
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 28 Session of
2015

INTRODUCED BY SCAVELLO, TOMLINSON, ALLOWAY, COSTA, ARGALL,
TEPLITZ, VOGEL, RAFFERTY, WILEY, YUDICHAK, VULAKOVICH, WARD,
BOSCOLA AND BAKER, FEBRUARY 23, 2015

REFERRED TO FINANCE, FEBRUARY 23, 2015

A CONCURRENT RESOLUTION

1 Establishing the Joint Select Committee on Institutions of
2 Purely Public Charity.

3 WHEREAS, Public charities play an important role in meeting
4 the needs of our communities, helping vulnerable populations in
5 this Commonwealth and reducing the burden of local governments
6 with regard to administering government functions for those
7 populations; and

8 WHEREAS, These burdensome administrative functions, which are
9 in large part funded by real property taxes, would be even
10 greater if not for public charities; and

11 WHEREAS, Section 2 of Article VIII of the Constitution of
12 Pennsylvania provides that the General Assembly "may by law
13 exempt from taxation institutions of purely public charity, but
14 in the case of any real property tax exemptions only that
15 portion of real property of such institution which is actually
16 and regularly used for the purposes of the institution"; and

17 WHEREAS, In 1997, the General Assembly made its first attempt

1 to implement the power provided to it under section 2 of Article
2 VIII of the Constitution of Pennsylvania by enacting the act of
3 November 26, 1997 (P.L.508, No.55), known as the Institutions of
4 Purely Public Charity Act; and

5 WHEREAS, The act's intent was to provide for clear and
6 uniform standards that specify which institutions may claim an
7 exemption, and to better enable the implementation of the
8 provision under section 2 of Article VIII of the Constitution of
9 Pennsylvania providing for an exemption only to "portions of
10 real property" which are actually used for charitable purposes;
11 and

12 WHEREAS, Since the enactment of the Institutions of Purely
13 Public Charity Act, many nonprofit institutions have grown
14 dramatically; and

15 WHEREAS, While there is universal agreement that this
16 Commonwealth needs a legal environment where public charities
17 can thrive, municipalities and school districts are struggling
18 with the increasing costs of services and the expansion of
19 charitable tax deductions; and

20 WHEARAS, The interests of our counties, municipalities and
21 school districts and taxpayers must be carefully balanced with
22 the interests of public charities which provide critical
23 services to this Commonwealth; and

24 WHEREAS, In Mesivtah Eitz Chaim of Bobov, Inc. v. Pike County
25 Bd. of Assessment Appeals 615 Pa. 463, 44 A.3d 3 (2012), the
26 Supreme Court created further confusion over the Institutions of
27 Purely Public Charity Act regarding charitable tax exemptions
28 and the potential for nonuniform application of the exemptions;
29 therefore be it

30 RESOLVED, (the House of Representatives concurring), That the

1 General Assembly establish the Joint Select Committee on
2 Institutions of Purely Public Charity to examine, investigate
3 and complete a study of the laws of this Commonwealth regarding
4 tax exemptions provided to institutions of purely public
5 charity; and be it further

6 RESOLVED, That the Joint Select Committee on Institutions of
7 Purely Public Charity consist of the following:

8 (1) Two members of the Senate appointed by the President
9 pro tempore of the Senate.

10 (2) One member of the Senate appointed by the Minority
11 Leader of the Senate.

12 (3) Two members of the House of Representatives
13 appointed by the Speaker of the House of Representatives.

14 (4) One member of the House of Representatives appointed
15 by the Minority Leader of the House of Representatives.

16 (5) The chairman and minority chairman of the Finance
17 Committee of the Senate.

18 (6) The chairman and minority chairman of the Finance
19 Committee of the House of Representatives.

20 (7) The chairman and minority chairman of the Local
21 Government Committee of the Senate.

22 (8) The chairman and minority chairman of the Local
23 Government Committee of the House of Representatives.

24 (9) The Secretary of Revenue or the secretary's
25 designee;

26 and be it further

27 RESOLVED, That the members of the Joint Select Committee on
28 Institutions of Purely Public Charity be appointed within 20
29 days of the passage of this resolution; and be it further

30 RESOLVED, That the Joint Select Committee on Institutions of

1 Purely Public Charity meet within 10 days after all members are
2 appointed; and be it further

3 RESOLVED, That the Joint Select Committee on Institutions of
4 Purely Public Charity be subject to 65 Pa.C.S. Ch.7 (relating to
5 public officers) and the act of February 14, 2008 (P.L.6, No.3),
6 known as the Right-to-Know Law; and be it further

7 RESOLVED, That the Joint Select Committee on Institutions of
8 Purely Public Charity:

9 (1) collect input from stakeholders across this
10 Commonwealth;

11 (2) review the impact of public charities on local
12 governments; and

13 (3) study the economic impact of public charities and
14 the services public charities provide to residents of this
15 Commonwealth;

16 and be it further

17 RESOLVED, That the Joint Select Committee on Institutions of
18 Purely Public Charity conduct hearings in various geographic
19 areas across this Commonwealth and work with nonprofits, elected
20 officials, tax experts, public safety organizations and other
21 stakeholders to determine whether or not the laws of this
22 Commonwealth regarding purely public charities need to be
23 revised in general; and be it further

24 RESOLVED, That the Joint Select Committee on Institutions of
25 Purely Public Charity determine whether or not the laws of this
26 Commonwealth need to be revised to achieve the appropriate
27 balance between the cost of services provided by local
28 governments and the protection of our public charities; and be
29 it further

30 RESOLVED, That no later than 12 months from the date of the

1 appointment of the members to the Joint Select Committee on
2 Institutions of Purely Public Charity, the committee submit a
3 report of its findings to the following:

4 (1) The President pro tempore of the Senate.

5 (2) The Speaker of the House of Representatives.

6 (3) The Finance Committee and the Local Government
7 Committee of the Senate.

8 (4) The Finance Committee and the Local Government Committee of
9 the House of Representatives.