



### **LEGISLATIVE BULLETIN**

#### **COUNTY COMMISSIONERS ASSOCIATION OF PENNSYLVANIA**

THE **VOICE** OF PENNSYLVANIA COUNTIES

# COUNTY PRIORITIES SPOTLIGHT: 911 BILL PROGRESSES IN SENATE

With less than 100 calendar days until the January 31, 2024, sunset of the 911 statute, and only three more legislative session days currently scheduled between now and the sunset, this week saw a glimmer of progress toward achieving counties' top priority this year.

On November 13, the Senate Veterans Affairs and Emergency Preparedness Committee (VAEP) considered a 911 bill, **HB 1304** (Rep. Jared Solomon, D-Philadelphia). While the bill included Governor Shapiro's proposal of \$1.97 surcharge increase with an annual escalator tied to the CPI-U index when it was approved by the House in June, the Senate committee adopted an amendment offered by committee chair Sen. Doug Mastriano (R-Franklin) that would extend the current \$1.65 surcharge through September 2025. That amendment also calls for a joint study to be conducted by several the Legislative Budget & Finance Committee, Local Government Commission and Joint State Government Commission. The amendment was approved by the committee **7-4** and HB 1304 was reported out of committee unanimously as amended.

However, it is not clear if HB 1304, as amended, will be the version of the bill that may be considered by the full Senate in coming weeks as discussions regarding a surcharge increase and other key details of the reauthorization continue in the Senate. While both legislative chambers return to Harrisburg on December 11 to continue negotiations, counties maintain that a surcharge increase that properly funds the 911 system must be included in any effort to extend the reauthorization.

Meanwhile in the House, **HB 1854**, also sponsored by Rep. Solomon, was introduced on November 15 and represents a full 911 statute reauthorization. Key provisions of the bill include a surcharge increase to \$1.97 with an annual adjustment tied to the CPI index, which is in line with the provisions of the House-passed version of HB 1304, and a number of technical updates, language clarifications and removal of outdated provisions. The bill also includes a sunset date of January 31, 2029. It is expected that a hearing in the House VAEP Committee will be held in the near future on the bill, although the timeline for consideration by the House is unclear at this time.

CCAP maintains that time is of the essence and continues to urge the General Assembly and Governor Shapiro to come together to act swiftly on reauthorization of the 911 statute that adequately funds the Next Generation 911 system into the future. By doing so, we can ensure this critical public safety tool remains fully functional and available to every person in Pennsylvania who makes that call, often during their most vulnerable moments.

Additional resources on the 911 funding ask and impacts of a sunset extension can be found on the CCAP website, **www.pacounties.org**, under the Legislative Action Center.

#### STREAM BILLS APPROVED BY SENATE

On November 13, the Senate approved a pair of bills aimed at improving the processes for maintaining streams and other small waterways in the commonwealth. These bills, **SB 689** and **SB 690**, both sponsored by Sen. Gene Yaw (R-Lycoming), would give counties additional flexibility, resources and local options to address stream maintenance that would assist them in mitigating flooding issues.

In particular, SB 689, approved on a vote of **31-19**, would allow local government organizations to apply for a permit for continuing maintenance on the streams within their jurisdiction for a period of at least 10 years. This permit will grant an affirmative duty to the local government entity to properly maintain the streams and will not require the local government to get pre-approval for maintenance projects. SB 690, approved on a vote of **33-17**, creates a program that allows counties to opt in to address hazards within their

streams by allowing for emergency maintenance permits in consultation with their county conservation district.

The bills have been referred to the House Environmental Resources and Energy Committee and await further consideration.

# DISABLED VETERANS' PROPERTY TAX EXEMPTION EXPANSION BILL VOTED OUT OF COMMITTEE

On November 15, the House Veterans Affairs and Emergency Preparedness Committee unanimously reported legislation expanding disabled veterans' real estate tax exemptions. Specifically, **HB 1227**, sponsored by Rep. Christina Sappey (D-Chester), would exclude U.S. Department of Veterans Affairs (USDVA) disability income from calculations used to determine financial need, remove the requirement for a veteran to have served in a war or conflict, and allow veterans residing in a long-term care facility to remain eligible for the exemption if they still own their residence. In addition, benefits would be extended to spouses of members of the armed forces who are killed in the line of duty or declared missing in action, or veterans who would have been declared disabled but died from that disability before a determination was made.

Committee discussion indicated the bill may be further amended in the full House to disqualify not only dishonorable discharges, but bad conduct discharges as well.

