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Water Utility Council of the
PA-Section, American Water
Works Association (PA-AWWA)



GOVERNMENT RELATIONS UPDATE

From Milliron & Goodman Government Relations, LLC.

200 North 3rd Street ♦ Suite 1500 ♦ Harrisburg, PA 17101 ♦ Phone: 717-232-5322 ♦ Erik A. Ross, Senior Associate ♦ www.millirongoodman.com

Harrisburg, PA

Erik@millirongoodman.com

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Revenue Department Releases October 2021 Collections

Pennsylvania collected \$2.8 billion in General Fund revenue in October, which was \$159.9 million, or 6.0 percent, more than anticipated, Revenue Secretary Dan Hassell reported on November 1, 2021. Fiscal year-to-date General Fund collections total \$12.1 billion, which is \$788.2 million, or 7.0 percent, above estimate.

Sales tax receipts totaled \$1.2 billion for October, \$51.8 million above estimate. Year-to-date sales tax collections total \$4.7 billion, which is \$194.1 million, or 4.4 percent, more than anticipated.

Personal income tax (PIT) revenue in October was \$1.1 billion, \$45.8 million above estimate. This brings year-to-date PIT collections to \$4.6 billion, which is **\$210.7 million, or 4.8 percent, above estimate.**

October corporation tax revenue of \$166.0 million was \$33.0 million above estimate. Year-to-date corporation tax collections total \$1.4 billion, which is **\$290.4 million, or 27.0 percent, above estimate.**

Inheritance tax revenue for the month was \$119.6 million, \$4.3 million above estimate, bringing the year-to-date total to \$490.2 million,

which is **\$171 million, or 3.6 percent, above estimate.**

Realty transfer tax revenue was \$62.0 million for October, \$6.1 million below estimate, bringing the fiscal-year total to \$243.9 million, which is **\$102 million, or 4.4 percent, more than anticipated.**

Other General Fund tax revenue, including cigarette, malt beverage, liquor and gaming taxes, totaled \$163.3 million for the month, \$13.1 million above estimate and bringing the year-to-date total to \$653.4 million, which is **\$29.4 million, or 4.7 percent, above estimate.**

Non-tax revenue totaled \$37.0 million for the month, \$18.0 million above estimate, bringing the year-to-date total to \$122.8 million, which is **\$36.3 million, or 42.0 percent, above estimate.**

In addition to the General Fund collections, the **Motor License Fund** received \$230.8 million for the month, \$19.9 million above 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 \$960.6 million, which is **\$42.4 million, or 4.6 percent, above estimate.**

Source: PA Department of Revenue, 11/1/2021

CBF Board Selects New President & CEO

The Chesapeake Bay Foundation's (CBF) Board of Trustees has selected Hilary Harp Falk (<https://twitter.com/HilaryHF>), a proven expert in large-scale ecosystem restoration, leading organizational change and coalition building, to be CBF's next President & CEO. She will succeed William C. Baker, who began working for CBF as an intern in 1976 and has been President & CEO of the organization since 1981.

Falk comes to CBF from the National Wildlife Federation (NWF), where she was their Chief Program Officer leading and integrating all national and regional programs while serving as strategic advisor to the CEO. Previously, Falk held the position of NWF Vice President for Regional Conservation, where she was responsible for leading the organization's seven regional offices with a focus on regional growth and strategic plan implementation.

Falk's rise to national conservation leadership also included serving as NWF's Regional Executive Director for the Mid-Atlantic and Director of the Choose Clean Water Coalition, creating a coalition of more than 200 advocacy organizations working together to protect and restore the Chesapeake Bay.

"Today, we stand at a crossroads for Bay restoration. Finishing the work of Chesapeake Clean Water Blueprint by 2025 and leaving a restored Bay to our children and grandchildren is possible. But it is not certain," Falk said. "I am humbled and honored to now be charged with leading this prestigious institution. Together, we will build a future that brings people together for clean water and a healthy Bay."

CBF has been championing the science-based Chesapeake Clean Water Blueprint to achieve pollution reductions necessary and ensure clean water for future generations. And it's working. Less pollution is entering our waterways and underwater dead zones are shrinking. But the system remains dangerously out of balance and significant challenges remain including the perils of climate change and states behind schedule on necessary pollution reductions. Currently, CBF is suing EPA in federal court for not holding the states, particularly Pennsylvania, accountable for their clean water commitments.

