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HOUSE DEMOCRATIC POLICY COMMITTEE

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House of Representatives
COMMONWEALTH OF PENNSYLVANIA

HOUSE DEMOCRATIC POLICY COMMITTEE HEARING

Topic: House Bill 2760

G-50 Irvis Office Building – Harrisburg, PA

August 31, 2020

AGENDA

- 2:00 p.m. Welcome and Opening Remarks
- 2:10 p.m. Panel One:
- Eric Wolfgang
President
Pennsylvania School Boards Association
 - Dr. John George
Executive Director-Elect
Pennsylvania Association of Intermediate Units
 - Dr. Kevin Singer
Executive Director
Central Susquehanna Intermediate Unit
- 2:40 p.m. *Questions & Answers*
- 3:00 p.m. Panel Two:
- Melanie Walter
Director of Division of Local Government Services
New Jersey Department of Community Affairs
 - Gary Myers
Executive Director
Capital Region Council of Governments
 - Dr. Peter Newman
Professor of Sustainability at Curtin University
Lead Author for Transport on the IPCC
- 3:30 p.m. *Questions & Answers*
- 3:50 p.m. Closing Remarks

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House Co-Sponsorship Memoranda

House of Representatives Session of 2019 - 2020 Regular Session

MEMORANDUM

Posted: June 11, 2020 03:35 PM
From: [Representative Joe Ciresi](#)
To: All House members
Subject: Establishing a Shared Services Grant for School Districts and Municipalities

With strained budgets, local governments and school districts throughout our state are looking for ways to provide needed amenities without raising taxes. Sharing services with neighboring communities can offer a solution by saving money (and reducing property taxes) eliminating layers of bureaucracy, improving access, and fostering long-term sustainability – while maintaining local representation and community identity. Fortunately, we have it in our power as the state legislature to help municipalities and school districts in these efforts.

This is why I am introducing a bill establishing a new shared services grant program for counties, cities, boroughs, towns, townships, and school districts. The Department of Community and Economic Development will administer this program with funding appropriated by the state legislature and will award grant money for shared services such as regionalization, consolidation, shared capacity, boundary change, and personnel sharing.

This approach has been highlighted by the Joint State Government Commission as a way to encourage sharing resources and reducing costs, allowing local governments to benefit from economies of scale. Through this program, we would empower local governments to work together by providing state support to locally-driven cooperation initiatives, making sure more money is spent on providing services and less on administration.

Join me in supporting this legislation to help enhance the capabilities of local governments and school districts throughout our state while increasing efficiency.



Introduced as [HB2760](#)

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2760 Session of
2020

INTRODUCED BY CIRESI, GALLOWAY, WEBSTER, KINSEY, ROZZI, FREEMAN,
MCNEILL, PASHINSKI, SCHWEYER, HILL-EVANS, SANCHEZ, LEE,
KOSIEROWSKI, MADDEN, JONES, WILLIAMS, DONATUCCI, DAVIDSON,
MERSKI, THOMAS, KENYATTA, WHEATLEY, DALEY AND DELLOSO,
AUGUST 13, 2020

REFERRED TO COMMITTEE ON COMMERCE, AUGUST 13, 2020

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, providing for the Shared Services
3 Grant Program; and making an appropriation.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 53 of the Pennsylvania Consolidated
7 Statutes is amended by adding a chapter to read:

8 CHAPTER 62

9 SHARED SERVICES GRANT PROGRAM

10 Sec.

11 6201. Short title.

12 6202. Definitions.

13 6203. Grant program.

14 6204. Notice.

15 6205. Appropriation.

16 6206. Report.

17 6207. Regulations.

1 § 6201. Short title.

2 This chapter shall be known and may be cited as the Shared
3 Services Grant Program Act.

4 § 6202. Definitions.

5 The following words and phrases when used in this chapter
6 shall have the meanings given to them in this section unless the
7 context clearly indicates otherwise:

8 "Department." The Department of Community and Economic
9 Development of the Commonwealth.

10 "Local government." A county, city, borough, incorporated
11 town, township or school district.

12 "Program." The Shared Services Grant Program established
13 under section 6203 (relating to grant program).

14 § 6203. Grant program.

15 The Shared Services Grant Program is established and shall be
16 administered by the department. Grants provided under the
17 program shall be used to improve and enhance the capabilities of
18 local governments through shared services activities such as
19 regionalization, consolidation, shared capacity, boundary change
20 or personnel sharing.

