



# GOVERNMENT RELATIONS

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**Berks County  
Water & Sewer**  
ASSOCIATION

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## House Republicans Unveil Bills to Drive Commonwealth's COVID Comeback

House Republicans unveiled a pro-jobs, recovery-focused legislative package designed to achieve a better normal. The initiative, “Commonwealth’s COVID Comeback,” would rebound the economy by incentivizing manufacturing with no new taxes or fees.

To bring more jobs back to Pennsylvania, Rep. Josh Kail’s (R-Beaver/Washington) bill would allow the Commonwealth Financing Authority to designate strategic and targeted zones in the state to be used as the base of operations for manufacturing. Businesses in those zones would receive tax abatements for state and local taxes and would be eligible for targeted job creation tax credits.

“Earlier this year, we discovered how scary it can be when the supply chain is interrupted, and that becomes even more profound when we’re reliant on another country,” Kail said. “Making critical supplies in America is more important than ever.”

Another bill, drafted by Rep. Natalie Mihalek (R-Allegheny/Washington), would encourage entrepreneurs and businesses to create more jobs in the Commonwealth by lowering the Corporate Net Income Tax from 9.99% to 5.99% by Jan. 1, 2025.

“Pennsylvania was home to the early American industrialists. Now we are closed for business. Entrepreneurs looking for a place to bring their ideas and start their businesses would automatically take Pennsylvania out of the running due to our policies that make it difficult to do business and our taxes, which are the third highest in the nation,” said Mihalek.

The resolution in the package, drafted by Rep. Mike Reese (R-Westmoreland/Somerset), would create a committee to review opportunities for the development of new industries in the Commonwealth, including advanced manufacturing

“The COVID-19 pandemic has certainly magnified some issues our Commonwealth was already facing in terms of jobs and opportunity,” said Reese. “It is vital that we plan for our future success by identifying opportunities to grow, change and capitalize on our unique strengths, including our natural resources, outstanding higher education institutions and the strong work ethic of our citizens. The study I propose to create through my legislation will be a cornerstone in this effort.”

Another bill in the package, authored by Rep. Jonathan Fritz (R-Susquehanna/Wayne), would ensure permitting decisions are made promptly and reliably by deeming Department of Environmental Protection (DEP) permit applications administratively complete if accompanied by a professional engineer's affidavit attesting to the sufficiency of the application. DEP would be required to render a decision on any permit application without an affidavit within 45 days.

"Pennsylvania is currently experiencing a very real economic hardship after businesses were shuttered, jobs were lost and the will of our Commonwealth shaken," said Fritz. "This package of bills offers a solution that would not only incentivize manufacturing investments, but further create jobs and supply a much-needed boost to our state."

The final bill, authored by Rep. Torren Ecker (R-Adams/Cumberland), would provide commonsense protections via limited liability to the critical suppliers, health care providers and employers operating during the pandemic.

"Our health care workers, manufacturers and businesses stepped up during the pandemic when the Commonwealth needed them most. They deserve the commonsense liability protection that would be afforded to them in my proposal. By providing this protection, these industries can continue to do their jobs with confidence," Ecker said. "These safe-harbor protections will be critical to facilitating our economic recovery."

House Majority Leader Kerry Benninghoff (R-Centre/Mifflin) expressed his support for the work being done by the package's sponsors and supporters as a reflection of the top priorities of the House Republican Caucus.

"The package of bills being unveiled today reflects the overarching priority of our caucus to bring Pennsylvania's economy to life again. To, once again, make Pennsylvania the envy of the east," Benninghoff said. "We can and should make Pennsylvania better than before. With all of the talk about creating a new normal, our caucus wants to start Pennsylvania on the road to a better normal,

and I am thankful for this group of hard-working and eager members for leading the charge on doing that with this package of bills."

The package of bills is also supported by Pittsburgh Works, a partnership between the business community and labor unions in the Pittsburgh area focused on job growth and economic development.

"As a non-partisan organization uniting labor, business, workforce development and community leaders, Pittsburgh Works is pleased to see proposals that reflect our goal of making this region the center of the post-COVID economic comeback. We look forward to working with members of both parties to promote legislation and policy that will increase employment, address workforce development for our changing economic landscape, revive manufacturing and put our region and state in a position of economic leadership," said Jeff Nobers, executive director for Pittsburgh Works Together.

**Source:** House Republican Caucus, 10/14/2020

## **Pennsylvania's Unemployment Rate Drops to 8.1 Percent in September**

**O**n October 16, 2020, the Pennsylvania Department of Labor & Industry (L&I) released its employment situation report for September 2020.

Pennsylvania's unemployment rate was down 2.3 percentage points over the month to 8.1 percent in September. The national rate fell 0.5 percentage points from its August level to 7.9 percent. The commonwealth's unemployment rate increased by 3.5 percentage points from September 2019 while the national rate was up 4.4 points over the year.

Pennsylvania's civilian labor force – the estimated number of residents working or looking for work – increased 52,000 over the month as the unemployment count fell by 141,000 while employment rose by 194,000.

Pennsylvania's total nonfarm jobs were up 19,400 over the month to 5,597,800 in September. Jobs increased in 9 of the 11 industry supersectors from August levels. The largest monthly volume gain was in leisure & hospitality, up 16,100 jobs.

