Gov. Tom Wolf, 200 members recited the oath of office administered by the Hon. D. Michael Fisher, senior judge, Court of Appeals of the Third Circuit. Judge Fisher is a former member, representing the 40th Legislative District in Allegheny County. There are 43 new members, 19 Republicans and 24 Democrats.

Following the administration of the oath, Rep. Mike Peifer (R-Pike/Wayne) nominated Turzai for the position of speaker. Turzai was elected unanimously.

"We have an opportunity to move forward and find common ground as we begin this session with a clean slate," Turzai said. "Family-sustaining jobs, educational opportunities, bettering our communities, and working together to eliminate the scourge of opioids are some of the common goals we will tackle together, Republican and Democrat, over the next two years."

Following the election of speaker, the House voted in bi-partisan manner, to adopt the rules which govern how the body will operate. Some

modifications of last session's rules were made to clarify issues raised by members and leaders to help make the body more effective and efficient.

- A notable change addresses issues relating to sexual harassment and misbehavior in office. The House Ethics Committee will investigate charges of sexual harassment against a member or officer of the House.
- A resolution of expulsion will be considered when a member is convicted of a crime relating to his or her office, rather than when sentenced.
- Another reform includes the creation of a new committee, the House Government Oversight Committee. The House Government Oversight Committee will be composed of nine members (five appointed by the majority leader and four appointed by the minority leader), who will be empowered to investigate matters referred by the speaker, majority leader or minority leader.

"Our rules reflect a shared goal of improving House operations, imposing clear requirements for the handling of matters of sexual harassment, creating accountability when a member violates the trust of his or her office, and institutes other reforms like making it more difficult to work past 11 p.m.," Majority Leader Bryan Cutler (R-Lancaster) said.

"The legislative branch of government has the solemn duty to achieve three important tasks. We make laws, appropriate the public's money, and equally as important, we are supposed to exercise oversight over our sister branches of government. The new House Government Oversight Committee will help us achieve that third constitutional assignment," Cutler added.

In response to calls to improve the operations of the House, the new House Rules adopted today will allow for legislation to be considered in a timelier fashion, eliminate the practice of "ghost amendments," institute a House "immediate personal needs" leave policy to end "ghost voting," and set new deadlines for filing amendments.

In his remarks, Cutler spoke of the shared agenda to create an improved atmosphere of opportunity for all Pennsylvanians and build a

stronger faith of Pennsylvania's residents in their government.

The 2019-20 Legislative Session priorities, according to Cutler, will be to change Harrisburg from the ground up by making the legislative process more deliberative and open; streamlining state government, including reviewing and evaluating each state agency; and justifying every expenditure - including the Legislature's.

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NOTE: Two hundred Members were sworn in today. **Rep.-elect Liz Hanbidge** (D-Montgomery) is absent due to personal reasons; **Rep. Sid Michaels Kavulich** (D-Lackawanna) died on Oct. 16, 2018, creating a vacancy; and **former Rep. Vanessa Brown** (D-Philadelphia), convicted on seven charges related to a bribery case, six of which were felonies, resigned Dec. 16, 2018.

Source: Speaker Turzai Press Release, 1/1/2019

Ellis to Focus on Consumer Protection as New Chair of House Committee

Rep. Brian Ellis (R-Butler) has been named majority chairman of the House Consumer Affairs Committee for the 2019-20 legislative session.

"As chairman of the House Commerce Committee last session, we focused on consumer protection and I plan to continue that focus with Consumer Affairs, which has a big impact on family finances," Ellis said. "If buyers don't feel safe or fall victim to scams or unfair business practices, their wallets and our economy suffer as a result."

The Consumer Affairs Committee reviews all legislation that protects the buyer, such as the Credit Card Information Act, Pennsylvania Automobile Lemon Law, and Unfair Trade Practices and Consumer Protection Law. This includes oversight of various issues that fall under the regulatory jurisdiction of the Public Utility Commission (PUC)

and Office of Attorney General's Bureau of Consumer Protection.

Ellis in his eighth term serving the citizens of the 11th Legislative District. He served as the chairman of the House Commerce Committee during the 2017-18 session.