21 § 6204. Notice.

22 By March 1, 2021, and each March 1 thereafter, the department
23 shall provide information regarding the availability and award
24 of program grant money on the publicly accessible Internet
25 website of the department and transmit notice to the Legislative
26 Reference Bureau for publication in the Pennsylvania Bulletin.

27 § 6205. Appropriation.

28 The General Assembly shall appropriate money as it deems
29 necessary to pay the costs for the implementation and
30 administration of this chapter.

1 § 6206. Report.

2 By March 1, 2021, and each March 1 thereafter, the department
3 shall prepare and submit a report to the General Assembly on the
4 amount, purpose and recipients of program grant money awarded in
5 the prior calendar year.

6 § 6207. Regulations.

7 The department shall promulgate rules and regulations as it
8 deems necessary to effectuate the provisions of this chapter.

9 Section 2. This act shall take effect in 365 days.



**TESTIMONY OF THE
PENNSYLVANIA SCHOOL BOARDS ASSOCIATION
BEFORE THE HOUSE DEMOCRATIC POLICY COMMITTEE
ON
COST SAVINGS THROUGH IMPROVED EFFICIENCY**

Eric Wolfgang

President, PSBA

Introduction

Good morning Chairmen Sturla, Representative Ciresi, and other distinguished attendees. Thank you for inviting the Pennsylvania School Boards Association (PSBA) to present testimony today regarding achieving school district and local government cost savings through improved efficiency. My name is Eric Wolfgang, and I serve as the President of PSBA. I also have twenty years of experience as a former school board member and school board president at the Central York School District.

First, I would like to express my gratitude for holding a hearing on these important matters. In a normal year, issues of cost savings and opportunities for increased efficiency in public schools are important topics that PSBA and cash-strapped school districts across the state are happy to see highlighted and advanced in the General Assembly, but this is especially true now as public schools struggle under the impacts of COVID-19.

As school boards, administrators, teachers and staff have been preparing for the start of the 2020-2021 school year, and the eventual reopening of public school buildings, they are being confronted with a set of unparalleled challenges in terms of educational, operational, and health and safety planning. This pandemic has turned the already complex job of providing public education for all children in the Commonwealth into an extraordinarily difficult task requiring

complicated planning and preparation with few explicit answers, many health risks, and looming financial disasters for many school district due to significantly increased costs and unprecedented revenue losses. In fact, traditional public schools across the state are expecting revenue shortfalls as much as \$1 billion this fiscal year while also seeing a sharp increase in costs related to the pandemic.

Public school leaders are grateful for, and applaud, the Legislature's action to level fund most education line items in the five-month state budget, as well as the additional health and safety grant funding which was augmented with federal dollars. However, the unfortunate truth is that such assistance will not outweigh the revenue losses and increased costs which traditional public schools are facing. Understanding that the state is also experiencing billions in lost revenue and will be unable to provide additional appropriations, PSBA believes the best way for the state to assist public schools in the current environment is to provide more flexibility and opportunities for cost savings which will not only be of assistance in the current crisis, but will continue to have positive impacts for years to come.

Shared Services Grant Program

As a part of the invitation PSBA received to participate as a testifier today our Association was asked to review a couple of legislative initiatives of interest to this Committee which are meant to provide savings and promote efficiencies in school districts and local governments. The first initiative is Representative Ciresi's House Bill 2760, which establishes the Shared Services Grant Program within the Department of Community and Economic Development (DCED). The grant program in House Bill 2760 would award grants for improving and enhancing the capabilities of school districts and local governments through shared service activities. The activities included under the program include, but not be limited to, regionalization, consolidation, shared capacity, boundary change, and personnel sharing.

After reviewing the legislation PSBA is happy to take a position of support for House Bill 2760. As you may know, for many years cash-strapped school districts have looked for ways to share costs and services in areas such as transportation, athletics, special education services like speech language therapy and other support services, general academic programing, and administrative functions. However, such shared services, or even full consideration of complete consolidation or merger of school districts, may necessitate up-front investments that could be difficult for school districts to afford, so a grant program like this could make a real difference in school district decision making. Additionally, by keeping the grant program broad and flexible this bill would maximize the possible uses of grant money and incentivize school districts to find creative ways to bolster their efforts to operate more efficiently and save taxpayer dollars. Such grants could also allow school districts to take a realistic look at consolidation or merger with another school districts, a process which requires significant early investments in feasibility studies.

