

LEGISLATIVE BULLETIN

COUNTY COMMISSIONERS ASSOCIATION OF PENNSYLVANIA THE VOICE OF PENNSYLVANIA COUNTIES

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COUNTY PRIORITIES DURING APPROPRIATIONS HEARINGS

After three weeks of questions from legislators on agency budgets and programs, the House and Senate wrapped up Appropriations hearings yesterday. Below are highlights from some of the hearings where 2025 county legislative priorities were brought to the forefront.

911 Funding and Reauthorization

Lawmakers in both the House and Senate completed their hearings with the Pennsylvania Emergency Management Agency (PEMA). One of the topics that was discussed was the current funding structure in place that supports the 911 system. By allocating a portion of the 911 surcharge to support the NG911 system, counties have more flexibility to use the formula-driven portion of surcharge revenue and county general funds to cover other costs of the system. However, they point out that the key to maintaining the effectiveness of this current funding structure is ensuring there is adequate revenue to continue supporting this framework.

County governments are responsible for operating this critical service that ensures residents get the necessary response and assistance during an emergency. Therefore, counties will continue to advocate for reauthorization of the 911 surcharge well in advance of the January 2026 sunset date. Counties also support an increase in the surcharge to ensure that revenue continues to keep up with rising costs of the 911 system.

In addition, the department highlighted the partnership that went into getting Act 34 of 2024 across the finish line, which updated the 911 statute to accommodate the NG911 system. Though additional work is necessary to align the statute with new federal rules, this system will revolutionize the way county 911 operators can respond to emergencies and communicate with people during times of crisis.

County Mental Health Base Funding Increase

The Department of Human Services Appropriations hearings in both the House and Senate concluded at the end of the week, with county mental health base funding being a key focus of discussion.

Lawmakers examined the allocation of mental health funding across the commonwealth, including, but not limited to, county governments. During these discussions, concerns were raised about how this distribution creates silos within the community-based mental health system. A recurring theme throughout the hearing was the importance of strengthening collaboration between school districts and county mental health services. Given that counties have an infrastructure in place to support schools in delivering mental health services, increased collaboration would ensure that services can be delivered to students and their families more effectively and efficiently.

Regarding county mental health funding, legislators highlighted the chronic underfunding of the county mental health system, noting that funding levels were reduced over a decade ago and have not been fully restored. The department underscored the impact of the Governor's investment of \$40 million into county mental health base services over the past two budget cycles, which has supported the development of behavioral health walk-in centers and crisis stabilization facilities.

As the primary providers of essential mental health services across the commonwealth, counties strongly advocate for increasing county mental health base funding to \$100 million this year to address ongoing funding shortfalls and ensure continued access to critical services.

Vote-by-Mail Reforms

During both the House and Senate Appropriations hearings, lawmakers raised the concerns that counties faced during the 2024 General Election with the surge of on-demand voting. Secretary of State Al Schmidt underscored the strain that this placed on counties and election staff, especially in counties with smaller election offices. In addition, the topic of uniformity in elections was discussed as it relates to provisions that the Election Code remains silent on, such as secure drop boxes and ballot curing. The lack of clarity on these issues continues to create challenges for counties. Providing clearer guidelines that all counties can follow would ensure that counties can continue the important work of administering free, fair, and efficient elections.

CCAP MEMBERS TAKE ON 2025 NACo CONFERENCE

Over the weekend of February 28, CCAP members and staff attended the National Association of Counties (NACo) Legislative Conference in Washington, D.C. This annual event brings together nearly 2,000 elected and appointed county officials to discuss federal policies impacting counties nationwide.

During the conference, NACo released its federal legislative priorities for 2025, focusing on key issues affecting county governments. The five identified priorities include:

- **Disaster Mitigation & Emergency Management** – Advocating for reforms to FEMA's Public Assistance Program to ensure faster reimbursement for disaster recovery efforts.
- **Secure Rural Schools** – Supporting full, long-term funding for the Payment in Lieu of Taxes (PILT) program to compensate counties for untaxable federal lands.
- **Medicaid Protection** – Preserving Medicaid funding and ensuring continued access to county-administered healthcare services.
- **Tax-Exempt Municipal Bonds** – Maintaining the tax-exempt status of municipal bonds to keep borrowing costs low for counties.
- **County Human Services** – Supporting funding for programs such as the Supplemental Nutrition Assistance Program (SNAP), Social Services Block Grant (SSBG), and Temporary Assistance for Needy Families (TANF).

A key focus throughout the conference was the ongoing federal budget reconciliation process. Budget reconciliation allows for expedited passage of fiscal legislation, bypassing the filibuster in the U.S. Senate and requiring only a simple majority to advance. Both the U.S. House and Senate have passed their respective budget resolutions and must align on

a final FY 2025 budget resolution before a reconciliation bill can be enacted.

