

COMMUNITY AND ECONOMIC DEVELOPMENT ENHANCEMENT ACT

Act of Jun. 27, 1996, P.L. 403, No. 58

Cl. 14

AN ACT

To enhance community and economic development in this Commonwealth by restructuring certain administrative functions and entities; changing the name of the Department of Commerce to the Department of Community and Economic Development; transferring functions of the Department of Community Affairs into the Department of Community and Economic Development and other agencies; providing for a Deputy Secretary for Community Affairs and Development in the Department of Community and Economic Development; establishing the Center for Local Government Services and the Local Government Advisory Committee; establishing the Small Business Advocacy Council; conferring powers and duties on the Legislative Reference Bureau; and making repeals.

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

PRELIMINARY PROVISIONS

Section 101. Short title.

This act shall be known and may be cited as the Community and Economic Development Enhancement Act.

Section 102. Declaration of purpose.

It is the purpose of this act to more effectively address the problems of Pennsylvania's communities by recognizing that community development and economic development are inextricably linked, by expanding and providing for the more efficient delivery of local services, by effecting the maximum feasible coordination of community and economic development resources to restore and maintain the vigor of our communities, by advancing the economic well-being of communities through the maximization of community and economic development resources, by promoting housing and community revitalization in conjunction with economic development activities, by providing greater opportunity for local jurisdictions to be fully represented in State government and by providing a one-stop agency to carry out the community and economic development programs which are of vital importance to all areas of this Commonwealth.

Section 103. Definitions.

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

"Administrative entities," "entity" or "entities." A general reference to one or more departments, divisions, boards, agencies, commissions or organizations involved in the performance of the executive or administrative work of the Commonwealth.

"Center." The Center for Local Government Services.

"Committee." The Local Government Advisory Committee.

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

"Secretary." The Secretary of Community and Economic Development of the Commonwealth.

"Subjects of transfer." Powers, duties, personnel, appropriations, allocations, documents, files, records, contracts, agreements, equipment, materials, orders, rights and obligations utilized or accruing in connection with functions transferred from one entity to another under this act.

Section 104. Name change.

To reflect the enhancement and consolidation of community and economic development functions, the Department of Commerce shall hereafter be known as the Department of Community and Economic Development.

CHAPTER 3 TRANSFER OF FUNCTIONS

Section 301. To Department of Community and Economic Development.

(a) Transfers.--The following functions of the Department of Community Affairs are transferred to the Department of Community and Economic Development:

(1) The provision of technical assistance to political subdivisions with regard to land use and zoning matters conducted pursuant to the act of July 31, 1968 (P.L.805, No.247), known as the Pennsylvania Municipalities Planning Code, and related laws.

(2) The promotion and facilitation of joint initiatives by political subdivisions.

(3) The provision, monitoring and coordination of municipal training designed to meet the comprehensive educational needs of local government.

(4) Administration of the act of July 12, 1972 (P.L.781, No.185), known as the Local Government Unit Debt Act.

(5) The approval required under section 634 and the receipt of reports of amounts of taxes collected under section 2501 of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949.

(6) The HOME program under the act of December 18, 1992 (P.L.1376, No.172), known as the Pennsylvania Affordable Housing Act.

(7) The Community Development Block Grant Program under: The act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921.

The act of October 11, 1984 (P.L.906, No.179), known as the Community Development Block Grant Entitlement Program for Nonurban Counties and Certain Other Municipalities.

(8) Enterprise zones under:

The act of July 2, 1984 (P.L.520, No.105), known as the Business Infrastructure Development Act.

The act of July 9, 1986 (P.L.1216, No.108), known as the Enterprise Zone Municipal Tax Exemption Reimbursement Act.

(9) Housing, community assistance and other functions under:

Section 404.2 of The Insurance Company Law of 1921. Article XVI-B of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code.

The act of May 28, 1937 (P.L.955, No.265), known as the Housing Authorities Law.

The act of May 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment Law.

The act of May 20, 1949 (P.L.1608, No.485), known as the State Planning Code.

The act of May 20, 1949 (P.L.1633, No.493), known as the Housing and Redevelopment Assistance Law.

The act of December 3, 1959 (P.L.1688, No.621), known as the Housing Finance Agency Law.

The act of January 26, 1968 (P.L.48, No.9), entitled "An act authorizing grants by the Commonwealth of Pennsylvania to duly constituted community action agencies providing conditions and making an appropriation."

The act of July 20, 1968 (P.L.456, No.214), known as the Community Development Research and Training Act.

The act of July 31, 1968 (P.L.736, No.232), known as the Manpower Employment Assistance and Training Act.

Article V-A of the Pennsylvania Municipalities Planning Code.

Article XIX-A of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

The Business Infrastructure Development Act.

The act of December 20, 1985 (P.L.483, No.113), known as the Tax-Exempt Bond Allocation Act.

The act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act.

The act of July 9, 1986 (P.L.1223, No.110), known as the Financially Disadvantaged Municipalities Matching Assistance Act.

