

MEETING OF THE LOCAL GOVERNMENT COMMISSION

Wednesday, March 22, 2017

The meeting of the Local Government Commission was called to order by Senator John Eichelberger, Jr., at 8:45 a.m. in 14 East Wing–Main Capitol Building, Harrisburg, Pennsylvania, with the following individuals present:

MEMBERS

Senator John H. Eichelberger, Jr., Chairman
Senator Thomas J. McGarrigle
Senator Scott E. Hutchinson
Senator John P. Blake
Representative Kate Harper
Representative Warren Kampf
Representative R. Lee James
Representative Robert Freeman
Representative Mary Jo Daley

STAFF

Philip H. Klotz, Executive Director
David A. Greene, Assistant Director-Legal Counsel
Danette H. Magee, Research Associate
Karen S. Bear, Secretary

GUESTS

Lee Derr, Senator Eichelberger's Office
Justin Leventry, Senator Hutchinson's Office
Brianna Medevich, Representative Freeman's Office
Rob Gaertner, House Local Government Committee (R)
Thomas Miller, House Local Government Committee (R)
Sean Sanderson, Department of Community and Economic Development
Lisa Schaefer, County Commissioners Association of Pennsylvania
Joshua Eisner, County Commissioners Association of Pennsylvania
Ed Troxell, Pennsylvania State Association of Boroughs
Ron Grutza, Pennsylvania State Association of Boroughs

As the first order of business, the Members discussed the minutes of the January 25, 2017, business meeting, which were unanimously approved on a motion by Representative Harper and a second by Representative Freeman. The financial reports for the months of January and February 2017 were presented, and a detailed explanation was given by the Executive Director. The financial reports were unanimously approved on a motion by Representative Freeman and a second by Representative Harper.

The Executive Director briefed the Members on some of the impending projects that are to be addressed during future Commission business meetings. At the April business meeting, the Commission expects to reorganize after receiving its final Senate appointment, review the initial Commission's 2017-18 legislative package for introduction, analyze the municipal resolutions that

were submitted by the various municipal associations, and conduct the personnel evaluation of the Executive Director. At the May and June business meetings, the Members can anticipate the review of any legislation resulting from the municipal association resolutions, the Commission's Assessment Reform Task Force, and the newly revised County Code, as well as a quarterly update by the Pennsylvania State Association of Elected County Officials (PSAECO).

The Director announced that the Commission Assessment Reform Task Force met for the first time on Thursday, January 26, 2017, and established six action items that the Task Force wishes to address. The action items are as follows:

- Explore training requirements for contractors valuing property and conducting countywide reassessments.
- Investigate required use of a real estate sales verification form.
- Develop standards for counties to disclose, for taxpayers, the systems they have implemented to value and assess property.
- Examine fairness and efficiency of the assessment appeals process, including measures to reduce appeals, consistency in methodology, and appointment, composition and qualifications of appeals boards.
- Draft legislation expanding State Board of Real Estate Appraisers to include two Certified Pennsylvania Evaluators.
- Prepare amendatory language for Act 58 of 1996 establishing consistent parameters for determining the county common level ratio.

Various working groups have conducted meetings since January 26 and have developed additional actions items and recommendations that will be presented to the full Task Force at its April 13, 2017, meeting. Senator Eichelberger, who is Chairman of the Task Force, remarked that he was pleased with the Task Force accomplishments thus far and is looking forward to the meeting on April 13. The Assessment Reform Task Force's goal is to implement recommendations related to the efficiency, transparency, modernization and fairness of the property assessment process in this Commonwealth.

The Chairman introduced Commission Research Associate Danette Magee who explained to the Members the proposed legislation that has resulted from a Task Force working group. The proposed legislation would provide for the appointment of two Certified Pennsylvania Evaluators (CPEs) by the Governor to serve on the State Board of Real Estate Appraisers (Board), which would increase the Board membership from 11 to 13. The addition of two CPEs would ensure that in the event of a conflict of interest of one of the CPE members, a CPE would still have a voice on the Board. The Board is responsible for oversight of CPEs, yet no CPEs are currently appointed to the Board. The terms of the appointments are staggered. Real estate appraisers typically are not familiar with mass appraisal practices and real property valuation methodology for ad valorem tax purposes; residential and general appraisers value real property for various purposes and may utilize current market value when establishing value. A CPE must use a uniform methodology and the base year when valuing real property in a specific county. Also, the licensure requirements are different for a real estate appraiser versus a CPE. Furthermore, the Board is responsible for disciplinary and corrective measures for CPEs. The Assessors' Association of Pennsylvania currently sends a liaison to the Board meetings, but the liaison is not an official member of the Board. Nevertheless, the liaison is often called upon when issues pertain to a CPE. Ms. Magee stated that the draft legislation has been endorsed by the County Commissioners Association of

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Pennsylvania and the Assessors' Association of Pennsylvania, but that she is awaiting comments by the Director of Legislative Affairs of the Department of State. After a brief discussion, the Members unanimously agreed to introduce Task Force bills individually upon completion rather than presenting the legislation as a package at the conclusion of the Task Force. The Director commented that after the proposed legislation is thoroughly vetted that it would be given to the Members for final review.

A representative from PSAECO was unavailable to deliver a quarterly report to the Commission Members. The Commission will meet again with PSAECO on June 14, 2017.

The Executive Director proposed a new rental and maintenance agreement for its existing Lanier Digital Multi-Functional Photocopier System with Capital Business Systems, Inc. The Commission's photocopier lease expires on April 4, 2017. Because the Commission's current copier is in good repair, it is the preference of the Executive Director to keep the existing photocopier and activate a new rental agreement with Capital Business Systems, Inc. for a period of 36 months at a cost of \$137.50 per month. The new rental agreement is a reduction of 46 percent from the previous lease agreement, which was \$255 per month for 36 months. The Members unanimously approved the new rental and maintenance agreement on a motion by Senator McGarrigle and a second by Senator Blake. Representative James inquired as to the need to bring the expenditure to the Commission Members for approval. The Executive Director explained that it is the policy of the Local Government Commission to obtain the Commission Members' approval on any expenditure that exceeds \$3,000.

At 9:10 a.m. the Chairman announced that the Members would resolve into executive session for the purpose of discussing personnel matters related to Commission appropriations and recent budget discussions. At 9:25 a.m. the Members returned to public session.

The Executive Director revealed that the Members would now receive Commission private co-sponsorship bills online. Previously, Commission staff would deliver the Commission sponsorship bills to each of the Members' offices for signature. Currently, the Senate of Pennsylvania and House of Representatives utilize online bill sponsorship. A screen-shot example was given to each of the Members for their examination.

As the last order of business, it was announced by the Executive Director that the next scheduled business meeting is Wednesday, April 19, 2017, in Room 302 Irvis Office Building. Notices will be sent to the Members' Capitol offices.

The meeting adjourned at 9:28 a.m.

ATTESTED: _____
March 24, 2017