



# GPNP

Greater Pittsburgh  
Nonprofit Partnership

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**Below is a summary of key public policy issues impacting the Pittsburgh region's nonprofit sector.**

**Key stories include:**

## **FEDERAL NEWS**

**Save the Date!!!**

### **How Tax Reform Will Impact Nonprofits**

Hosted by Cohen & Grigsby

April 12, 2018

9:00 – 10:30 a.m.

EQT Building, 2<sup>nd</sup> Floor  
625 Liberty Avenue  
Pittsburgh, PA 15222  
(please bring photo identification)

**Presenter: Michael Dana, Cohen & Grigsby, Tax**

Michael focuses his practice on providing U.S. tax advice to nonprofits, businesses and their owners -in connection with all aspects of business formation, operation and disposition. Michael will provide an update on the recently enacted Tax Cut and Jobs Act focusing on provisions most relevant for nonprofits challenges to deal with these changes.. In particular, the seminar will discuss:

1. Overview of the Legislation (Very General / Discuss Scope of Legislation)
2. Specific Areas of Tax Reform Focusing on How the Changes Could Affect Non-Profits
  3. Corporate Tax Reform
  4. Individual Tax Reform
  5. Estate & Gift Tax Reform
6. Provisions Specific to Tax Exempt Entities
7. Non-Profit Traps for the Unwary

Cohen & Grigsby want to you know:  
**Federal Funding Announcement**

The Substance Abuse and Mental Health Services Administration (SAMHSA), Center for Center for Substance Abuse Treatment (CSAT) is accepting applications for fiscal year 2018 Enhancement and Expansion of Treatment and Recovery Services for Adolescents, Transitional Aged Youth, and their Families grant program (Short Title: Youth and Family TREE).

The purpose of this program is to enhance and expand comprehensive treatment, early intervention, and recovery support services for adolescents (ages 12-18), transitional aged youth (ages 16-25), and their families/primary caregivers with substance use disorders (SUD) and/or co-occurring substance use and mental disorders. Application due date is April 10, 2018.

For more information, click <https://www.samhsa.gov/grants/grant-announcements/ti-18-010>. For additional SAMSHA granting funding opportunities follow this link: <https://www.samhsa.gov/grants/grant-announcements-2018>

- ["Patient groups criticize 'right to try' bill on experimental drugs," The Hill, 3/13/18](#)
- ["US budget deficit jumped to \\$215.2 billion in February," ABC News, 3/12/18](#)
- ["Tax Reform Provides Boost To Small Business Retirement Plans," Forbes, 3/12/18](#)
- ["House Democrats submit amendments for HUD budget," Housing Wire, 3/12/18](#)
- ["Court: EPA broke law with smog rule delay," The Hill, 3/12/18](#)
- ["Senate votes to advance changes to Dodd-Frank rollback," The Hill, 3/12/18](#)
- ["House to vote Tuesday on 'right to try' drug bill," The Hill, 3/11/18](#)

## PA STATE POLICY NEWS

### PA House approves bill to reduce the size of the General Assembly

You wouldn't have known it from the debate before the final vote, but the state House of Representatives posted more than enough votes – 109-80 – to pass a bill to reduce the size of the Legislature. It's not the bill it once was ([House Bill 153](#)) – the one that only affected the House, trimming the chamber's membership to 151 from 203 – and that means, at least for the time being, the effort to amend the Pennsylvania Constitution has to be restarted, meaning the bill would have to win legislative approval this session and next session before it could go to the voters for a final decision. Of course, the state Senate, which gets the bill next, might not like – well, given recent history, it won't like – the idea of reducing its membership. The Senate has undone past attempts to cut that chamber's seats, and if a similar effort to undo a change to the Senate should be successful during the next few months, that would renew the potential for the reduction of only the House to be a ballot question on the November General Election ballot. The arguments for and against the legislation haven't changed: proponents argue it'll save money and make the Legislature operate more efficiently; opponents (and there were an awful lot who railed against the bill between Monday's and Tuesday's session days) say there won't be any savings from the change and the power of interest groups and lobbyists will be magnified with fewer members to lobby. One thing is certain - it'll continue to be an issue for all legislators to use on the campaign trail.