The act of July 10, 1986 (P.L.1263, No.116), known as the Community Services Act.

The act of July 10, 1987 (P.L.246, No.47), known as the Municipalities Financial Recovery Act.

The act of July 11, 1990 (P.L.421, No.102), known as the Neighborhood Housing Services Act.

The act of December 19, 1990 (P.L.1358, No.210), known as the Local Government Capital Project Loan Fund Act.

The act of June 26, 1992 (P.L.325, No.65), known as the Rural Leadership Training Act.

The act of December 27, 1994 (P.L.1375, No.162), known as the Third Class County Convention Center Authority Act.

Section 305(a) of the act of May 19, 1995 (P.L.4, No.2), known as the Land Recycling and Environmental Remediation Standards Act.

66 Pa.C.S. § 3105 (relating to reports to Department of Community Affairs).

(10) The weatherization functions of the Department of Community Affairs under the act of July 10, 1986 (P.L.1398, No.122), known as the Energy Conservation and Assistance Act.

(11) The Downtown Pennsylvania Program.

(12) State planning assistance grants as the General Assembly may from time to time appropriate.

(13) Building energy conservation under the act of December 15, 1980 (P.L.1203, No.222), known as the Building Energy Conservation Act.

(14) Industrialized and mobile housing under:

The act of May 11, 1972 (P.L.286, No.70), known as the Industrialized Housing Act.

The act of November 17, 1982 (P.L.676, No.192), known as the Manufactured Housing Construction and Safety Standards Authorization Act.

(15) Floodplain management under the act of October 4, 1978 (P.L.851, No.166), known as the Flood Plain Management Act.

(16) All other powers and duties delegated to the Department of Community Affairs not otherwise expressly transferred elsewhere by this act and currently performed by the Department of Community Affairs under:

The Insurance Company Law of 1921.

The act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, as amended by the acts of February 1, 1966 (1965 P.L.1849, No.582) and December 18, 1968 (P.L.1232, No.390), and other such related laws.

The act of June 23, 1931 (P.L.932, No.317), known as The Third Class City Code.

Sections 235, 1003, 1701, 1701.1 and 1701a of the act of June 24, 1931 (P.L.1206, No.331), known as The First Class Township Code.

Sections 206, 904, 3203 and 3203 of the act of May 1, 1933 (P.L.103, No.69), known as The Second Class Township Code.

The act of June 24, 1937 (P.L.2017, No.396), known as the County Institution District Law.

The act of May 2, 1945 (P.L.382, No.164), known as the Municipality Authorities Act of 1945.

The act of May 25, 1945 (P.L.1050, No.394), known as the Local Tax Collection Law.

Section 2 of the act of May 2, 1949 (P.L.819, No.215), entitled, as amended, "An act requiring the secretary or clerk of every political subdivision to file in the Department of Community Affairs a copy of every tax-levying ordinance or resolution of such political subdivision."

Sections 2, 3, 4 and 5 of the act of May 2, 1949 (P.L.873, No.237), entitled, as amended, "An act requiring that the results of all local option referenda in political subdivisions be certified to the Department of Community Affairs by county boards of elections; and requiring secretaries of political subdivisions to make certain reports to said department and to the county commissioners of the county in which the political subdivision is located."

The act of July 28, 1953 (P.L.723, No.230), known as the Second Class County Code.

Sections 1720, 1721, 1781, 1782.1, 1782.3, 1783 and 1785 of the act of August 9, 1955 (P.L.323, No.130), known as The County Code.

The act of December 31, 1965 (P.L.1257, No.511), known as The Local Tax Enabling Act.

The act of February 1, 1966 (1965 P.L.1656, No.581), known as The Borough Code.

The act of March 16, 1972 (P.L.108, No.39), known as the Environmental Improvement Compact.

The act of April 13, 1972 (P.L.184, No.62), known as the Home Rule Charter and Optional Plans Law.

The act of December 18, 1984 (P.L.1005, No.205), known as the Municipal Pension Plan Funding Standard and Recovery Act.

42 Pa.C.S. § 2705(a) (relating to responsibility for reports to executive agencies).

45 Pa.C.S. § 722(b) (relating to deposit of documents required).

53 Pa.C.S. § 737 (relating to consolidation or merger agreement).

66 Pa.C.S. § 3105 (relating to reports to Department of Community Affairs).

All other acts or parts of acts, reorganization plans and executive orders that imposed powers and duties upon the Department of Community Affairs and the Secretary of Community Affairs.

(b) Functions to be consolidated.--The functions transferred to the department shall be consolidated within the department into a bureau, division, section or other organizational entity devoted to community and economic development. The Governor shall appoint a Deputy Secretary for Community Affairs and Development. The deputy secretary shall have the powers and perform the functions and duties transferred to the department in subsection (a) as well as other such functions and duties authorized by the Governor.

