

HARRISBURG OVERVIEW:

The Pennsylvania General Assembly has less than two months remaining in the current 2021-22 legislative cycle. All introduced bills have until the end of November (3 session days) to get through the legislative process and onto the Governor's desk. If a bill does not make it across the finish line, it's effectively dead and will have to be reintroduced in the following session.

BUDGET

A week past the June 30th constitutional deadline, the House and Senate passed the 2022-23 budget package and shortly after, the Governor signed his eighth and final budget into law.

It is a \$45.2 billion plan and a nearly 3% increase in spending from last year's budget. Once again, we are pleased to report that there are *no* increases in the state's personal income or sales tax rates. While the plan relies on \$2.2 billion in federal COVID dollars, Republicans put another \$2.1 billion into the state's Rainy-Day Fund, bringing the total balance up to \$5 billion. Should the need arise, this level of funding would cover the state's general fund expenses for approximately 43 days.

Some expenditures of note:

- \$375 million to assist low-income homeowners and landlords with home projects;
- \$250 million in onetime payments for long-term care facilities;
- \$260 million in grants for law enforcement agencies to upgrade technology and prosecute gun violence; and
- \$100 million for the new Behavioral Health Commission for Adult Mental Health (This is in response to the uptick in gun related violence).

ELECTIONS

Governor Tom Wolf is completing his second term this year. On November 8th, Pennsylvanians will be voting for the new Governor of the Commonwealth.

On the Democratic side, Pennsylvania Attorney General Josh Shapiro is the official nominee. On the Republican side, Senator Doug Mastriano (R-Franklin) prevailed from a crowded primary race and became the official nominee.

While we won't attempt to predict the outcome of any election or endorse any candidate, we often look towards polling and campaign funding to get a sense of voter preferences. According to a recent poll by Real Clear Politics, voter preferences regarding the gubernatorial candidates seems to demonstrate a widening gap. Josh Shapiro is leading at 49.3%; Mastriano is holding steady at 41%. Another poll by the Trafalgar Group also indicates about a 10% lead by Shapiro.

As far as campaign funding goes, as of September, Shapiro had generated over \$25 million. Mastriano was reporting around \$5million.

In addition to the gubernatorial race, all House district seats are up for election as well as half of the Senate districts (even numbered districts). Republicans currently hold the majority in both the House (113-89) and Senate (29-21).

Over 30 House members and 5 Senators will not be seeking reelection in November. And there is one retirement of particular interest to the fairs. After nearly two decades of service, House Tourism & Recreational Development Committee Chairman David Millard (R-Columbia) has announced that he will be retiring. We will keep you updated on the selection of the new Chair. When a new Chair is selected, we can introduce you to them (either virtually or in-person) and make sure they are familiar with you and any potential legislative concerns you may have.

Regardless of the outcome of any race, we are prepared to work with the newly elected officials and will make sure the fairs continue to have a voice in the Capitol.

BUDGET LINE ITEM

The county fairs line item was fully funded in the 2022-23 budget at \$4,000,000.

In addition, it should be noted that **the budget provided an additional \$32 million to combat the avian flu including:**

- \$1 million for additional staffing at the Department of Agriculture;
- \$25 million for indemnity payments to impacted farms; and
- \$6 million for increased laboratory surveillance activities.

LEGISLATION

Broadband Legislation

Broadband access has continued to be a top priority issue for a couple legislators this session and several legislators introduced bills to address expansion throughout rural areas of the state.

Of note, Representative Marty Causer (R-McKean) sponsored [HB 2071](#). This bill amends Title 64 (Public Authorities and Quasi-Public Corporations) to create a Pennsylvania Broadband Development Authority, which would help create a state plan for addressing broadband expansion issues across the Commonwealth. The bill passed the House and Senate with unanimous votes and was signed into law as Act 96 of 2022.

Meanwhile, the federal Infrastructure Investment and Jobs Act of 2021 provided each state with at least \$100 million for broadband expansion. So now the Pennsylvania Broadband Development Authority can utilize these funds in their state plan.

Fireworks Legislation

Representative Frank Farry (R-Bucks) successfully advocated for the passage of [HB 2157](#). The bill makes several changes to the Fireworks Law of 2017 including:

- Requires municipal permits to use *display* fireworks and allows for reasonable municipal fees;
- Requires a 300-foot setback when using *display* fireworks;
- Limits purchase, possession and usage of *consumer* fireworks to individuals 18 years and older;
- Allows for municipalities to require permits and reasonable fees for the use of *consumer* fireworks;
- Requires 150-foot use setback from all buildings and vehicles when using *consumer* fireworks;
- Maintains the current tax rate at 12%, however clarification is added to state that the purchase price shall not include state and local sales taxes,
- Allows for municipalities to prohibit consumer fireworks between 10:00pm and 10:00am, except on July 2nd, 3rd, and 4th and December 31st on which days use can be until 1:00 a.m. the following day. If July 4 falls midweek, use may occur until 1:00 a.m. on the immediately preceding and following Friday and Saturday;
- Increases penalties for violations of this law.

The bill passed the House and Senate and was signed into law as Act 74 of 2022 on July 11th, 2022. It took effect on September 9th, 2022.

Tourism Bills

One bill of interest is Representative Josh Kail's [HB 1484](#). It would allow county tourism promotion agencies to direct a portion of hotel tax revenues to municipal emergency service providers and police.

HB 1484 was introduced and referred to the House Tourism and Recreational Development Committee in May. However, several tourism agencies have noted their opposition to the bill.

At this point in the session, we are not aware of any upcoming voting meetings in the House or Senate Tourism Committees. We will keep you updated on any changes.