*Source: Capitolwire: Under the Dome*

### School safety hearing on Thursday in the House

The state House of Representatives' Education Committee will hold a public hearing on Thursday regarding school security issues, including a Senate-passed bill – [SB 383](#) - that would allow school personnel the ability to carry firearms on school property. According to a press release issued by the committee, it could be

a very long hearing (good thing it starts at 9 a.m.) as it features four separate panels of testifiers focused on the topics of the current landscape of school safety, the views of Pennsylvania education organizations, the national approaches to school safety, and recommendations to improve school safety. The hearing will be held in the House Majority Caucus Room (Room 140) of the Main Capitol Building.

*Source: Capitolwire: Under the Dome*

### **House Appropriations Chair Saylor calls Wolf's state police tax proposal DOA**

A top House lawmaker delivered a blunt verdict regarding the prospects for Gov. Tom Wolf's proposal to tax people living in municipalities relying solely on the state police for their police coverage. Appropriations Majority Chairman Stan Saylor, R-York, said he told the governor the proposal for a \$25 per capita fee was dead on arrival. The fee proposal was a recurring topic during the Pennsylvania State Police budget hearing before the House Appropriations Committee. It's difficult to get support for a proposal that would levy the \$25 per capita fee on a small municipality with 1,000 residents or less, said Saylor. He suggested that his legislation to impose the fee on municipalities with populations above 10,000 could get more traction with lawmakers.

The state police provide full-time or part-time police protection to 67 percent of Pennsylvania's 2,560 municipalities. The governor's fee proposal would generate \$63 million annually, with the funding earmarked in Wolf's proposed 2018-19 budget to pay for four new state police cadet classes. The \$25 fee represents about 10 percent of the \$240 per capita cost for providing law enforcement services in these municipalities, said State Police Commissioner Col. Tyree Blocker. The agency indicated the \$240 cost was likely a low estimate, based only on maintaining troopers and a station, but not the provision of other services. Appropriations Minority Chairman Joseph Markosek, D-Allegheny, said having the fee would reduce the amount of funding that State Police draw from the separate Motor License Fund.

Rep. Fred Keller, R-Union, suggested if municipalities pay the fee, they'll expect to receive more police services. All Pennsylvanians currently pay taxes to support State Police operation. Keller said it would be more equitable to base a fee on the average cost of State Police services to a given municipality during a period of three years to five years. He said some municipalities have lower crime rates than others. The debate regarding a proposed State Police per capita tax is not a new one, as lawmakers, and a few governors, have tried to come up with ways to wean the policing agency off of using Motor License Fund dollars for its operations.

*Source: Capitolwire: "House Appropriations Chair Saylor calls Wolf's state police tax proposal DOA" by Robert Swift*

### **Gov. Wolf announces government reform plan as GOP suggests his proposals are 'at best insincere.'**

During the early stages of this 2018 gubernatorial campaign, Gov. Tom Wolf has portrayed himself as a reformer. On Monday, he announced some not-so-new ideas, touted as government reform, that have yet to win approval in the General Assembly. Wolf said during his announcement in Pittsburgh. "This proposal enforces strict standards for how Harrisburg operates and it will rebuild trust in government. My plan will make sure that our citizens are the ones calling the shots - not entrenched special interests."

Dubbed the "Citizens First Ethics Reform Plan," Wolf wants to see a gift ban for all public officials; pay suspended for legislators and their top staff, as well as the governor and top executive branch officials, when a state budget isn't completed on time; new limits on campaign contributions, as well as new reporting standards for those contributions; disclosure of campaign contributions made by parties seeking state contracts, expanding on existing "pay to play" provisions in law; disclosure by public officials of outside income, including their sources, type of work, and amount of outside income received; and requiring itemized receipts be submitted by all those serving in government if they are seeking reimbursement for incurred expenses. Wolf has already implements a total gift ban for all members of his administration, and he wants that to be made permanent in state law as well

as expanded to all state elected officials. The governor's administration also employs the itemized receipt proposal which Wolf would like to see expanded to cover all those in state government.