At this time, PSBA has two recommendations to offer for House Bill 2760. The first recommendation is that the grant program be adequately funded due to the fact that it must service all school districts and local governments in Pennsylvania, and thus may be stretched thin by a flood of grant applications. PSBA also recommends that DCED be required to consult with stakeholders as it designs the program and associated rules and regulations due to the broadness of the program.

Transportation Flexibility

The second initiative PSBA was asked to look at is a piece of proposed legislation being co-authored by Representative Thomas and Representative Ciresi which, according to the co-sponsorship memo, would provide that school districts may offer a transportation opt-out policy for families in order to permit school districts to more efficiently transport students without saving numerous empty seats on busses for students that use other means to travel to and from school. The proposed legislation would also include a process for parents to opt back in to school district provided transportation, allow for transportation for students in an emergency, and require busses to save a small percentage of empty seats in the case of a student facing an unexpected issue.

Unfortunately, the language for this legislation has yet to be introduced, so PSBA is unable to provide detailed feedback on the proposal at this time, but we would be happy to review the language once it is made available. However, on the general concept PSBA can say that, while the proposal could be effective in providing efficiencies and cost savings by reducing unused seats on busses, we are unsure how such a proposal would interact with the complex state transportation reimbursement formula, and this interaction should be investigated to ensure that school districts would not lose out on reimbursements by using the flexibility in the proposed legislation. Additionally, legislators should be aware that the possibility of numerous students opting back into school district provided transportation mid-year could cause significant logistical transportation problems for school districts such as the re-routing of vehicles and changing student transportation assignments during the school year.

Permanent Mandate Waiver Program

As the legislature looks for ways to help public schools reduce costs and increase efficiencies, one specific solution that PSBA's members are asking for is broad, permanent relief from mandates that consume much of their budgets and stifle innovation.

School districts are required to comply with hundreds of individual mandates imposed by state law and regulations. Considered separately, many mandates can be defended as implementing important policy objectives or as necessary to enhance the quality of education, health, safety, accountability, and transparency. However, the combined effect of mandates can become a costly and time-consuming burden, allow little to no flexibility for innovation, and may require

compliance with antiquated and unnecessary processes and measures that make it difficult to operate a system of education that is truly thorough, efficient, and logical.

Public school leaders fully supported including the temporary mandate waiver program as part of the emergency pandemic legislation in Act 13 of 2020 which received unanimous support in the Legislature. However, the waiver provisions in Act 13 were only available for April, May, and June of 2020, which is the same time during which school districts had their hands full dealing with the educational, operational, and financial impacts of COVID-19. Public school leaders need a permanent solution that will continue in future years. Therefore, PSBA and our members have been advocating for the Legislature to permanently reinstate a mandate waiver program like the highly popular and successful one which operated in Pennsylvania from 2000 to 2010.

To accomplish this goal, PSBA has worked with Senator Langerholc to develop legislation that will soon be introduced as Senate Bill 1286 which would re-establish a permanent mandate waiver program. PSBA urges the Legislature to work quickly to pass legislation to address this issue.

Advertising/Public Notice Reform

Another helpful solution which would provide the cost savings and efficiencies that our members are asking for is to address the antiquated law which only allows advertising/public notice requirements to be fulfilled by publishing in printed newspapers. A popular solution would be to provide local governments, including school districts, with a flexible menu of print and online options to use in complying with advertising/public notice requirements. Such a solution would not only modernize our advertising requirements, but also provide much needed savings to local governments and school districts who are seeing sharp declines in future revenues due to the economic disruptions caused by COVID-19.

In recent years, newspapers have been sharply reducing or eliminating regular publishing and increasing advertising costs due to decreased demand for print. As a result, local governments are finding it difficult and expensive to comply with the antiquated advertising requirements in current law. PSBA and its members fully support the goal of this requirement – keeping the public informed and ensuring transparency. However, this mandate is expensive and inefficient and was created before the Internet changed the ways that people receive information. Providing flexibility to meet advertising requirements would not only improve efficiency, increase readership, and reduce costs but also increase transparency by making notices searchable and available to a broader readership online. During the pandemic, public schools have used primarily electronic means of communicating with their communities with great success.