(c) Center for Local Government Services established.--A Center for Local Government Services shall be established and maintained in the department to serve as the link between the Commonwealth and local governments. The center shall be a provider of services to local governments, shall serve as the point of contact for local governments on issues and problems of local concern, shall be responsible for coordinating State program resources in response to local issues and problems and shall establish a systematic process for addressing local issues and problems involving the resources of more than a single

agency. In carrying out its responsibilities, the center shall use and have access to the information, services, functions and other resources transferred under subsection (a). The center shall, when authorized by the Governor, use and have access to any other information, services, functions and other resources in the possession of executive agencies under the Governor's jurisdiction deemed necessary to the fulfillment of its responsibilities. The center shall provide to local governments, at no cost, information on purchase contracts for materials, supplies and equipment entered into by the Department of General Services in which local governments may participate pursuant to the provisions of section 2403(h) of The Administrative Code of 1929. The Deputy Secretary for Community Affairs and Development shall be responsible for the administration of the center and shall report in writing to the Governor and Lieutenant Governor on the activities of the center. The center shall have permanent staff both in its headquarters as well as in the regional offices of the Governor and shall additionally make a toll-free telephone number available to local governments to assist the center in accommodating requests for assistance. Funding for the center shall be provided by the department.

(d) Department staff.--The department shall maintain staff within the center and regional offices with expertise in matters relating to local governments and community development.

(e) Fees for services provided.--In order to maintain an affordable cost for local governments, any contract for services to local governments entered into by the department shall be evaluated annually. This evaluation shall serve in part to help ensure that fees reflect an average of costs historically charged to local governments for similar services.

(f) Priority of employment.--Positions created from establishment of the center shall be offered to personnel employed by the Department of Community Affairs with expertise in planning and organizing the effective provision of technical, consultive, training, information and financial assistance to local governments in this Commonwealth.

(g) Toll-free telephone report.--The Legislative Budget and Finance Committee shall review the activities relating to the toll-free telephone number program established by the Center for Local Government Services and issue a report to the General Assembly not later than one year from its initiation date.
Section 302. To Department of Community and Economic Development.

The functions of the Department of Community Affairs provided for in the following statutes, or selected portions of statutes, are transferred to the Department of Community and Economic Development:

The power to receive deeds or other legal instruments under section 1906-A(8) of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929.

The act of November 26, 1978 (P.L.1415, No.333), known as the Schuylkill Scenic River Act.

The act of March 24, 1980 (P.L.50, No.18), known as the Stony Creek Wild and Scenic River Act.

The act of April 5, 1982 (P.L.222, No.71), known as the Lehigh Scenic River Act.

The act of April 29, 1982 (P.L.351, No.97), known as the French Creek Scenic Rivers Act.

The act of December 17, 1982 (P.L.1402, No.324), known as the Lick Run Wild and Scenic River Act.

Section 303. To Pennsylvania Emergency Management Agency.

The following function of the Department of Community Affairs is transferred to the Pennsylvania Emergency Management Agency:

The 911 program under the act of July 9, 1990 (P.L.340, No.78), known as the Public Safety Emergency Telephone Act. Section 304. To Department of Transportation.

The following function of the Department of Community Affairs is transferred to the Department of Transportation:

The establishment of the Pennsylvania Coordinate System under section 1210 of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929. Section 305. Subjects of transfer.

(a) General rule.--The subjects of transfer from the Department of Community Affairs under this chapter are transferred to the Department of Community and Economic Development, the Pennsylvania Historical and Museum Commission, the Pennsylvania Emergency Management Agency and the Department of Transportation, respectively, with the same force and effect as if those subjects of transfer had originally belonged to or had been incurred or entered into by those entities.

(b) Employees.--The transfers made under this chapter shall not affect the civil service status of affected employees of the Department of Community Affairs. Section 306. Regulations.

(a) Authorization.--The Department of Community and Economic Development, the Department of Transportation, the Pennsylvania Historical and Museum Commission and the Pennsylvania Emergency Management Agency shall have the power and duty to promulgate regulations to administer the respective functions transferred to each under this chapter.

(b) Continuation.--The regulations of the Department of Community Affairs for the administration of the functions transferred under this chapter shall remain in effect until such time as new regulations are promulgated under subsection (a). However, the eligibility requirements for funding within any program subject to review under this section shall not be changed, amended or altered in any way.

CHAPTER 5 LOCAL GOVERNMENT ADVISORY COMMITTEE

Section 501. Committee established.

There is hereby established within the Office of the Governor a Local Government Advisory Committee. The committee shall have the same status as that granted to other advisory boards under the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929.

Section 502. Powers and duties.

The Local Government Advisory Committee shall serve as an advocate and representative of local government before both the Governor and the Center for Local Government Services in the Department of Community and Economic Development. It shall, among other things, make recommendations to the Governor and the center with regard to both the needs of local governments and the best manner in which the center can service those needs. The committee shall provide advice to the center with regard to the promulgation of forms and regulations in connection with performance of the functions transferred to the department under this act.

Section 503. Committee membership.