Many of the governor's ideas have been legislative proposals throughout the years in the General Assembly, including this session. Wolf spokesman J.J. Abbott said examples of some of the bills the administration supports are [House Bill 949](#) and Senate Bills [732](#) and [734](#). HB949 would require legislators to divulge sources and amounts of outside income, while SB732 deals with the itemized receipt for reimbursements and SB734 would accomplish the total gift ban. None of the bills have received committee consideration as yet.

The governor's announcement comes a few days after [a Philly.com story](#) identified one of Wolf's largest contributors – the Fairness PA political action committee – as getting a large share of its money from doctors and lawyers who own pharmacies that are fighting legislative efforts that could end a controversial practice of pharmacies billing insurers for unproven pain creams, some of which can cost \$4,000 or more per tube. Legislative Republicans have been trying [to advance Senate bill 936](#) that would require the use of an evidence-based drug formulary by the state's Workers' Compensation program; similar formularies have been used for decades by both private health insurance companies and government programs, like Medicare and Medicaid. The legislation won party-line approval from the state Senate, but failed to win House approval on Feb. 8 with a 98-98 vote; a reconsideration motion was submitted following the House vote, so the measure could come up for a future vote if Republicans believe they have the votes to approve the bill.

The bill would also require standards for UROs (Utilization Review Organizations) and PROs (Peer Review Organizations) to ensure those entities meet the same certification requirements as the organizations that conduct utilization review for other types of health insurance. Bill proponents claim that will provide consistency to the utilization review and adjudication processes with regard to utilization issues, such as prescription drug abuse. Opponents, including Wolf, say the bill goes too far. [Labor union groups](#) and the [state's trial lawyers organization](#) argue it isn't limited to simply opioid medications and would limit injured workers' right to healthcare and treatment.

*Source: Capitolwire: "Gov. Wolf announces government reform plan as GOP suggests his proposals are 'at best insincere.'"*

### **House panel approves student debt disclosure bill**

A bill requiring colleges and universities to regularly inform students about their personal education loan debt was unanimously approved Monday by the House Commerce Committee. [House Bill 2124](#) sponsored by Rep. Chris Quinn, R-Delaware, would apply the annual reporting requirement to loans disbursed through the specific school the student is attending. The schools could send the report by mail or electronic communications. Quinn called his bill a "consumer protection" measure designed to help students and their families understand their education debt and what lies ahead repaying it. "This bill is about protecting our students and their families from incurring more debt than they can afford," he told committee members. Quinn said some schools have apprehensions about the bill, yet the University of Pittsburgh is implementing a similar policy for its students. The disclosure would include estimates of the total education loans taken out by a student, monthly repayment amounts, the potential payoff amount and the percentage of the borrowing limit a student has reached. The panel defeated a motion by Rep. Michael Driscoll, D-Philadelphia, the minority chairman of the Commerce Committee, to refer the bill to the Education Committee where a similar disclosure bill sits. Commerce Chairman Brian Ellis, R-Butler, said his panel has jurisdiction over financing and lending bills.

*Source: Capitolwire: Under the Dome*

### **House Appropriations reports out 2018-19 state budget bill vehicle**

Lawmakers take the next incremental step in the annual state budget-making process. With the state budget hearings behind them, legislators on Monday advanced out of the House Appropriations Committee a bill that is intended to serve as the vehicle for the 2018-19 state budget (the General Appropriation Bill). Right now it's only place-holder legislation – it's the 2017-18 state budget (because right now, that's technically the only thing for which the state has enough revenue to pay), and it will be positioned for potential amendment, starting the

clock for House members to prepare amendments to the budget bill. After this week, the House will next be in voting session the week of April 9.

