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GOVERNMENT RELATIONS UPDATE

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Gov. Wolf Signs Emergency Declaration to Assist Municipalities during Protests

On May 30, 2020, Governor Tom Wolf signed a disaster emergency declaration using his authority to provide all necessary assistance to municipalities as they respond to the escalation of protests in Harrisburg, Philadelphia and Pittsburgh.

"People have every right to speak out and demonstrate, but it's unacceptable to take advantage of protests to incite violence, harm others and destroy property," Gov. Wolf said. "This declaration authorizes the commonwealth and its agencies to assist municipalities in their response to de-escalate violence and keep our communities safe."

"I appreciate Governor Wolf for heeding our request for additional state support," said Philadelphia Mayor Jim Kenney. "This emergency declaration will help Philadelphia access resources and police support from other jurisdictions, including other states, as we manage the impact of this weekend's demonstrations."

"Pittsburgh has long been a home to constitutionally protected protests and will continue to be one - but we will not allow others to hijack the goodwill of our community to spread needless

destruction, fear and violence. I thank the governor for this extra tool to keep our neighbors safe," Pittsburgh Mayor William Peduto said.

Earlier this evening [Saturday], Gov. Wolf announced the **expanded activation** <https://www.governor.pa.gov/newsroom/gov-wolf-commonwealth-response-coordination-center-activated-in-response-to-protests/> of the Commonwealth Response Coordination Center at the Pennsylvania Emergency Management Agency (PEMA). That activation, combined with this declaration, authorizes PEMA to direct emergency operations in Allegheny, Dauphin and Philadelphia counties, allocating all resources and personnel as deemed necessary to cope with the situation.

In addition, the declaration allocates \$2 million in unused appropriated funds to PEMA for Emergency Management Assistance Compact expenses related to this emergency, to be increased or decreased as conditions require, and transfer up to \$4 million in unused appropriated funds, to be increased or decreased as conditions require, to the PEMA for expenses authorized and incurred related to this emergency. Any unused funds will be returned to the General Fund.

The declaration authorizes the Adjutant General of the PA National Guard and the Pennsylvania State Police Commissioner to activate personnel and use resources as necessary to alleviate the danger to public health and safety caused by this emergency.

Read the **full proclamation here**
<https://www.governor.pa.gov/wp-content/uploads/2020/05/20200530-TWW-civil-disturbance-order.pdf>.

Source: Governor Wolf's Press Office, 5/30/2020

Gov. Wolf Signs Budget to Sustain Education, Support Communities amid Pandemic

As Pennsylvania continues to address public health and safety amid the COVID-19 pandemic, Governor Tom Wolf today signed a state budget that will provide 12 months of sustained public education funding at 2019-20 levels and makes important investments in communities and programs to help begin to restore the economy.

"Education must remain a priority even during a pandemic and this budget provides schools with the stability to continue building on the progress we have made to prepare our children for a successful future," said Gov. Wolf. "Reaching an early budget agreement under these challenging circumstances is encouraging as we continue to fight the spread of COVID-19.

"While this is an encouraging step in the right direction, more needs to be done to ensure Pennsylvania has the resources it needs to protect key programs and investments."

The \$25.75 billion General Fund budget in HB 2387 includes an additional \$26 billion in federal funding provided through the Coronavirus Aid, Relief, and Economic Security Act, known as the CARES Act. The budget sustains funding at current year levels for Pre-K Counts and Head Start, basic and special education in K-12 schools, and higher education. The budget also provides \$300 million from the CARES Act to make up for a decline in gaming revenue that annually supports school property tax relief for homeowners.

To help communities to recover, the budget provides \$420 million to assist nursing homes with COVID-19-related costs, \$50 million to help Pennsylvanians with food insecurity and \$225 million for grants to small businesses through the Department of Community and Economic Development.

The budget also provides \$625 million to counties through block grants to help address the disruption to their budgets from the pandemic. The funding will assist counties with the cost of purchasing personal protective equipment, help local governments, and provide grants to small businesses, among other options.