For the latest information about the Consumer Affairs Committee and other legislative updates, visit <http://www.repellis.com/> and <http://www.facebook.com/RepEllis>.

Source: Rep. Ellis Press Release, 1/3/2019

House Leaders Name Moul Chairman of Key Committee

Rep. Dan Moul (R-Adams) has been named majority chairman of the **House Local Government Committee** for the 2019-20 Legislative Session, positioning him to address legislation governing municipal codes and pensions, tax assessments, municipal authorities, planning and zoning, the powers and duties of local officials and more.

The Local Government Committee reviews bills that would amend the municipal codes under which Pennsylvania's 2,500 local government units operate. This may include legislation related to local government purchases, real estate assessment policies and pensions for municipal police officers. The committee also works closely with the Local Government Commission, a bipartisan legislative service agency that provides research assistance on issues pertaining to local governments.

"I am grateful for the opportunity to serve and to finally have the seniority necessary to chair a House committee," said Moul, who was sworn into office Jan. 1, and began his seventh term as state representative of the 91st Legislative District. He previously served several terms as vice chairman of the House Children and Youth Committee and as a member of the Agriculture and Rural Affairs, Game and Fisheries, and Tourism and Recreational Development committees.

Moul said he looks forward to addressing issues that impact Pennsylvania citizens where they live and work. "I plan to take a closer look at the Susquehanna and Delaware River Basin commissions and hold them accountable for the exorbitant fines and fees they charge our communities and the taxpayers who must foot the bill."

"I am honored and humbled at being selected for this important new role and I am up to the task. I look forward to organizing the committee and getting to work," Moul said.

Source: Rep. Moul Press Release, 1/3/2019

Metcalf to Protect Health, Wealth and Safety of Pennsylvanians as House Environmental Resources and Energy Committee Chairman

State Representative Daryl Metcalfe (R-Butler) has officially been appointed to serve as Republican Chairman of the House Environmental Resources and Energy Committee for the 2019-20 legislative session.

"As chairman of the House Environmental Resources and Energy Committee, I will work to advance legislation that streamlines and downsizes Pennsylvania's job-killing, regulatory environment, and most importantly, protects taxpayers," said Metcalfe. "One disastrous economic policy that will never see the light of day on my watch is the governor's constant attempts to impose one of the largest energy taxes in the nation."

The House Environmental Resources and Energy Committee is responsible for legislative oversight of environmental laws and regulations administered by both the Department of Environmental Protection (DEP) and the Department of Conservation and Natural Resources (DCNR). More specifically, the committee addresses issues involving conventional and unconventional oil and natural gas drilling and

development; environmental permitting; coal mining, both underground and surface mining; and stopping the governor's most recent attempts to tax Pennsylvania's overregulated energy producers out of business.

Serving as chairman of the heavily active House State Government Committee for the past eight years, and consistently ranked as the state Legislature's "No. 1 Conservative," Metcalfe remains a leader on the issues of taxpayer protection, the preservation of Second Amendment freedoms, ending Pennsylvania's illegal alien invasion and outlawing compulsory unionism.

In May 2018, House Republicans took a monumental step forward by voting to advance a landmark package of regulatory reform legislation, which Metcalfe originally shepherded through the House State Government Committee, to the state Senate.

In July 2018, Metcalfe hosted a legislative briefing with President Donald Trump's top manufacturing and technology advocate, Tom Rossomando, U.S. Small Business Administration, to discuss additional opportunities to partner with the Trump administration to rein in overregulation. "Overregulation caused by unelected government bureaucrats is killing family-sustaining jobs, strangling opportunity and stifling economic growth," reiterated Metcalfe. "Consequently, more than 153,000 regulatory restrictions have been piling up for decades under both Republican and Democrat governors. During the 2019-20 legislative session, I want to ensure that Pennsylvania's regulations encourage, rather than discourage, the entrepreneurial spirit of hard-working job creators, while protecting the health, wealth and safety of Pennsylvania taxpayers."

Metcalfe, who was sworn into his 11th term in office on Jan. 1, 2019, looks forward to his new leadership position as Republican Chairman of the House Environmental Resources and Energy Committee.

For the latest legislative updates, visit <http://www.repmetcalfe.com/> or <http://www.facebook.com/RepMetcalfe>.