Over the past five months, Pennsylvania has recovered 54.2% of the total nonfarm jobs lost in March and April.

Over the year, total nonfarm jobs in Pennsylvania were down 470,800 with declines in 10 of the 11 supersectors. The largest 12-month change among supersectors was a decline of 147,300 jobs in leisure & hospitality. Additional information is available on the L&I website at <https://www.dli.pa.gov/Pages/default.aspx>.

**Note:** The above data are seasonally adjusted. Seasonally adjusted data provide the most valid month-to-month comparison.

**Source:** PA Department of Labor & Industry, 10/16/2020

## PA Senate Democrats Unveil Plan to Spend \$1.3 Billion in Remaining Cares Funds

On October 16, 2020, members of the Pennsylvania Senate Democratic Caucus outlined a plan to spend the remaining \$1.331 billion in CARES money that Pennsylvania received as part of a federal assistance package earlier this year.

The money must be spent by December 31st on COVID-19 related needs or the state loses the authority to use it at all.

"When we passed our original spending plan for these dollars, we withheld a portion of our allocation to see where what would happen with COVID-19 through the summer and fall. We waited for more assistance from the federal government that never came. Washington has failed but here in PA, we have found that families, small businesses, and many other institutions need additional assistance for recovery," said Senate Democratic

Leader Jay Costa, Jr. "We've been allocated these funds to help with recovery; it's time to spend them. Folks need help now. I urge our Republican colleagues to add this to the agenda for our session days next week."

"We are a long way from recovering what has been lost during the pandemic and sitting on \$1.3 billion does nothing to help people who are hurting right now," Sen. Hughes said. "We must drive dollars out to our existing and proven methods of distributing CARES funding immediately. Our families, workers, small businesses owners, and so many others are still struggling to get through this pandemic. They do not have the luxury of a wait-and-see approach, which is why we must act now. Furthermore, we need the federal government to enact a spending plan that helps states do more to help the people through the greatest crisis of our lifetimes."

The Senate Democratic plan includes:

- \$125 million for individual and family relief with utility bill assistance
- \$575 million for business assistance, specifically for:
  - Nonprofit assistance
- Main Street and Historically Disadvantaged Businesses
  - Barbers, salons, personal care industry o Tourism
  - Bars, taverns, restaurants, private event spaces and hospitality
- \$15 million food security
- \$125 million for high Medicaid hospitals
- \$141 million for higher education
- \$75 million for child care
- \$100 million for hazard pay in existing programs, and expanded programs for pharmacies
- \$150 million for property tax relief
- \$25 million for public safety

For more information on the Senate Democratic proposals for the first or second allocation of CARES funds, please visit <https://www.pasenate.com/pacares/>

**Source:** Senate Democratic Caucus, 10/16/2020



individuals to serve on the **PUC's Damage Prevention Committee**  
[http://www.puc.pa.gov/transport/gassafe/docs/PAOneCall/Damage\\_Prevention\\_Committee-Nom\\_Form.docx](http://www.puc.pa.gov/transport/gassafe/docs/PAOneCall/Damage_Prevention_Committee-Nom_Form.docx) (DPC), 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 natural gas and electric - nominated by facility owners or affiliated organizations (two positions),
2. Excavators - nominated by excavators or affiliated organizations (one position); and
3. Local government - nominated by local governments or affiliated organizations (one position).

#### How to Apply

Nominations will be accepted until Oct. 30, 2020, and new DPC appointees will begin their three-year terms in 2021. **Nomination forms** [http://www.puc.pagov/transport/gassafe/pdf/PAOneCall/Damage\\_Prevention\\_Committee-Nom\\_Form.pdf](http://www.puc.pagov/transport/gassafe/pdf/PAOneCall/Damage_Prevention_Committee-Nom_Form.pdf) and **instructions** [http://www.puc.pa.gov/transport/gassafe/pdf/PAOneCall/Damage\\_Prevention\\_Committee\\_Nom\\_Form-Ltr.pdf](http://www.puc.pa.gov/transport/gassafe/pdf/PAOneCall/Damage_Prevention_Committee_Nom_Form-Ltr.pdf) are available on the **PUC website** [http://www.puc.pa.gov/utility\\_industry/transportation/pipeline\\_safety/pa\\_one\\_call\\_enforcement.aspx](http://www.puc.pa.gov/utility_industry/transportation/pipeline_safety/pa_one_call_enforcement.aspx).

Completed nomination forms should be submitted to the Secretary of the PUC, Rosemary Chiavetta, at [rchiavetta@pa.gov](mailto:rchiavetta@pa.gov).

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 will begin 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.

Questions regarding nominations for the PUC's Damage Prevention Committee should be directed to Kasha Schreffler, Supervisor of the PUC's Damage Prevention Team, at [kasschreff@pa.gov](mailto:kasschreff@pa.gov) or (717) 787-6382.

#### 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** [http://www.puc.pa.gov/utility\\_industry/transportation/pa\\_one\\_call\\_enforcement/dpc\\_agendas\\_Actions.aspx](http://www.puc.pa.gov/utility_industry/transportation/pa_one_call_enforcement/dpc_agendas_Actions.aspx) 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, 10/13/2020

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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.*