The Local Government Advisory Committee shall consist of the Lieutenant Governor, who shall be the chairperson thereof, and fourteen additional members. Five members of the committee shall

be elected officials of local government appointed by the Governor, representing, one each, the Pennsylvania State Association of Boroughs, the Pennsylvania State Association of Township Supervisors, the County Commissioners Association of Pennsylvania, the Pennsylvania League of Cities and Municipalities and the Pennsylvania State Association of Township Commissioners. Each of these associations shall submit a list of three nominees to the Governor. The Governor shall select one member from each list within 30 days of the receipt of such list, or else may request one or more associations to submit, within 30 days, one substitute list. If an association fails to submit a substitute list as requested by the Governor, the Governor may appoint any member of that association at his or her discretion. Four members of the committee shall be appointed by the Governor, and shall be representative of persons or entities having an interest in the local affairs of the Commonwealth, who may include, but are not necessarily limited to, nonprofit organizations supporting local government and members of the general public. One member of the committee shall be a representative of the Pennsylvania Municipal Authorities Association, appointed by the Governor. The four remaining members shall be appointed, one each, by the President pro tempore of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives and the Minority Leader of the House of Representatives.

Section 504. Terms of members.

The terms of office for appointed committee members shall be two years and until their successors shall have been appointed and qualified, but no committee member shall serve more than six months beyond the expiration of his or her term unless reappointed. In no event shall a committee member serve more than two terms. Terms of office of members shall expire on the third Tuesday of January of each odd-numbered year. In the case of a vacancy in a position filled by appointment of the Governor, the Governor shall make an appointment for the unexpired portion of the term. In the case of a vacancy in a position filled by appointment of a legislative leader, that legislative leader shall make an appointment for the unexpired portion of the term.

Section 505. Quorum and meetings.

The Local Government Advisory Committee shall meet at least twice per year, as well as at the call of the Governor or Lieutenant Governor. A majority of the members of the committee shall constitute a quorum.

Section 506. Compensation and expenses.

(a) Compensation.--The members of the committee shall serve without compensation. However, members other than the Lieutenant Governor shall be entitled to receive traveling and other reasonable expenses incurred in the discharge of their official duties.

(b) Expenses.--The expenses of the committee, provided for in this section, shall be borne by the Executive Office of the Governor.

CHAPTER 7

SMALL BUSINESS ADVOCACY COUNCIL

(Ch. repealed Nov. 27, 2019, P.L.667, No.92)

Compiler's Note: Section 5107(b) of Act 67 of 1996 provided that Chapter 7 is repealed insofar as it is inconsistent with Act 67.

Section 701. Legislative intent (Repealed).

(701 repealed Nov. 27, 2019, P.L.667, No.92)

Section 702. Definitions (Repealed).

(702 repealed Nov. 27, 2019, P.L.667, No.92)

Section 703. Small Business Advocacy Council (Repealed).

(703 repealed Nov. 27, 2019, P.L.667, No.92)

Section 704. Regulatory review (Repealed).

(704 repealed Nov. 27, 2019, P.L.667, No.92)

CHAPTER 9

RESTRUCTURING OF CERTAIN ADMINISTRATIVE ENTITIES

Section 901. Board of Property.

The Board of Property as provided for in section 202 of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, is hereby placed and made a departmental administrative board in the Department of Community and Economic Development.

Section 902. Land Office.

The Land Office as provided for in section 1203 of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, shall hereafter be an administrative entity located in the Pennsylvania Historical and Museum Commission.

CHAPTER 11

RESTRUCTURING OF CERTAIN MEMBERSHIPS AND PARTICIPATION

Section 1101. Appointment to board of directors of Pennsylvania Economic Development Financing Authority.

In place of the membership of the Secretary of Community Affairs on the board of directors of the Pennsylvania Economic Development Financing Authority under section 6.1(b)(4) of the act of August 23, 1967 (P.L.251, No.102), known as the Economic Development Financing Law, the Governor shall make an additional appointment under section 6.1(b)(1) of the Economic Development Financing Law.

Section 1102. Appointment to board of The Pennsylvania Industrial Development Authority.

In place of the membership of the Secretary of Community Affairs on the board of The Pennsylvania Industrial Development Authority under section 4 of the act of May 17, 1956 (1955 P.L.1609, No.537), known as the Pennsylvania Industrial Development Authority Act, the Governor shall make an additional appointment under section 4 of the Pennsylvania Industrial Development Authority Act.

Section 1103. Membership on Pennsylvania Housing Finance Agency.

(a) Secretary of Public Welfare.--In place of the membership of the Secretary of Community Affairs on the Pennsylvania Housing Finance Agency under section 202 of the act of December 3, 1959 (P.L.1688, No.621), known as the Housing Finance Agency Law, the Secretary of Public Welfare shall serve on that agency.

(b) Chairperson.--The Secretary of Community and Economic Development shall continue to be a member of the Pennsylvania Housing Finance Agency, and on and after the effective date of this act, the Secretary of Banking shall serve as chairperson of that agency.

Compiler's Note: The Secretary of Public Welfare, referred to in this section, was redesignated as the Secretary of Human Services by Act 132 of 2014.

Section 1104. Membership on the Board of Property.

