

## **MEETING OF THE LOCAL GOVERNMENT COMMISSION**

**Wednesday, June 14, 2017**

---

The meeting of the Local Government Commission was called to order by Senator John Eichelberger, Jr., at 8:50 a.m. in Room 14 East Wing–Main Capitol Building, Harrisburg, Pennsylvania, with the following individuals present:

### **MEMBERS**

**Senator John H. Eichelberger, Jr., Chair**  
**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**  
**Kris Gazsi, Associate 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)**  
**Sarah Holloway, Intern, House Local Government Committee (R)**  
**Renee Reynolds, State Tax Equalization Board**  
**Steve Howe, Dauphin County Tax Assessment Office**  
**Don O'Shell, Pennsylvania State Association of Elected County Officials**  
**Lisa Schaefer, County Commissioners Association of Pennsylvania**  
**Joshua Eisner, County Commissioners Association of Pennsylvania**  
**Amy Sturges, Pennsylvania Municipal League**  
**Karey Molnar, Pennsylvania Municipal League**  
**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 May 10, 2017, business meeting, which were unanimously approved on a motion by Senator Hutchinson and a second by Representative Kampf. The financial report for the month of May 2017 was presented, and a detailed explanation was given by the Executive Director. The financial report was unanimously approved on a motion by Representative Harper and a second by Representative Freeman.

Danette Magee, Research Associate for the Local Government Commission, reviewed the proposed amendment to the Assessors Certification Act (Act 28 of 1992) which would further provide for the qualifications and training of revaluation company personnel and Certified Pennsylvania Evaluators (CPEs). The proposed legislation clarifies that those revaluation company personnel who are directly responsible for the valuation of real property must be certified as CPEs. The legislation further requires that an individual who is employed by a revaluation company and directly responsible for the development of a property valuation model, as defined, complete the educational requirements set forth in the Assessors Certification Act and be certified as a CPE. The legislation also requires, as a condition of certification as a CPE, completion of a basic course of study that includes instruction on the judicial interpretation of the Pennsylvania Constitution's uniformity clause. Finally, the legislation makes technical, clarifying and organizational changes to the act. The ambiguity of Act 28 as it relates to CPE certification of revaluation company personnel has resulted in some confusion about the intent of the act. Previous correspondence from the State Board of Certified Real Estate Appraisers suggests that the Board has deemed that *any person* placing a value on property must be certified as a CPE. The Department of State has reviewed the proposal and recommended several technical and stylistic changes which were incorporated in the draft. The proposed legislation is supported by the County Commissioners Association of Pennsylvania, and the two revaluation companies currently working in Pennsylvania—Evaluator Services and Technology and Tyler Technologies. The Members unanimously agreed on a motion by Representative Harper and a second by Representative Daley to introduce the legislation into both chambers with Senator Eichelberger and Representative Harper as prime sponsors. This legislation is a product of the Commission's ongoing Assessment Reform Task Force.

Ms. Renee Reynolds of the State Tax Equalization Board (STEB) was recognized to give a report regarding amending language in Chapter 15 of the Community and Economic Development Enhancement Act (Act 58 of 1996) to authorize STEB to use up to three prior years' sales in its calculation of the common level ration (CLR) if deemed necessary in order to have a sufficient sample size. STEB is responsible for, prior to July 1, annually establishing the CLR for each county using the prior year of sales data in each county. Ms. Reynolds stated that the language was a component of one of the recommendations by Mr. Alan Dornfest, AAS, in his report dated June 6, 2014. Mr. Dornfest was a private consultant under contract with the Department of Community and Economic Development (DCED), who reviewed the methodology used by STEB to calculate the county CLR for each county and determined whether the CLR was calculated in a manner consistent with International Association of Assessing Officers (IAAO) standards. Ms. Reynolds indicated that, after further review and discussion, it appears the amendment is unnecessary due to the language contained in two current sections of Act 58. Section 1516.1(b) (relating to the establishment and method of calculating the CLR) requires STEB to use "statistically acceptable techniques" including sales ratio studies in arriving at the CLR. Read together with Section 1516.2 (3) that requires STEB to publish information about its "procedures to ensure that dissimilar properties are not treated as a single group," it is the opinion of the Deputy General Counsel for DCED that this language permits STEB to use a "stratification methodology." Ms. Reynolds continued to explain that if STEB amends in its Policy and Procedures Manual and makes it public, STEB can reference the needed use for a longer period based on Part 1, Section 4.4 (Period from Which Sales are Drawn from the Standard on Ratio Studies) of the *Standard on Ratio Studies* published by the IAAO. Ms. Reynolds concluded that based on the DCED's Deputy Chief Counsel review of the current language in Act 58, STEB has the authority to change the manner in which the calculation is constructed and there is no need for further amendments to the law.