# HEART AND LUNG EXPANSION REPORTED OUT OF COMMITTEE

The House has taken steps to continue to move **SB 429**, sponsored by Sen. Mike Regan (R-York), through the legislative process. This bill would expand the Enforcement Officer Disability Benefits Law, also known as the Heart and Lung Act, to include county corrections and probation officers. While county commissioners or council members would have to "opt-in" to the expanded benefits, the opt-in is irrevocable once implemented, regardless of changing economic circumstances, additional conditions becoming covered under Heart and Lung benefits or other factors. The bill now goes to the full House for further consideration.

Counties have the greatest respect for their first responders, health care and correctional staff and recognize the importance of keeping these workers safe. However, as they also continue to struggle to fulfill their many responsibilities with available funding, the significant change in the number of their employees covered under the Heart and Lung Act under SB 429 is estimated to result in a \$6.8 million cost increase for 7,700 additional employees annually. As such, counties look to the state to assist with the increased cost to implement the provisions of this legislation if it should be adopted into law, noting that currently the county property tax is currently the only available revenue source to fulfill additional responsibilities.

#### COMMONWEALTH COURT WEIGHS IN ON SUNSHINE LAW

On November 8, the Commonwealth Court issued a **decision** related to interpretation of recent Pennsylvania Sunshine Act amendments. Specifically, *Coleman v. Parkland School District*, called into question provisions of **Act 65 of 2021**, which amended the Pennsylvania Sunshine Act to require agendas be posted no later than 24 hours before the start of a public meeting, and prohibits agency action on business that was not included in the agenda notification unless it meets specific criteria, including emergency business, de minimis business or business brought forward by a resident. Difference in interpretation of the new official action provisions created ambiguities as to what action had to be taken to add or update an item.

In the reported decision, the Commonwealth Court determined that in order for any official action to take place on an item not included on the agenda, the issue must meet one of the three specified exemptions included in the Sunshine Act and then must receive the majority vote outlined in Act 65, not one or the other. Counties are encouraged to review the decision with their solicitors as it relates to their own public meeting processes.

### IFO RELEASES FIVE-YEAR ECONOMIC AND BUDGET OUTLOOK

On Nov. 15, the state's Independent Fiscal Office (IFO) released its annual long-term economic and budget **outlook** for the next five years, through FY 2028-2029.

The IFO has added \$425 million to its official revenue estimate released in June 2023, which reflects Office of the Budget spending reductions estimated at \$450 million as of

October 2023 and a projected transfer from cigarette tax revenues (\$115 million) to the Tobacco Settlement Fund.

While FY 2023-2024 is anticipated to have a significant General Fund ending balance, there are predicted operating deficits for FY 2023-2024 and all future years. The two main contributing factors are reduced revenues from the phased-in corporate net income tax rate reduction and lower Treasury collections as well as strong expenditure growth for the intellectual disabilities and long-term living programs. In addition to higher inflation and interest rates, increasing costs are due to the expiration of the enhanced federal matching rate (FMAP) and Pennsylvania's rapidly expanding population of individuals 75 years or older that will require long-term care. The projected deficits are sufficient enough to eliminate the combined General Fund and Rainy Day Fund balances by FY 2028-2029.

Over the next five fiscal years, revenues are expected to grow by 2.1% annually, compared against spending projected to grow on average 3.4% annually, assuming moderate growth of historical cost drivers and a state economy operating at its long-term potential. Additionally, Department of Human Services expenditures are predicted to grow 4.4% annually, partially due to the FMAP phase out used to offset state Medicaid costs, but also is impacted by provider rate and fee increases and expiration of the additional 10% federal match for home and community-based services in FY 2024-2025. Most of the deficit occurs in the first two forecast years, and after FY 2025-2026, deficit expansion slows but continues as average spending growth exceeds revenue growth.

#### **AUTISM COVERED UNDER MENTAL HEALTH PARITY LAWS**

Governor Shapiro recently **announced** that starting January 1, 2024, insurers offering commercial health insurance policies that include coverage for autism services are to handle claims for those services in a manner that complies with the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) and Pennsylvania's mental health parity requirements. In the November 4, 2023, issue of the **Pennsylvania Bulletin**, the Pennsylvania Insurance Department (PID) published an official notice of directive, noting commercial insurers have differently handed the categorization of autism services with some classifying as "physical health" instead of "mental health". This directive will enforce uniformity in classification and is a part of the PID's **review** of mental health and substance use disorder coverage in the commonwealth.

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