*Source: Capitolwire: Under the Dome*

### **PA's unemployment rate remains far behind national rate as fewer people employed in January**

As the political talk of an improving Pennsylvania economy continues in this early part of the 2018 election season, it continues to be a mixed bag of employment news for state residents. With Pennsylvania's unemployment rate holding at 4.8 percent (still lagging well behind the national rate of 4.1 percent) for January, the state Department of Labor and Industry on Friday [reported](#) 5,000 fewer people were employed in January compared to December 2017; compared to a year ago, there are 4,000 fewer Pennsylvania residents employed. The state's unemployed population – which is down by 23,000 compared to a year ago - didn't increase in January from December, with many of those who dropped from the rolls of the employed apparently dropping out of the state's workforce entirely. Throughout 2017 the state's civilian labor force – those working or looking for work - has shrunk a bit, with the January 2018 workforce figure 26,000 (or 0.4 percent) less than the January 2017 total. Some of that seems to be due to people exhausting their unemployment, while a portion of it could also be due to expected baby-boomer retirements. It was a similar story regarding job creation from December to January, with 6,300 fewer nonfarm jobs reported by Pennsylvania's employers. Of the total decline, 4,200 dropped from the goods-producing sectors, with the other 2,100 being lost by the service-providing sectors. However, most of the losses came from only two sectors: the Education and Health Services (-4,600) and Construction (-4,300) sectors. One thousand jobs each were also lost by the Professional and Business Services and Other Services sectors. The largest gains month-over-month came from the Leisure and Hospitality (+2,800) and Trade, Transportation and Utilities (+1,800) sectors. While there was a month-over-month decline, the year-over-year change was positive: 64,200 more jobs than January 2017, or an increase of 1.1 percent.

*Source: Capitolwire: Under the Dome*

### **Bill to reduce the size of the General Assembly could get a final vote in the House Monday**

Not that it's as much of an issue now, but [House Bill 153](#) that seeks to reduce the size of the General Assembly was on the state House of Representatives' voting schedule Monday. The reduced importance comes from the fact that the bill was amended to include reductions in elected membership for both the House and the Senate. The pre-amendment version of the bill dealt only with the House – altering the Pennsylvania Constitution to reduce the number of the chamber's members from 201 to 151 – and could have gone to the voters as a ballot question referendum this year had the legislation won approval from the House and Senate in its original form. The changes made to the bill effectively reset the clock on the constitutional amendment process, which requires legislation seeking to amend the constitution to be approved during two consecutive sessions of the General Assembly before its put on the ballot for the state's voters to consider.

*Source: Capitolwire: Under the Dome*

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## **LEGISLATION**

- [HB 2133: Act re Kinship Caregiver Navigator Program](#)
- [HB 2134: Act re US produced or manufactured cement](#)
- [HB 2135: Amends Prof. Nursing Law re examinations](#)
- [HB 2136: Amends Vital Statistics Law re cert. fees](#)
- [HB 2137: Amends PA Election Code re polling places](#)
- [HB 2077: Act re general fund expenses](#)
- [HB 2078: Act re Bureau of Professional & Occupational](#)
- [HB 2079: Act re Workers' Compensation appropriations](#)
- [HB 2080: Act re Small Business Advocate appropriation](#)
- [HB 2081: Act re Consumer Advocate appropriation](#)

- [HB 2082: Act re PSERS appropriation](#)
- [HB 2083: Act re SERS appropriation](#)
- [HB 2085: Act re PUC approps for pipelines, motor safety](#)
- [HB 2086: Act re PSP, PGCB, OAG, DOR appropriations](#)
- [HB 2087: Supplement re agricultural colleges](#)
- [HB 2088: Supplement re University of Pittsburgh](#)
- [HB 2089: Supplement re Temple University](#)
- [HB 2090: Supplement re Lincoln University](#)

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