Source: Rep. Metcalfe Press Release, 1/3/2019

PUC Announces PA One Call Disciplinary Actions Against Facility Owners, Excavators and Project Owners Involved in Cases Across PA

On January 3, 2019, the Pennsylvania Public Utility Commission (PUC) announced that the PA One Call Damage Prevention Committee (DPC) this month filed disciplinary action against 42 facility owners, excavators and project owners during its second meeting in Harrisburg.

A comprehensive list of summaries and actions ([Click here](#) http://www.puc.pa.gov/transport/gassafe/pdf/DPC_Agendas/2018/DPC_Case_Summaries-121118.pdf) is available on the PUC's website. Fines are payable to the Commonwealth of Pennsylvania.

The creation of the committee was authorized by [Act 50 of 2017](#) ([Click here](#) http://www.puc.pa.gov/about_puc/press_releases.aspx?ShowPR=3918), which enhances Pennsylvania's Underground Utility Line Protection Act - also known as the "One Call Law." Modeled after successful programs in other states, the focus of the committee ([Click here](#) http://www.puc.pa.gov/utility_industry/transportation/pipeline_safety/pa_one_call_enforcement.aspx) is a reduction in the number of "hits" on underground utilities. The DPC meets regularly to review alleged violations of the Act and makes determinations as to the appropriate response including, but not limited to, the issuance of warning letters or administrative penalties.

The committee holds public meetings in Hearing Room 1 of the Commonwealth Keystone Building, Harrisburg. Each meeting will be livestreamed. To view the livestream, visit the PUC's website at http://www.puc.pa.gov/about_puc/live_streaming_video.aspx.

The PUC is currently accepting nominations for individuals to serve on the DPC. More information (*Click here* http://www.puc.pa.gov/about_puc/press_releases.aspx?ShowPR=4143) and the nomination form (*Click here* http://www.puc.pa.gov/transport/gassafe/docs/PAONECall/Damage_Prevention_Committee-Nom_Form.docx) are available on the PUC's website. The PUC will accept nominations until Jan. 18, 2019, for DPC representatives from each of the following industries:

1. **Non-municipally owned or affiliated facility owner industries** - including telephone and cable television - nominated by facility owners or affiliated organizations (two positions); and
2. **Excavators** - nominated by excavators or affiliated organizations (one position).

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 at <http://www.puc.pa.gov/> 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, 1/3/2019

John Brosious Retiring From PA Municipal Authorities Assn; Jennie Shade Named Director Of Government Relations

The PA Municipal Authorities Association recently named Jennie Shade Director of Government Relations who is responsible for the Association's statewide government relations services.

She is taking over the responsibilities of John Brosious who has served as PMAA Deputy Director since 1998 and who is retiring from full-time service June 30.

For the past seven years, Ms. Shade has worked for two administrations in the Department of Conservation and Natural Resources, most recently as Legislative Liaison. Prior to state government, Jennie worked for a government relations firm in Harrisburg advocating a variety of issues for various associations.

She is a graduate of the Pennsylvania State University with a bachelor's degree in Political Science from the Schreyer Honors College and was inducted into Phi Beta Kappa.

Ms. Shade will be based in PMAA's Harrisburg office. She can be contacted by calling 717-737-7655 or sending email to: shade@municipalauthorities.org.

John Brosious

Prior to taking the position of PMAA Deputy Director in 1998, Brosious held several positions in the Department of Environmental Protection and the former Department of Environmental Resources over a 10 year period.

He was DER's first Local Government Liaison and later Deputy Secretary for Public Liaison. He finished his career with DEP as Director Of Local Government Relations.

Brosious was an elected County Commissioner in Lehigh County where he headed the Planning Committee for 3 years overseeing land use, environmental, transportation and farmland preservation issues.

He began his career in public service in 1979 as the planning director and zoning officer for

Whitehall Township in Lehigh County), a post he held for 5 years.

Has also served as a member of the Cumberland County Planning Commission.

He has a Master's Degree in Public Administration from Penn State and a B.A. in Government from the University of Notre Dame. For more information, visit the PA Municipal Authorities Association website at <https://www.municipalauthorities.org/>.

Source: PA Environmental Digest, 1/7/2019

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