To accomplish the goal of providing a flexible menu of advertising/public notice options to school districts and local governments PSBA has worked with Representative Ortity to introduce House Bill 2743 and Senator DiSanto to introduce SB 1222. Both of these companion

bills are being supported by PSBA and numerous local government groups. PSBA urges the Legislature to move quickly to pass advertising/public notice reform which allows local governments to be more responsible with taxpayer dollars and reach broader audiences in a manner that fits the current times.

Conclusion

Public schools are creative and when given the opportunity will utilize cost saving measures that benefit our students and taxpayers. Creating opportunities for cost savings and increased efficiencies in public schools is vital especially as they struggle during a pandemic to ensure that Pennsylvania students are provided with a world class education despite the significant financial and logistical barriers that school districts face. Conversations like the one we are engaged in today are important in advancing much needed new legislative policy initiatives and reforms which will provide financial relief to public schools. PSBA would like to offer our support and assistance in continuing these efforts.

On behalf of PSBA, I want to thank you for your attention to, and support for, our public schools, and for this opportunity to provide input. I will be happy to take any questions.

House Democratic Policy Committee Hearing

Monday, August 31, 2020

Richard P. Vilello, Jr., Deputy Secretary
Community Affairs and Development
Department of Community and Economic Development (DCED)

Good afternoon Chairman Sturla and other distinguished members of the House Democratic Policy Committee. Thank you for the invitation to provide insight into local government efficiency, shared services, and cooperation. Unfortunately, I am unable to attend today's discussion in person, so I appreciate you allowing my submission of written testimony on the topic.

The Department of Community and Economic Development's mission is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across our commonwealth. We accomplish this mission in a variety of ways, and encourage our partners (local governments, community organizations, as well as state and federal agencies) to improve their operations to benefit all Pennsylvanians. Shared services between local governments, emergency services, etc. can provide many benefits and are an important aspect to communities. Some benefits to shared services include:

- Cost reduction
- Consistency in delivery
- New service where none previously existed
- Elimination of duplicate services

As Deputy Secretary of Community Affairs and Development at DCED, I oversee a variety of programs and services to support Pennsylvania's municipalities, including the Governor's Center for Local Government Services. The mission of the Center is to provide a full range of vital programs, training, and services to resolve problems at the local level.

One of our most successful programs is the Municipal Assistance Program (MAP). The Center offers this program to provide funding to assist local governments to plan for and efficiently implement a variety of services and improvements, and soundly manage development with an emphasis on intergovernmental approaches.

Through MAP, municipalities and counties may apply for grant funding to cover up to 50 percent of eligible costs related to:

- **Community Planning:** Planning activities to support community and economic development, including, but not limited to, the development of:
 - Comprehensive community plans
 - Land use ordinances
 - Transit Revitalization Investment District (TRID) studies
- **Floodplain Management:** Reimbursement of costs related to the preparation, administration, and enforcement of floodplain regulations pursuant to the PA Floodplain Management Act and the National Flood Insurance Program.

- Shared Services: Intergovernmental cooperation initiatives including, but not limited to:
 - regional police and fire services
 - shared personnel agreements
 - boundary change studies

Examples of Successful MAP Projects:

Scranton and Abingtons Planning Association Regional Plan Implementation Zoning Ordinances Update – Lackawanna County – MAP Funding \$80,000 – Planning

Nearly 20 years of regional cooperation and planning are coming to fruition between Lackawanna County, DCED, and the municipalities of Waverly Township, Clarks Green Borough, Clarks Summit Borough, Dalton Borough, Dunmore Borough, Newton Township, Scranton City, South Abington Township, and West Abington Township through the Scranton and Abingtons Planning Association (SAPA) zoning ordinances update. After beginning work on the comprehensive plan in the early 2000s, adoption was completed in 2014. In 2017, SAPA applied to DCED for \$80,000 in implementation funding through MAP.

The SAPA group is utilizing the multi-municipal planning provisions in the Municipal Planning Code to create a zoning ordinance that allows municipalities to share land uses amongst the regional entity while maintaining independent administration through their zoning enforcement and zoning hearing board. The ordinance is unique in that it is not only a cost-effective regional update to zoning ordinances with a shared land use provision, but it is also one of the largest multi-municipal land use agreements in the state covering nine municipalities that range from urban Scranton to rural West Abington. Due to setbacks caused by the COVID-19 pandemic, the project is likely to be completed in Spring 2021.