In place of the membership of the Secretary of Community Affairs on the Board of Property under section 406 of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, the Secretary of Community and Economic Development shall serve on that board. The General Counsel shall be a member of the Board of Property in place of the Attorney General, and on and after the effective date of this act, the Secretary of the Commonwealth shall be the chairperson of the Board of Property.

Section 1105. Membership on the State Transportation Advisory Committee.

In place of the membership of the Secretary of Community Affairs on the State Transportation Advisory Committee under section 2001.4 of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, the Governor shall make an additional appointment under section 2001.4.

Section 1106. Membership on the State Planning Board.

In place of the membership of the Secretary of Community Affairs as an ex officio member of the State Planning Board as provided in section 451(b) of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, the Governor shall make an additional appointment.

Section 1107. Membership on the Community Service Advisory Board.

In place of the membership of the Secretary of Community Affairs on the Community Service Advisory Board as provided in section 2207-B(b) of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, the Secretary of Community and Economic Development shall serve on that board.

Section 1108. Membership on the State Agricultural Land Preservation Board.

In place of the membership of the Secretary of Community Affairs on the State Agricultural Land Preservation Board under section 14.1 of the act of June 30, 1981 (P.L.128, No.43), known as the Agricultural Area Security Law, the Governor shall make an additional appointment under section 14.1(a)(1)(ii) of the Agricultural Area Security Law.

Section 1109. Membership on the Pennsylvania Infrastructure Investment Authority.

In place of the membership of the Secretary of Community Affairs on the Pennsylvania Infrastructure Investment Authority under section 4 of the act of March 1, 1988 (P.L.82, No.16), known as the Pennsylvania Infrastructure Investment Authority Act, the Governor shall make an additional appointment.

Section 1110. Membership on the Pennsylvania Minority Business Development Authority.

In place of the membership of the Secretary of Community Affairs on the Pennsylvania Minority Business Development Authority under section 4 of the act of July 22, 1974 (P.L.598, No.206), known as the Pennsylvania Minority Business Development Authority Act, the Governor shall make an additional appointment.

CHAPTER 15
STATE TAX EQUALIZATION BOARD
(Ch. added Apr. 18, 2013, P.L.4, No.2)

Compiler's Note: See section 3 of Act 2 of 2013 in the appendix to this act for special provisions relating to continuation of prior law.

Section 1500. Definitions.

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

"Board." The State Tax Equalization Board.

(1500 added Apr. 18, 2013, P.L.4, No.2)

Section 1501. Creation of board.

The State Tax Equalization Board is established within the department.

(1501 added Apr. 18, 2013, P.L.4, No.2)

Section 1502. Membership.

(a) Members.--The board shall consist of three members who must be citizens of the United States, residents of this Commonwealth and qualified electors for a period of at least one year next preceding their appointments. Each appointee must be familiar, by training or experience, with the problems involved in the work of the board.

(b) Appointment and service.--

(1) The members of the board shall be appointed by the Governor for terms of four years each or until their successors are appointed and qualified. A vacancy shall be filled by appointment of the Governor for the unexpired term.

(2) A member of the board may, after notice and an opportunity to be heard, be removed for cause by the Governor.

(c) Compensation.--The chairman of the board shall receive an annual salary of \$25,000, and each other member shall receive an annual salary of \$24,000.

(1502 added Apr. 18, 2013, P.L.4, No.2)

Section 1503. Chairman.

The Governor shall designate one of the members as chairman. The chairman shall be in charge of the administration of the board and the transaction of its routine business and shall execute the orders and policies of the board. The chairman may delegate to a member the authority to act for the chairman.

(1503 added Apr. 18, 2013, P.L.4, No.2)

Section 1504. Quorum.

Two members of the board shall constitute a quorum, and any action of the board shall require the approval of two members.

(1504 added Apr. 18, 2013, P.L.4, No.2)

Section 1505. Individual powers of members of the board.

(a) Authority.--Any investigation, inquiry or hearing, which the board has power to undertake or hold, may be undertaken or held by one or more individual members of the board.

(b) Effect.--

(1) Conduct under subsection (a) shall be deemed to be conduct of the board.

(2) In order to be effective, any determination, ruling or order based upon conduct under subsection (a) must be:

(i) approved and confirmed by a quorum of the board;

and

(ii) filed in the office of the board.

(3) Upon compliance with paragraph (2), the determination, ruling or order shall be the determination, ruling or order of the board.

(c) Agents and examiners.--

(1) In any investigation, inquiry or hearing, which may be instituted, the board is authorized to employ special agents or examiners.

(2) Agents and examiners under this subsection are authorized to administer oaths, examine witnesses and receive evidence, in a locality designated by the board. Evidence

under this paragraph shall have the same force and effect as if taken or received by the board or any one or more of its members under subsections (a) and (b).

(1505 added Apr. 18, 2013, P.L.4, No.2)

Section 1506. Administrative assistance.

The department shall provide appropriate administrative, legal and technical support as needed by the board in order to accomplish its purpose.