Both the House and Senate budget proposals prioritize tax provisions, immigration policies, and defense spending while including long-term federal spending reductions. These cuts could impact programs such as SNAP, SSBG, TANF, Medicaid, and clean energy tax credits under the Inflation Reduction Act.

On the final day of the conference, CCAP members and staff met with members of Pennsylvania's congressional delegation, including both U.S. Senators, Senator Dave McCormick and Senator John Fetterman. Discussion focused on key issues affecting counties at both the federal and state levels, covering NACo's legislative priorities as well as CCAP's.

Berks County Commissioner and NACo Board Member Christian Leinbach reflected on the conference, stating, *"The NACo 2025 Leg. Conf. was incredible. Pres. James Gore challenged county leaders to lead and to work together on issues important to counties. We heard from the Secs. of AG and Vet. Affairs, plus bipartisan legislative leaders. On Tuesday, the CCAP Team met separately with Senators McCormick and Fetterman, who emphasized their collaboration on issues of agreement. We shared our CCAP and NACo priorities on the Hill and gained valuable insights through the conference."*

The meetings provided an opportunity to reinforce the importance of county government in federal policy discussions and advocate for critical funding and legislative priorities. CCAP members and staff left the conference with valuable insights and strengthened relationships that will support ongoing collaboration at both the state and federal levels.



IFO ISSUES ELECTRIC VEHICLE RESEARCH BRIEF

The Independent Fiscal Office has released a new [research brief](#) that examines [Act 85 of 2024](#), which replaces Pennsylvania's alternative fuel tax on electric vehicles (EVs) with an annual Electric Vehicle Road Use Charge (EVRUC) for battery electric and plug-in hybrid vehicles. The EVRUC will be collected annually alongside vehicle registration fees, with rates set at \$200 in 2025, \$250 in 2026, and indexed to inflation beginning in 2027. The

charge takes effect on April 1, 2025. For the final three months of FY 2024-2025, EVRUC is expected to generate \$5 million, which will be distributed according to the oil company franchise tax allocation for highway maintenance funding.

From Q4 2023 through Q4 2024, Pennsylvania saw strong EV adoption, with registrations increasing by 36,000 vehicles. This growth has been supported by federal funding through the Infrastructure Investment and Jobs Act (IIJA) and the National Electric Vehicle Infrastructure (NEVI) program, which provides funding for EV charging infrastructure. Pennsylvania has been allocated \$171.5 million in NEVI funds over five years, beginning in federal FY 2022. As of August 2024, 91 projects have been initiated across 43 counties.

The EVRUC will be collected by the Pennsylvania Department of Transportation and deposited into the Motor License Fund. Revenue from the charge will be allocated in line with the oil company franchise tax formula, supporting highway maintenance, construction, and local bridge projects, as well as certain county-owned roads.

IFO RELEASES FEBRUARY REVENUE UPDATE

The Independent Fiscal Office (IFO) released the monthly revenue [update](#) for February 2025, showing that General Fund collections for the month totaled \$2.88 billion, which were \$74 million (2.6%) higher than the IFO's official estimate. In particular, collections from sales and use and personal income taxes exceeded monthly projections by \$48 million and \$31 million, respectively. January 2025 collections were \$111 million (4.0%) higher than during the same month of the previous year.

Fiscal year-to-date (FYTD) state revenues for FY 2024-2025 through the end of February continue to outperform the IFO's official estimate by \$144 million (0.5%) for a total of \$26.98 billion. Though FYTD corporate net income tax collections remain above the IFO's projections, higher-than-expected receipts from the sales and use tax have become the driving factor for FYTD collections exceeding the IFO's estimate. Additionally, year-to-date collections are \$457 million (1.7%) higher compared to this time last year.

CCAP SPRING CONFERENCE & HILL DAY

The CCAP Spring Conference will take place March 16-18 at the Hilton Harrisburg. The conference will kick off with CCAP policy committee meetings on Sunday afternoon, March 16th, from 1:00 PM to 5:00 PM. All CCAP members are welcome to attend, but only committee members may vote. On Monday, during the Opening General Session, members will have the opportunity to participate in the election of the two CCAP representatives to the NACo Board of Directors.

This year's conference features an exciting new experience to the [conference agenda](#) - Hill Day! On the final day of the conference, Tuesday, March 18, members are encouraged to participate in a special advocacy-focused event at the Pennsylvania Capitol. This day provides an opportunity for members to engage directly with local legislators and share counties' legislative priorities for 2025. Members are encouraged to reach out to their state legislative leaders to schedule meetings following the conclusion of the conference at noon to advocate on behalf of county government.

Visit [2025 CCAP Spring Conference](#) on the CCAP website for more information.

[Other CCAP Publications](#)



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