"As the state's economy begins to reopen from the public health emergency, there are still unanswered questions about the state's finances, but this agreement is an important step to stabilize our schools and put Pennsylvania on a path to recovery," said Gov. Wolf.

The governor also signed House Bill 1083 [**Fiscal Code 2020/21 Budget Implementation Language**], HB 2441, HB 2442, HB 2443, HB 2444, HB 2445, HB 2467, HB 2468, HB 2469, HB 2470, HB 2471, HB 2472, HB 2473, HB 2474, HB 2475, House Bill 2510 [**Regional Health Collaboratives**], Senate Bill 166 [**Capital Budget Act**], Senate Bill 1108 [**Appropriates \$2.6 B in Federal CARES dollars**] and Senate Bill 1122 [**COVID-19 Crisis Fire and Emergency Medical Services Grant Program**]. **The governor vetoed SB 1027 and HCRRR#1.**

Read the **veto message for SB 1027 here**
<https://www.governor.pa.gov/wp-content/uploads/2020/05/20200529-SB-1027-Veto-Message.pdf>.

NOTE: Senate Bill 1027 (Gordner-R) <https://www.legis.state.pa.us/cfdocs/billInfo/billInfo.cfm?sYear=2019&sInd=0&body=s&type=b&bn=1027> amends the Administrative Code (Code) providing for temporary regulations of the Gaming Control Board, the Department of Health, the sunset and makeup of the State Geospatial Coordinating Board, a report on the implementation of the 2020 general primary election, COVID-19 emergency statutory and regulatory suspensions and waivers

reporting requirements, for COVID-19 debt cost reduction review, the extension of judiciary surcharges and fees, for protected licensed operations during emergency and making a related repeal.

Read the veto **message for HCRRR#1** here <https://www.governor.pa.gov/wp-content/uploads/2020/05/20200529-SB-1027-Veto-Message.pdf>.

NOTE: House Concurrent Regulatory Review Resolution No. 1 - Disapproving the Department of Labor and Industry regulation (#12-106) on the minimum wage. (D09523)

Source: Governor Wolf's Press Office, 5/29/20

IFO Estimates Show FY 2019-20 Revenue down \$1.6 Billion below Estimates Due to COVID-19 Mitigation Measures

On May 26, the Independent Fiscal Office released its latest revenue projections showing the FY 2019-20 General Fund revenue estimate is now \$31.8 billion or **\$3.7 billion below** the IFO's estimate in June of last year of \$35.518 billion.

The enacted FY 2019-20 General Fund budget totaled \$33.997 billion.

\$2.1 billion of the FY 2019-20 reduction is the result of the shift of tax payment deadlines to July 15 which means **a net decrease of about \$1.6 billion due to COVID-19 mitigation measures.**

The major factors leading to decreased revenue for FY 2019-20 include:

- **Personal Income Tax** is \$1.9 billion below earlier IFO estimates;
- **Corporate Net Income Revenue** is **\$760 million lower** than the earlier estimates;

- **Sales Tax** is **\$974 million less** than earlier estimates; and
- **Gross Receipts Tax** is **\$89 million lower** than earlier estimates.

For FY 2020-21, the initial estimate is \$36.1 billion, an increase of \$4.3 billion over the current fiscal year.

Click here for the **IFO presentation** <http://www.ifo.state.pa.us/releases/374/Initial-Revenue-Estimate-FY-2020-21/>. Click here for the **full report** <http://www.ifo.state.pa.us/releases/374/Initial-Revenue-Estimate-FY-2020-21/>.

On April 8, the IFO projected a \$2.7 to \$3.9 billion reduction in revenues for the current and next year as a result of the COVID-19 shutdown.

Source: PA Environmental Digest, 5/31/2020

Gov. Wolf: State Continues Phased Reopening with 16 More Counties Set to Go Green on June 5

With more than 80 percent of the state in some phase of reopening, Governor Tom Wolf today announced that 16 additional counties will take another step forward and move to green effective 12:01 a.m., June 5. Counties include Allegheny, Armstrong, Bedford, Blair, Butler, Cambria, Clinton, Fayette, Fulton, Greene, Indiana, Lycoming, Mercer, Somerset, Washington, and Westmoreland.