"Hilary Falk is a proven leader. She got her start at CBF over 20 years ago, but she has had Bay water in her veins from a much earlier age. Hilary has the experience and wisdom necessary to continue the work that CBF launched 55 years ago to save this national treasure," said CBF President William C. Baker. "Enforcing the Clean Water Act and investing in the pollution-reduction practices that provide clean water and mitigate climate change will be paramount to CBF success going forward."

Falk is a champion for women's leadership and advancing equity in the conservation movement. She was a 2016-2017 fellow with the International Women's Forum and co-chaired the National Wildlife Federation's Women in Conservation Leadership Advisory Council. Inside NWF, Falk led the implementation of the organization's foundational 2018 strategic plan and was a champion for a more equitable and inclusive workplace.

"Strong leadership skills, a commitment to equity in the environmental movement, and a devotion to following the science to restore the health of the Chesapeake Bay made Hilary Harp Falk the clear choice for leading CBF during this critical time," said CBF Chair of the Board of Trustees Elizabeth Oliver-Farrow. "I look forward to working with Hilary to achieve the goals we all share - abundant wildlife, clean water, and vibrant communities enjoying the benefits of a saved Bay."

"Our national search looked at more than a hundred candidates," said Harry S. Gruner, the CBF Board member chairing the search committee. "Ms. Falk's commitment and experience placed her head and shoulders above the other candidates."

Falk began her career in environmental conservation as an intern with CBF in 1997. Upon graduation from Franklin and Marshall College in 2001, she returned to CBF and spent three years at CBF's Port Isobel Island Education Center teaching students of all ages - children, teachers, farmers, and decision-makers - about the Bay and its ecologically sensitive island communities.

"My lifelong interest and commitment to conservation began by assisting my father, a

professional photographer, on assignment. Although he took a diversity of photos, his favorite ones - and mine - were on the Chesapeake Bay trekking through soft shorelines and messing about in boats. I fell hard in love with the Bay at a young age and knew then that I would spend my life protecting the environment," Falk said.

Falk lives in Annapolis, Maryland, with her husband and two children. Her first day on the job at the Chesapeake Bay Foundation will be Jan. 3, 2022.

Falk's Education:

Rubenstein School of the Environment and Natural Resources University of Vermont, 2006 (Master of Science in Natural Resources) Franklin and Marshall College, 2001 (Bachelor of Arts in Environmental Science) Bryn Mawr School, 1997

Falk's Leadership Honors:

Co-chair and Executive Sponsor, Women in Conservation Leadership Initiative and Conference, 2019-2020 International Women's Foundation Fellows Program, 2016-2017 YWCA of Anne Arundel County, Tribute to Women in Leadership (TWIN) Award, 2014 Switzer Foundation Fellow, 2005

Source: CBF Press Release, 11/1/2021

Sturla, Muth introduce Pennsylvania Water Resource Act

On November 8, 2021, state Rep. Mike Sturla, D-Lancaster, and state Sen. Katie Muth, D-Chester/Montgomery/Berks, announced that they have introduced the Pennsylvania Water Resource Act in both the House (**House Bill 20**

<https://www.legis.state.pa.us/cfdocs/billInfo/billInfo.cfm?sYear=2021&sInd=0&body=H&type=B&bn=0020>) and the Senate (**Senate Bill 868** <https://www.legis.state.pa.us/cfdocs/billInfo/billInfo.cfm?year=2021&sind=0&body=S&type=B&bn=868>) to improve water quality.

Their legislation would charge extraordinary water users a nominal per-gallon fee for removing water from Pennsylvania waterways, either 1/100 of a cent per gallon (\$0.0001) for those who return the water or 1/10 of a cent per gallon (\$0.001) for those who never return it. Thus, a 10,000-gallon withdrawal would cost \$1 per day and \$10 per day respectively.

"For too long, Pennsylvania has allowed its precious water resource to be used for free by extraordinary water users who take over 8 billion gallons of water every day. Our legislation would raise \$350 million annually to help state agencies, municipalities, watershed organizations and authorities improve water quality throughout our commonwealth," Sturla said.

"I am grateful to work with Representative Sturla on companion legislation to establish the Pennsylvania Water Resource Act and to ensure that our most precious natural resource is protected and safe to drink," Muth said. "Our bill would allow the Commonwealth to invest in water improvement and stormwater management projects without placing any financial burden on residential and agricultural water consumers. Improving the quality and accessibility of clean water should be a priority for all legislators."