(1506 added Apr. 18, 2013, P.L.4, No.2)

Section 1507. General powers and duties.

The board has the following powers and duties:

(1) To determine the market value of taxable real property in each school district and to conduct investigations, require information and have access to public records necessary to make the determination under this paragraph.

(2) To require, in counties of the first class, the board of revision of taxes of such county, or its successor agency, and the county commissioners, or the body or individual exercising equivalent authority, of each county other than a county of the first class, to furnish a monthly list of all conveyances or other transfers of real estate, or any interest in real estate, recorded within the county during the preceding month, stating the value of the Federal tax stamps affixed to the deed for each conveyance and the assessed valuations for county tax purposes of the real estate.

(3) To certify to the Department of Education and to the board of school directors of each school district:

(i) by July 1 of each odd-numbered year, a list of all school districts showing the market value of taxable real property and the assessed valuation for county tax purposes; and

(ii) by July 1 of each even-numbered year, the changes in market values which result from properties going on or off the assessment rolls for taxation purposes.

(3.1) By July 1 of each odd-numbered year, to furnish to the board of school directors of each school district information as pertains to taxable real property in that school district.

(4) To hear and decide appeals of parties that are aggrieved by a finding or conclusion of the board.

(5) To:

(i) investigate the finances and general circumstances of a school district requesting special aid from the Department of Education; and

(ii) advise the Department of Education in making grants of special aid.

(6) To make surveys and investigations of the finances of school districts in the interest of a more equitable distribution of school support.

(7) To subpoena State and local officials and to require from them information as necessary for the proper discharge of its duties.

(8) To discharge functions imposed upon departmental administrative boards by the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929.

(9) To establish, annually, by July 1, a common level ratio of assessed value to market value in each county for the prior calendar year.

(10) To meet as necessary and at least every other month to approve or confirm any determination, ruling or order pursuant to section 1505.

(11) To create in consultation with the County Commissioners Association of Pennsylvania and the Assessors' Association of Pennsylvania an operations manual to be utilized by counties when completing a countywide reassessment or when valuating property.

(12) To create and maintain a centralized and standardized Statewide database for counties to utilize and report to the board all property values and data as required by the board.

(13) To develop and maintain Statewide training programs for all persons involved in the valuation of property within all of the counties of this Commonwealth. These programs shall provide basic and detailed training that shall be completed and passed by any person employed to collect, compile, compare or handle data associated with the valuation of any property for purposes of reassessment valuation within this Commonwealth.

(14) To develop standards on contracting for assessment services in consultation with the County Commissioners Association of Pennsylvania and the Assessors' Association of Pennsylvania, taking into consideration the standards published by the International Association of Assessing Officers. The standards shall:

(i) Require that the methodology used by any person, company or organization to value property in this Commonwealth be made public.

(ii) State that all data and calculations are the property of the county and this Commonwealth.

(1507 added Apr. 18, 2013, P.L.4, No.2)

Section 1508. Compilation of data.

(a) Requirement.--The board shall accumulate and compile data:

(1) showing the prices at which real property in each school district has been sold and all other available matter relevant to the market value of real property in all school districts; and

(2) concerning new sales and improvements and other data necessary to ensure that the records of the board show the current present market value of real property in each school district as nearly as the same can be determined.

(b) Authority.--In compiling data, the board is authorized to examine all of the following:

(1) Local tax assessment records maintained by local assessors or county and city assessors and boards, commissions or departments charged with the duty of revising assessments.

(2) Public records.

(1508 added Apr. 18, 2013, P.L.4, No.2)

Section 1509. Monthly reports by counties and Commonwealth payments.

(a) Duty.--The following shall apply:

(1) It shall be the duty of the following entities to prepare, certify and electronically deliver to the board, on the 15th day of each month, a list as prescribed by the board of all conveyances or other transfers of real estate or any interest in real estate, conveyed consistent with any procedures for excluding sales data established in accordance with section 1516.2(2), recorded within the county during the preceding month:

(i) In counties of the first class, the board of revision of taxes or its successor agency.

(ii) In counties of the second class, the office of property assessment or its successor agency.

(iii) In counties of the second class A through eighth class, the board as defined in 53 Pa.C.S. § 8802 (relating to definitions).

(2) The list under paragraph (1) shall include the value of the Federal tax stamps affixed to the deed for each conveyance or transfer as set forth on the list and the assessed valuation for county tax purposes of the real estate.

(3) At the end of each month, a list of all the real estate conveyed or transferred within the county during the month, stating the value of Federal tax stamps affixed to the instrument conveying or transferring the real estate or any interest in the real estate, shall be prepared and delivered as follows:

(i) In counties of the first class, the recorder of deeds shall prepare and deliver the list to the board of revision of taxes or its successor agency.

(ii) In all counties except for a county of the first class, the recorder of deeds shall prepare and deliver the list to the county commissioners or the body or agency exercising equivalent authority.