The first 18 counties moved to green today, including Bradford, Cameron, Centre, Clarion, Clearfield, Crawford, Elk, Forest, Jefferson, Lawrence, McKean, Montour, Potter, Snyder, Sullivan, Tioga, Venango and Warren.

Eight counties moved to yellow today, including Dauphin, Franklin, Huntingdon, Lebanon, Luzerne, Monroe, Pike, and Schuylkill.

Counties that remain in red and are expected to move to yellow by June 5 include Berks, Bucks, Chester, Delaware, Lackawanna, Lancaster, Lehigh, Northampton, Montgomery, and Philadelphia.

With more than half the state poised to be in the green phase on June 5, the governor this week provided an **updated order**

<https://www.governor.pa.gov/wp-content/uploads/2020/05/20200527-TWW-green-phase-order.pdf> for counties moving to green to give businesses and residents a clearer picture of what is permitted in that phase of reopening. The order includes these highlights:

- Large gatherings of more than 250 prohibited.
- Restaurants and bars open at 50% occupancy.
- Personal care services (including hair salons and barbershops) open at 50% occupancy and by appointment only.
- Indoor recreation, health and wellness facilities, and personal care services (such as gyms and spas) open at 50% occupancy with appointments strongly encouraged.
- All entertainment (such as casinos, theaters, and shopping malls) opens at 50% occupancy.
- Construction activity may return to full capacity with continued implementation of protocols.
- Visitation to prisons and hospitals may resume subject to the discretion of the facility. Visitors who interact with residents and patients must be diligent regarding hygiene. Given the critical importance of limiting COVID-19 exposure in nursing homes, personal care home and long-term care facilities, visitation restrictions will initially remain in place.

Business frequently asked questions were also updated and are available **here**

<https://www.governor.pa.gov/wp-content/uploads/2020/05/20200504-COVID-19-Business-Guidance.pdf>.

Gov. Wolf also provided more options for counties in the **yellow phase** by **allowing outdoor dining** <https://www.governor.pa.gov/wp-content/uploads/2020/05/20200527-Restaurant-Industry-Guidance.pdf> beginning June 5 and providing **Summer Camp Guidance** <https://www.governor.pa.gov/newsroom/wolf->

[administration-releases-summer-camp-and-recreation-guidance/](#) for providers, parents and caregivers.

The Summer Camp Guidance includes information on what types of programs for children are permitted during the phased reopening, status of public playgrounds and the operation of community pools, and the status of organized team sports.

The state continues to use **risk-based metrics** <https://www.governor.pa.gov/wp-content/uploads/2020/05/20200529-CMU-Risk-Based-Decision-Support-Tool-05-28-2020.pdf> from Carnegie Mellon University, combined with contact tracing and testing capability and a sustained reduction in COVID-19 hospitalizations, to make decisions on county moves. The 50 new cases per 100,000 population continues to be a consideration, but not a sole deciding factor.

To see up-to-date data on case counts and demographics, hospital preparedness and testing, view the **COVID-19 Data Dashboard** <https://pema.maps.arcgis.com/apps/opsdashboard/index.html#/034bec0bab3b450888a32012f81b8fe4>.

As more counties and residents enjoy loosened restrictions, the governor stressed the need to balance resuming activities with keeping case counts low and taking personal responsibility by wearing a mask or choosing to stay away from crowds to reduce the likelihood of coming into contact with someone carrying COVID-19.

"If we take the simple steps of wearing a mask, staying home when sick, and implementing social distancing tactics, we can help eliminate the spread of COVID-19 and make a huge contribution to getting our commonwealth back on track," Gov. Wolf said.