Under the legislation, a Water Use Fund would be managed by the Pennsylvania Infrastructure Investment Authority to distribute the money to the watershed where the money was generated for local water improvement projects, such as storm water management and the installation of riparian buffers. It also would provide money to state agencies: \$30 million for the Department of Environmental Protection, \$25 million for the Department of Conservation and Natural Resources, \$11 million for the Department of Agriculture, and \$5 million for Fish & Boat Commission.

Source: Rep. Sturla Press Release, 11/8/2021

House Passes Infrastructure Bill with Historic Boost for Chesapeake Bay Program

The Chesapeake Bay Foundation (CBF) hailed passage today by the U.S. House of Representatives of the \$1.2 trillion bipartisan infrastructure bill, which boosts funding for EPA's Chesapeake Bay Program by a historic \$238 million over five years.

The House approved the Infrastructure Investment and Jobs Act by a vote of 228-206. The U.S. Senate passed the bill in early August. President Biden is expected to sign it into law soon.

The Chesapeake Bay Program coordinates the federal-state-local government partnership to restore the Bay and local rivers and streams across the 64,000 square-mile watershed that feed into it. It funds grants for local restoration projects in the six watershed states and the District of Columbia, and supports vital scientific research.

Its efforts are critical to implementation of the Chesapeake Clean Water Blueprint, which calls for states to put programs and practices in place by 2025 that will result in a restored Bay. Current funding for the Program is \$87.5 million. The House passed a fiscal 2022 appropriations bill in July that would set Program spending at \$90.5 million. The Senate has yet to consider the fiscal 2022 budget for EPA.

The \$238 million increase works out to \$47.6 million in added funded annually, or more than 50 percent higher than current levels. Once President Biden signs it into law, the legislation would raise authorized funding for the Program from \$90.5 million to \$138.1 million in the coming fiscal year.

CBF Federal Executive Director Denise Stranko issued the following statement:

"More money for the Chesapeake Bay Program is welcome news at a pivotal time for the future of the Bay, its tributaries, and the more than 18 million people who live, work, and play in its six-state watershed.

"EPA and the states are running out of time to meet their water quality commitments by the Blueprint's 2025 deadline. EPA's Chesapeake Bay Program plays a crucial role coordinating Bay restoration efforts. Investing an additional \$47

million a year in the Bay Program will help put more boots on the ground planting streamside buffers, restoring oyster reefs, installing rain gardens, and pursuing the many other projects to reduce pollution that are central to implementing state cleanup plans.

"We look forward to partnering with EPA to make the most of this timely budget increase while we still have time to save this national treasure. We owe future generations nothing less.

"CBF thanks House Speaker Nancy Pelosi, D-Calif.; House Majority Leader Steny Hoyer, D-Md.; Chesapeake Bay Task Force Co-Chairmen John Sarbanes, D-Md., and Bobby Scott, D-Va., and the rest of our Bay delegation champions for their steadfast support of the Chesapeake Bay Program."

Source: CBF, 11/5/2021

Wolf Administration Highlights Anticipated Funding Through Federal Infrastructure Plan

On November 9, 2021, Governor Tom Wolf shared an overview of enhancements Pennsylvania anticipates receiving through the passage of President Joe Biden's bold, historic \$1.2 trillion Infrastructure Investment and Jobs Act.

"This comprehensive package will provide critical federal funding to Pennsylvania's infrastructure, support economic growth throughout the commonwealth, and provide stable, good-paying jobs for Pennsylvanians," said Gov. Wolf "Restoring the commonwealth's infrastructure has been a priority throughout my administration and I am grateful for President Biden's and our Democratic Congressional Delegation's shared vision and leadership on this important issue."

Based on historical formula funding, the White House anticipates Pennsylvania receiving the following infrastructure improvements with federal funding:

- *Repair and rebuild roads and bridges with a focus on climate change mitigation, resilience, equity, and safety for all users, including cyclists and pedestrians.* Based on formula funding, Pennsylvania would expect to receive \$11.3 billion for federal-aid highway apportioned programs and \$1.6 billion for bridge replacement and repairs.
- *Improve health, sustainable transportation options.* Through formula funding, Pennsylvania expects to receive \$2.8 billion over five years to improve public transportation options across the commonwealth.
- *Build a network of electronic vehicle (EV) chargers to facilitate long-distance travel and provide convenient charging options.* Pennsylvania expects to receive \$171 million over five years to support the expansion of an EV charging network across the commonwealth.
- *Help connect every Pennsylvanian to reliable high-speed internet.* Pennsylvania will receive a minimum allocation of \$100 million to help provide broadband coverage across the commonwealth, including providing access to the at least 394,000 Pennsylvanians who currently lack coverage. Additionally, 23 percent of Pennsylvanians will be eligible for the Affordability Connectivity Benefit, which will help low-income families afford internet access.
- *Prepare more of our infrastructure for the impacts of climate change, cyber-attacks, and extreme weather events.* Based on historical formula funding levels, Pennsylvanian will expect to receive \$49 million over five years to protect against wildfires and \$26 million to protect against cyber-attacks. Pennsylvanians will also benefit from the bill's historic \$3.5 billion national investment in weatherization which will reduce energy costs for families.
- *Deliver clean drinking water to Pennsylvanians.* Based on the traditional state revolving fund formula, Pennsylvania will expect to receive \$1.4 billion over five years to

improve water infrastructure and ensure clean, safe drinking water throughout the commonwealth.

- *Improve commonwealth airports.* Pennsylvania's airports expect to receive \$355 million for infrastructure improvements over the next five years.

"These critical investments, along with state-level solutions, will help close Pennsylvania's growing transportation funding gap, connect Pennsylvanians to opportunities and each other, and move our commonwealth forward," said. Gov. Wolf. "I look forward to the benefits this historic investment will provide in modernizing our infrastructure for the future of Pennsylvania."

Source: Governor Wolf's Press Office, 11/9/2021

Nominations Sought for Damage Prevention Committee

PUC Reminds Stakeholders About November 30th Deadline

On November 10, 2021, the Pennsylvania Public Utility Commission (PUC) reminded stakeholders and concerned citizens across the state about the search for individuals to serve on the PUC's Damage Prevention Committee (DPC) <https://www.puc.pa.gov/pipeline/damage-prevention-committee/>, which is a key element of enhanced efforts to safeguard underground utilities.

Qualified Candidates Sought

The PUC is currently accepting DPC nominations for 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 (2 positions).
2. *Excavators* - nominated by excavators or affiliated organizations (1 position).

How to Apply

Forms and instructions for submitting nominations are available on the PUC's webpage at <http://www.puc.pa.gov>. Completed nomination forms should be submitted to the Secretary of the PUC, Rosemary Chiavetta, at rchiavetta@pa.gov. DPC nominations will be accepted until November 30, 2021.

Appointments to the DPC will begin in 2022, and persons appointed to the DPC must have the appropriate level of expertise within the operation of Act 50. Each member shall serve a term of three years. After the term is completed, members are required to reapply for DPC membership.

Questions regarding nominations for the PUC's Damage Prevention Committee should be directed to Sara Locke, Supervisor of the PUC's Damage Prevention Team, at salocke@pa.gov or (717) 772-8584.

Creation of the committee was authorized by Act 50 of 2017, which enhances Pennsylvania's Underground Utility Line Protection Act - also known as the "One Call Law." Appointments to the DPC began in 2021, and persons appointed to the DPC must have the appropriate level of expertise within the operation of Act 50.

In accordance with Act 50, membership on the DPC includes: non-municipal owned or affiliated facility owner industries, such as the electric, natural gas or petroleum pipelines, telephone, water or wastewater and cable television industries; excavators; municipal governments; and municipal authorities. Each member shall serve a term of three years. After the term is completed, members are required to reapply for DPC membership.

About the DPC

The DPC is a peer-based group of 13 representatives, nominated by their industry or affiliated organization and appointed by the PUC. The DPC meets regularly to review alleged violations of Act 50 and make informal determinations as to the appropriate response including, but not limited to, the issuance of warning letters, mandatory training programs and/or

administrative penalties. Summaries and actions <https://www.puc.pa.gov/pipeline/damage-prevention-committee/> taken at monthly DPC meetings are available on the PUC's website.

About the Bureau of Investigation & Enforcement (I&E)

As the independent investigation and enforcement bureau of the PUC, I&E enforces state and federal pipeline safety, electric safety and motor carrier safety laws and regulations and represents the public interest in ratemaking and service matters before the PUC's Office of Administrative Law Judge. I&E has the authority to bring enforcement action, seek emergency orders from the Commission or take other steps to ensure public safety.

Source: PUC Press Release, 11/10/2021

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This newsletter provides general information, not legal advice as to any specific matter. It should not be used as a substitute for appropriate legal advice.