At last month's business meeting, Elam Herr, representing the Pennsylvania State Association of Township Supervisors (PSATS), requested that Commission Members consider amending Section 3102(h) of the Second Class Township Code to authorize the purchase of used equipment and other personal property from a volunteer fire company, ambulance service or rescue squad without going through the competitive bidding process. Current language only refers to purchases from a public utility, municipal corporation, county, school district, municipal authority, council of government or federal or state government. The Commission Members instructed Commission staff to draft language that would be part of a four bill package, which would also amend the First Class Township Code, the Third Class City Code, the Borough Code and Act 34 of 1953 (Incorporated Towns). The draft amendatory language was presented to the Members for review at today's business meeting. Kris Gazsi, Associate Legal Counsel for the Local Government Commission, explained the proposed legislation and remarked that the legislation is supported by PSATS, the Pennsylvania Municipal League, the Pennsylvania State Association of Township Commissioners and the Pennsylvania State Association of Boroughs. The bill would create a discretionary authority for municipalities that is anticipated to result in no increased costs to taxpayers. Greater cooperation between volunteer emergency service providers and local government may have the additional benefit of utilizing taxpayer resources more effectively and efficiently. After a brief discussion, the Members unanimously agreed on a motion by Representative Freeman and a second by Representative Daley to introduce the bill into both chambers, with Senator Hutchinson and Representative Harper as prime sponsors.

Don O'Shell, representing the Pennsylvania State Association of Elected County Officials (PSAECO) and the Pennsylvania State Association of Prothonotaries and Clerks of Court, presented to the Members PSAECO's 2017 legislative and government priorities. Of particular concern to PSAECO is Senate Bill 741, Printer's Number 903, regarding the judicial computer system fee. The judicial computer system fee is scheduled to sunset from \$31.25 per judicial file, deed and mortgage to \$14.25 on December 31, 2017. Most of the projects slated for the use of the fee are replacement of existing county resources. PSAECO believes that the money could be redirected to drug and alcohol treatment, domestic abuse for court diversion programs and DCED for the upgrading of county court case management systems where existing automation and records improvement monies are insufficient.

Mr. O'Shell also noted his Association's interest in House Bill 674, Printer's Number 1499. House Bill 674, which is in the Senate Appropriations Committee, would require the deduction of outstanding taxes and court-ordered obligations from State Lottery winnings before the winnings are to be paid to the prizewinner. If the prizewinner owes court-ordered obligations, the obligations are to be paid to the clerk of courts of the county in which it was issued. Additionally, House Bill 674 directs the Department of Revenue to work with the Administrative Office of Pennsylvania Courts to determine if a prize winner has outstanding court ordered obligations such as court costs, fines and restitution. If the prize winner does have an outstanding obligation, the amount of the obligation will be deducted from winnings after any deductions for child support or outstanding state tax liabilities. Senator Hutchinson stated that, even though the bill was passed by the House (192-0) and has progressed through the Senate without any opposition, there remains an opportunity for Mr. O'Shell and his fellow county prothonotaries and clerks of court to share their concerns about House Bill 674.

The Director reported that the County Code comprehensive revision draft was recently reviewed by Commission staff and that some minor changes by the Legislative Reference Bureau (LRB) were needed. The legislation will be presented to the Members for their consideration in

**MEETING OF THE LOCAL GOVERNMENT COMMISSION**

---

Page 4 – June 14, 2017

September. In March 2011, Local Government Commission staff started working with PSAECO’s County Code Revision Committee to update and merge the County Code and the Second Class County Code. The County Code and the Second Class County Code have not undergone comprehensive updates since their enactments in 1955 and 1953, respectively.

The purpose of the revision, in addition to integration of the two codes, is to amend the combined code to reflect case law and current practices, standards and requirements, as well as update archaic language. The ultimate goal was to develop a combined up-to-date code and present it to Commission Members for their consideration of sponsorship. Historically, comprehensive revision of a municipal code, such as that of the Borough Code and the Third Class City Code, most recently, has taken approximately eight years in order to thoroughly examine each article, section-by-section. Upon a County Code recodification bill going through the legislative process and being enacted, the Commission staff envisions working with the LRB to place the code into Title 16 (Counties) of the Pennsylvania Consolidated Statutes (Pa.C.S.), which has occurred with the Borough Code (Title 8) and the Third Class City Code (Title 11).

The Director announced that a copy of the County Commissioners Association of Pennsylvania’s (CCAP) 2017 Budget Priorities was included in the Members’ meeting packets for their review. CCAP lists as one of its budget priorities the continued funding of the Local Government Commission based upon the Commission’s valuable resources provided to county governments through various services, research and specialization in local government procedures and policies that affect county governance.

As the last order of business, the Director announced that the next Commission business meeting is scheduled for Wednesday, July 12, 2017, and noted that the time of the meeting will be determined by the session schedule. Notice will be sent to the Member’s Capitol offices.

The meeting adjourned at 9:20 a.m.

ATTESTED: \_\_\_\_\_  
June 21, 2017