(b) Payment.--The board shall pay to the board of revision of taxes, or its successor agency, of counties of the first class and to the county commissioners, or the body or individual exercising equivalent authority, of every county except a county of the first class the sum of 20¢ for each conveyance or transfer of real estate on each list prepared, certified and delivered to the board for its use under this section.

(1509 added Apr. 18, 2013, P.L.4, No.2)

Section 1510. Annual reports of local assessing officials.

By June 1 of each year, the following entities shall file with the board a certificate prescribed by the board, and on blanks furnished by the board, showing the assessed valuation of all real property in each school district in the county on which the taxes for the then current year are levied:

(1) The board of revision of taxes, or its successor agency, of counties of the first class.

(2) The office of property assessment, or its successor agency, of counties of the second class.

(3) The board as defined in 53 Pa.C.S. § 8802 (relating to definitions).

(1510 added Apr. 18, 2013, P.L.4, No.2)

Section 1511. Market value and percentage of value.

From the data compiled under section 1510, the board shall as soon as possible after July 1 determine the market value of real property in each school district and the percentage of the market value as determined by the assessed valuation for county tax purposes.

(1511 added Apr. 18, 2013, P.L.4, No.2)

Section 1512. Certification.

As soon as the market value of the real property in each school district in this Commonwealth has been determined and the percentage of the value of the assessed valuation for county tax purposes has been established, the board shall certify the amounts to the Department of Education and for each school district to the board of school directors.

(1512 added Apr. 18, 2013, P.L.4, No.2)

Section 1513. Objections.

(a) School district.--Any school district aggrieved by any finding or conclusion of the board affecting the amount of any Commonwealth subsidy payable to it may file written objections with the board.

(b) Hearing.--The board shall conduct a hearing at which the board and the school district may submit evidence to show that the findings of the board are incorrect and present arguments to substantiate its contentions.

(c) Findings.--Following review of all the evidence submitted and the arguments of the school district, the board may make modifications and adjustments of its findings and computations as appropriate or dismiss the objections. The board shall prepare written findings of fact based upon all the evidence submitted.

(d) Final valuations.--Any valuations adjusted under subsection (c) shall form the basis of valuations used to determine the amounts of Commonwealth educational subsidies.

(1513 added Apr. 18, 2013, P.L.4, No.2)

Section 1514. Annual adjustments.

By July 1 of each odd-numbered year, the board shall adjust the market value of real property in each school district to conform with new data accumulated since the market values for the last preceding two years were determined. The board shall determine the percentage of the market value of the assessed valuation of all real property in the school district on which county taxes for the then current year are levied. The market values, percentages and adjustments shall be certified to the Department of Education and each school district with the same right to hearings as provided under section 1513.

(1514 added Apr. 18, 2013, P.L.4, No.2)

Section 1515. Determination and apportionment.

(a) Certification.--As soon as possible each odd-numbered year and after the final adjustment of values by the board, the board shall certify to the Department of Education the market value of all real property in each school district.

(b) Standard reimbursement fraction.--Each school district's assessed valuation to be used for purposes of computing its standard reimbursement fraction shall be the market value under subsection (a).

(c) Payments.--Every two years the market value under subsection (a) shall be used by the Department of Education to determine the amount of funds needed to meet payments required by law to school districts and vocational schools within the two fiscal years beginning every June 1 and ending every May 31. The Department of Education shall allot the payments to the respective school districts.

(1515 added Apr. 18, 2013, P.L.4, No.2)

Section 1516. Special aid to school districts.

Before granting any special aid to a school district, the Department of Education shall submit the request for special aid to the board. The board shall make its recommendations with consideration given to the school district's ability to raise funds by taxation. Before making any recommendation, the board shall carefully investigate and study the financial circumstances of the school district and whether or not it has exhausted its available taxing power not only on real property, but also on all other available property and subjects of taxation, and that collection of taxes is being effectively conducted and enforced. Recommendations shall be transmitted to the Department of Education.

(1516 added Apr. 18, 2013, P.L.4, No.2)

Section 1516.1. Common level ratio.

(a) Establishment.--The board shall annually, prior to July 1, establish for each county a common level ratio for the prior calendar year.

(b) Method.--In arriving at the ratio, the board shall use statistically acceptable techniques, including sales ratio studies. The board's method in arriving at the ratio shall be public information. The ratio shall be certified to the chief assessor of each county and shall be admissible as evidence in any appeal involving real property tax assessments.

(c) Appeal.--Any political subdivision or taxpayer aggrieved by any finding, conclusion, method or technique of the board made under this section may, in writing, file objections to and appeal de novo the ratio determination to Commonwealth Court. After receiving the objections, the board may grant a hearing and may modify or adjust its findings and computations as appropriate.

(d) Review.--If the common level ratio increases or decreases by ten percent or more, the board shall immediately review its findings prior to certification of the ratio.

(1516.1 added Apr. 18, 2013, P.L.4, No.2)

Section 1516.2. Publication of information by board.

The board shall publish the following information that shall be updated annually:

(1) The statistical methods used to calculate the common level ratio and the State Tax Equalization Board market ratio.

(2) Procedures for excluding sales data and how the procedures compare with practices of the International Association of Assessing Officers.