Source: Governor Wolf's Press Office, 5/29/2020

Yaw Bill Expanding Use of Alternate On-Lot Systems Sent to Governor's Desk

Legislation amending Act 537, the PA Sewage Facilities Act, to allow for the expanded use of alternate on-lot sewage systems for planning purposes throughout the Commonwealth passed the full House of Representatives Thursday, 136-66, according to prime sponsor Sen. Gene Yaw (R-23).

Senate Bill 1030

<https://www.legis.state.pa.us/cfdocs/billInfo/billInfo.cfm?sYear=2019&sInd=0&body=S&type=B&bn=1030> streamlines the process by which innovative, effective and better treatment technologies are used and made available to Pennsylvania residents and businesses. Alternative systems are currently utilized in other states and are academically tested pursuant to 25 PA Code Section 73.71.

“Allowing for alternative on-lot systems in the planning process would widen the area to which development can take place and save valuable acreage that could otherwise be used for agriculture,” Sen. Yaw said. “This bill will improve water quality in streams and rivers by using systems that have a proven performance record, and, in many cases, are superior to some conventional systems.”

“My firm has been qualifying soil for, and designing, alternate sewage systems in PA for two decades,” said Laurel F. Mueller, Certified Professional Soil Scientist and President of Soil Services Company, Inc. based in Forksville, Sullivan County. “Alternate systems are needed to adapt to steep landscapes, poorer drainage, and space restrictions. SB 1030 is to enable DEP to treat alternate technology systems as equal to conventional sewage systems when proposing land development. It is my hope that this bill cures the absurdity of requiring minor 2-lot subdivisions to file the same expensive level of planning module documents as required of 100-lot subdivisions and commercial land development.”

Senate Bill 1030 is supported by the Pennsylvania State Association of Township Supervisors (PSATS), Pennsylvania Builders Association (PBA), Pennsylvania Society of Land Surveyors, Pennsylvania Septage Management Association and the Pennsylvania State Grange.

The legislation now moves to the Governor for his consideration.

For more state-related news and information, visit **Senator Yaw’s website** at <http://www.SenatorGeneYaw.com>

Source: Senator Yaw Press Release, 5/29/2020

Susquehanna River Basin Commission Adopts New Consumptive Water Use Policy – Immediately Expands Mitigation Options and Promotes Cost Savings

On May 26, 2020, the Susquehanna River Basin Commission announced that it has adopted **Resolution No. 2020-02**, enhancing its consumptive water use mitigation practices and providing flexibility for facilities paying its water usage fee.

The new policy also offers implementing guidance for water users in the basin seeking to provide water storage. The policy became effective on April 1, 2020.

Due to the COVID-19 crisis and the relevant orders in place in the Commission’s member jurisdictions, the Commission will hold this meeting telephonically, conference call number 1-888-387-8686, conference room code #917968050. The hearing will begin at 2:30 p.m. and end at 5 p.m. or when public testimony concludes, whichever comes first.

“After careful review and consideration of the data and our objectives, we determined that exempting pond evaporation losses from mitigation requirements would promote the use of storage and expand options for achieving on-site mitigation,” said Executive Director of the Susquehanna River Basin Commission Andrew Dehoff. “In particular, facilities such as golf courses and ski resorts are likely to find the policy changes beneficial.”

Senator Gene Yaw, 23rd Senatorial District and Chairman of the Senate Environmental Resources & Energy Committee, wrote, “I am very happy to see SRBC’s new water use policy. It will be a huge help to some businesses which are struggling through the COVID 19 crisis.”

Management of low flows is one of the Commission’s primary and unique roles. The traditional approach to this objective has been to provide for water releases from large federal reservoirs to offset downstream water consumption during low flow periods. Through the policy update, the Commission seeks to add new options to the successes of the traditional approach and to enable water users to take credit for mitigation measures that are available to them.

The overarching goals are to improve low flow management, provide reliable water supply during droughts, expand affordable mitigation options to water users, and promote innovative partnerships for water use mitigation projects.