Southern Alleghenies Planning & Development Commission Alleghenies Ahead Comprehensive Plan - Bedford, Blair, Cambria, Fulton, Huntingdon and Somerset Counties – MAP Funding \$164,000 – Planning

Southern Alleghenies Planning & Development Commission was awarded a MAP grant of \$164,000 to undertake a joint county comprehensive plan, called Alleghenies Ahead, involving the counties of Bedford, Blair, Cambria, Fulton, Huntingdon and Somerset.

Alleghenies Ahead was a collaborative effort to develop and implement strategies that will increase the region’s chances to create jobs, grow the region’s population, increase the region’s capacity to compete for households who have choices, and become a region of stronger and more vital communities. This plan was guided by the principle to “plan regionally and implement locally.” Alleghenies Ahead is Pennsylvania’s largest comprehensive planning and implementation effort to pave the way for collaboration and joint action in a region where many opportunities and challenges are shared. Alleghenies Ahead was finalized and adapted by all six counties of the Southern Alleghenies region in June and July 2018. The plan was recognized with an award from the PA Chapter of the American Planning Association in 2018.

Allentown Vision 2030 Comprehensive Plan – Lehigh County – MAP Funding \$ 67,389 – Planning

Allentown Vision 2030 is the 10-year Comprehensive and Economic Development Plan for inclusive and equitable growth. The plan addresses the topics of housing, workforce development, economic opportunity, social equity, environment and conservation, community development, transportation,

land use, historic preservation, open space, and a range of other areas that affect the quality of life and vibrancy of the city of Allentown.

The development of the Allentown Vision 2030 plan was an inclusive process that engaged thousands of community members through community collaboration meetings, a citywide survey, neighborhood events, and the Vision 2030 Community Engagement Hub. The Allentown Vision 2030 plan goals, recommendations and actions are based on input and ideas from across the Allentown community. On December 17, 2019, the plan was unanimously adopted by Allentown City Council.

Hanover Area Fire and Rescue Commission – York County – MAP Funding \$52,000 – Shared Services

The Hanover Area Fire and Rescue Commission will be the product of the unification of the legacy municipal and volunteer fire and EMS agencies serving Hanover Borough and Penn Township, York County into a regional fire rescue and EMS organization. The organization will be one of the first in Pennsylvania that will incorporate fire rescue, ambulance and emergency management services into one unified system that will plan, manage, and respond to incidents in an all-hazards approach. MAP will help pay professional legal costs and rebranding of vehicles, apparatus, and uniforms. Total project cost is \$117,174. (DCED prior awarded \$35,000 from MAP FY 2016-17 to help pay first year costs of the joint chief position.)

At the inception of the regionalization project, there were nine different entities providing services. The merger and regionalization of these services will result in the reduction of the number of entities to the three. Those entities include the Fire and Rescue Commission, a merged volunteer firefighting and ambulance division and a merged Volunteer Firefighter's Relief Association serving one core community and three municipalities in York County.

City of Bethlehem Blight Remediation Plan - Northampton County – \$25,000 – Planning

The City of Bethlehem is undertaking a blight remediation plan as its next step in a multi-phase process to address blight in the city. The plan will include a market value analysis of neighborhoods, evaluation of city policies, procedures, and ordinances, and recommendations for legal tools the city can strategically use to remediate blight, such as enhanced code enforcement, blight certification, property disposition, and property reuse and redevelopment. DCED awarded a Keystone Communities grant of \$25,000 for the plan. The total project cost is \$100,000.

Braddock Borough Fire Department Merger - Allegheny County - \$55,390.61 – Shared Services

MAP funds will assist that merger of two volunteer fire departments serving Braddock and Rankin boroughs. Both boroughs are Act 47 municipalities. The merger will achieve economies of scale and cost savings to serve the needs of both municipalities. MAP funds will help pay for costs of professional legal services associated with the merger and for costs of vehicle and uniform rebranding. The total project cost is \$93,000.

More details, including the guidelines for applying, are available at www.dced.pa.gov/MAP. The guidelines are attached here for your reference.

Thank you for the opportunity to provide an overview of the importance of sharing services, government efficiency and cooperation as well as the efforts undertaken by DCED to facilitate this at a local level.