(3) Procedures to ensure that dissimilar properties are not treated as a single group.

(4) Standards to be used for sales sample size and procedures to be used when sales samples are not adequate.

If a municipality contracts for services relating to an assessment, the data collected by the contractor must be transmitted to the municipality within 60 days of its collection or development.

(1516.2 added Apr. 18, 2013, P.L.4, No.2)

Section 1517. Saving clause.

Nothing in this chapter shall be construed to change or affect the validity of the assessed valuation of any real property for the purpose of levying taxes by any political subdivision.

(1517 added Apr. 18, 2013, P.L.4, No.2)

Section 1518. (Reserved).

(1518 added Apr. 18, 2013, P.L.4, No.2)

Section 1519. Repeal.

All acts and parts of acts are repealed insofar as they are inconsistent with this chapter.

(1519 added Apr. 18, 2013, P.L.4, No.2)

Section 1520. (Reserved).

(1520 added Apr. 18, 2013, P.L.4, No.2)

Section 1521. Funding contingency.

The board's authority to carry out the duties set forth in section 1507(11), (12), (13) and (14) is contingent upon receipt of an appropriation in an amount sufficient to complete these duties.

(1521 added Apr. 18, 2013, P.L.4, No.2)

Section 2101. Recodification of regulations.

The Legislative Reference Bureau has the power and duty to recodify regulations to effectuate the provisions of section 306.

Section 2102. Administrative expenses.

For each federally funded program administered by the department, the maximum amount of the actual allocation for administrative expenses provided by Federal law shall be used to support administrative activities to ensure that programs are effectively and adequately managed.

Section 2103. Repeals and references.

(a) Absolute repeal.--The act of December 16, 1992 (P.L.1209, No.156), known as the Heritage Affairs Act, is repealed.

(b) Inconsistent repeals.--All other acts and parts of acts are repealed insofar as they are inconsistent with this act.

(c) References.--

(1) In accordance with subsection (b), all references to the Department of Community Affairs, which shall cease to exist pursuant to this act, and to the Secretary of Community Affairs in affected acts and portions of acts shall now be deemed to refer to the Department of Community and Economic Development and Secretary of Community and Economic Development, respectively, unless otherwise provided by this act.

(2) All references to the Department of Commerce and the Secretary of Commerce in affected acts and portions of acts shall now be deemed to be references to the Department of Community and Economic Development and the Secretary of Community and Economic Development, respectively, unless otherwise provided by this act.

Section 2104. Implementation.

Implementation of the provisions of this act shall begin immediately and shall be fully completed on or before July 1, 1996.

Section 2105. Performance audit.

The House of Representatives shall direct the Legislative Budget and Finance Committee to conduct a performance audit every two years on the Department of Community and Economic Development. The final audit shall be concluded four years from the effective date of this act. The audit shall specifically include a comprehensive program evaluation of all community development programs administered by the department in conjunction with the provisions of this act. In addition, the audit shall evaluate the delivery costs of the local government service provided by the department.

Section 2106. Existing office supplies and materials.

The Department of Community and Economic Development shall continue to use or recycle all forms, stationery, business cards and other office supplies or materials which contain references to its predecessor department until the existing supplies and materials are depleted.

Section 2107. Effective date.

This act shall take effect immediately.

APPENDIX

2013, APRIL 18, P.L.4, NO.2

Section 3. The addition of Chapter 15 of the act is a continuation of the act of June 27, 1947 (P.L.1046, No.447), referred to as the State Tax Equalization Board Law. The following apply:

(1) Except as otherwise provided in Chapter 15 of the act, all activities initiated under the State Tax Equalization Board Law shall continue and remain in full force and effect and may be completed under Chapter 15 of the act. Resolutions, orders, regulations, rules, decisions and sequence of methods used for arriving at market value for odd-numbered and even-numbered years which were made under the State Tax Equalization Board Law and which are in effect on the effective date of this section shall remain in full force and effect until revoked, vacated or modified under Chapter 15 of the act. Contracts, obligations and agreements entered into under the State Tax Equalization Board Law are not affected nor impaired by the repeal of the State Tax Equalization Board Law.

(2) The Legislative Reference Bureau has the power and duty to recodify regulations of the State Tax Equalization Board to effectuate the addition of section 1501 of the act.

(3) Except as set forth in paragraph (4), any difference in language between Chapter 15 of the act and the State Tax Equalization Board Law is intended only to conform to the style of the addition of a new chapter to the act and is not intended to change or affect the legislative intent, judicial construction or administrative interpretation and implementation of the State Tax Equalization Board Law.

(4) Paragraph (3) does not apply to the addition of the following provisions of the act:

- (i) Section 1501.
- (ii) Section 1502(c).
- (iii) Section 1506.
- (iv) Section 1507(8), (10), (11), (12), (13) and (14).
- (v) Section 1516.1(d).
- (vi) Section 1516.2.
- (vii) Section 1521.

Compiler's Note: Act 2 added Chapter 15 of Act 58.