Representative Dan Moul, of the 91st Legislative District stated, “As Chairman of the Local Government Committee and Member of the House Tourism and Recreational Development Committee, I am very pleased to learn of the new Consumptive Water Use Policy recently adopted by the Susquehanna River Basin Commissioners at their March 13th, 2020 meeting, Chairman Moul stated additionally “I want to personally compliment Mr. Andrew Dehoff, SRBC Executive Director and Mr. Gene Venno, SRBC Governmental Affairs Director and thank them for taking the time to meet with me to discuss this policy and work on the data in order to bring about this needed policy change”. “This new policy will help many water use businesses in my district and throughout the entire river basin. I am delighted to see the adoption of the New Consumptive Water Use Policy and I look forward to continuing to work with the Susquehanna River Basin Commission.”

Following adoption, new options now being offered to water users for meeting existing mitigation requirements include:

- Lowering the former 90-day storage standard to 45 days;

- Changing the definition of discontinuance from no water usage to allowing usage up to 20,000 gallons per day; and
- Receiving a fee credit for water-saving practices.

Resolution No. 2020-02 provides the executive director the authority necessary to carry out the implementation of the updated policy. This includes immediately exempting pond evaporation losses from the mitigation requirement and reducing fees in exchange for certain water conservation practices. The Commission estimates that implementation of these changes will result in an initial cost savings of more than \$500,000 annually to qualifying projects in the Basin. Activation of these money saving steps will require no action or cost on the part of water users and has already been begun by Commission staff.

Gene Barr, President and CEO of the PA Chamber of Business and Industry, wrote, “Today's news is the product of collaboration towards mutual goals of economic development and the stewardship of our natural resources. We appreciate and applaud the efforts of the Susquehanna River Basin Commission's leadership and staff in working productively with stakeholders, including the regulated community, to implement policies that will protect the region's water resources, and we thank the Commission and staff for responding effectively to the concerns and issues raised on behalf of the broader business community.”

Prior to the adoption of the updated policy, Commission staff held informational sessions with key water use stakeholders and other interested parties to preview the changes being considered and to solicit feedback. David Spigelmyer, President of the Marcellus Shale Coalition, commented, “The Marcellus Shale Coalition and its members appreciate the continued collaboration that the Susquehanna River Basin Commission has demonstrated with all water users, including oil and gas operators, to ensure that the Susquehanna River’s water resources are protected and managed properly. Through this resolution the Commission has provided additional flexibility that will enable all water users to better manage their responsibilities during low-flow periods while incentivizing the mitigation efforts that many users

already embrace and encouraging new possibilities for the protection and utilization of one of this nation's great water basins.”

The informational sessions and subsequent notification to water users of the policy and cost changes were well received. “A broad array of operators participated in the sessions and we have received very positive feedback from water users throughout the basin for the adoption and implementation of this new policy,” added Mr. Dehoff.

Elk Mountains Vice President/General Manager Gregg Confer stated, "This new policy on Consumptive Use Mitigation is a great benefit for the ski areas in the basin. During these crazy times this is a step in the right direction that we greatly appreciate and thank the basin for the relief.”

In addition to the above comments in support of this New SRBC Policy, we also received comments from Representative Sue Helm, 104th Legislative District who stated: “As Chairman of Pa. House Urban Affairs and a Member of the House Tourism & Recreational Development Committee I am pleased to learn of the Susquehanna River Basin Commission's newly adopted Consumptive Water Use Policy recently adopted that immediately expands mitigation options and promotes cost savings of more than \$500,000 annually to qualifying businesses in the Basin.”

Chairman Helm went on to say, “I have seen the many positive developments at the SRBC and I am pleased to see this new policy that will greatly help not only District 104 business owners, but many businesses throughout the river basin.”

For questions or additional information, please call Gene Venno, Director of Government Affairs & Public Advocacy, 717-238-0423, Ext. 1311, or e-mail at gveno@srbc.net. Resolution 2020-02 appears on our website www.srbc.net at <https://www.srbc.net/regulatory/policies-guidance/docs/metering-plan-groundwater-elevation-guidance-policy-2020-02.pdf>.

Source: SRBC Press Release, 5/26/2020

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