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CCAP
COUNTY COMMISSIONERS Association of Pennsylvania

July 24, 2026

Legislative Bulletin

COUNTY COMMISSIONERS ASSOCIATION OF PENNSYLVANIA
THE VOICE OF PENNSYLVANIA COUNTIES

IN THIS EDITION

STATE BUDGET ENACTED; CHALLENGES REMAIN FOR COUNTIES

On July 12, Governor Josh Shapiro signed the Commonwealth's FY 2026–2027 General Appropriations Act and accompanying fiscal code bill into law, completing the state budget process. The enacted budget totals approximately $50.8 billion, representing a 3.7% increase over the prior fiscal year.

The budget package includes:

- **Act 1A of 2026**: FY 2026–2027 General Appropriations – outlines total state expenditures.
- **Act 21 of 2026**: Fiscal Code – provides direction on how appropriated funds are distributed and authorizes program implementation.

While the budget includes targeted investments, many core county-administered programs remain level funded or received only modest increases that fail to keep pace with inflation and rising service costs.

Notable investments in the final budget include:

- Dedicated funding for 988 and crisis walk-in centers.
- Increased support for intellectual disabilities and autism services.
- Targeted investments in long-term care and workforce-related initiatives.
- Ongoing support for economic development programs.

However, several county priorities were not addressed, including:

- County mental health base funding (+$40 million requested, no new money appropriated)
- Indigent defense funding ($7.5 million- level funded)
- Election administration support, including Act 88 funding ($45 million- level funded)

Although the budget makes important investments in behavioral health and other priority areas, it does not provide meaningful funding increases for counties' two highest priorities—county mental health services and sustainable 911 funding. As counties continue to provide state-mandated services, insufficient state investment shifts increasing financial pressure onto local governments and property taxpayers.

CCAP appreciates the efforts of lawmakers who supported county priorities and recognizes the fiscal challenges involved in crafting this year's budget. However, without additional investment in county-administered services, counties will continue to face difficult financial decisions in the year ahead.

For a comprehensive overview of the enacted budget and its impacts on county government, view **CCAP's FY 2026–2027 State Budget Narrative** on the **Budget News webpage** of the CCAP website. For CCAP's response to the enacted budget, please refer to **CCAP's Official Budget Statement**.

FISCAL CODE IMPLEMENTS SEVERAL POLICY PROVISIONS

The Fiscal Code, **Act 21 of 2026**, serves as the companion legislation to the General Appropriations Act. While the budget bill appropriates funding for state programs and services, the Fiscal Code establishes the statutory provisions governing how those funds are administered.

This year's Fiscal Code includes several provisions affecting counties. Most notably, it establishes a regulatory framework for food processing residuals, advancing a longstanding county priority by directing the Departments of Environmental Protection and Agriculture, in consultation with the State Conservation Commission, to develop regulations governing the transportation and land application of these materials. The provision is based, in part, on legislation introduced by Rep. Paul Friel (D-Chester).

The Fiscal Code also incorporates provisions related to data centers, including a requirement that operators submit annual reports on energy and water consumption to improve transparency and support long-term resource planning. This provision is modeled after legislation introduced by Rep. Kyle Mullins (D-Lackawanna).

In addition to these provisions, the Fiscal Code incorporates several other policy measures included as part of the broader state budget package.

ACTS AFFECTING COUNTY GOVERNMENT

In addition to the enactment of the state budget, several bills that were part of the budget agreement were signed into law over the past week. A selection of the newly enacted laws affecting county government is highlighted below.

Act 29 (HB 858, P.N. 1806, July 20, 2026): Amends Title 68 (Real and Personal Property) of the Pennsylvania Consolidated Statutes by requiring each county chief assessor to establish and maintain a contact information list for certain non-owner-occupied properties. Property owners must provide and update contact information, while municipalities must report code and ordinance violations to the county. Counties are responsible for maintaining the database, sharing information with municipalities for code enforcement purposes, and administering the bill's enforcement provisions, including civil penalties for knowingly providing false information.

CCAP expressed significant concerns with House Bill 858, now Act 29, due to the additional and largely redundant workload it places on county assessment offices, as well as the absence of dedicated funding to support these new responsibilities.

Counties are already operating under substantial resource constraints, and the implementation of these requirements presents ongoing operational and fiscal challenges.

Counties continue to have concerns with the law and remain committed to working collaboratively with the General Assembly to address these issues. We look forward to identifying practical solutions that reduce administrative burden, ensure adequate funding, and support the effective implementation of the law moving forward.

Act 42 (SB 130, P.N. 79, July 20, 2026): Amends Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes by requiring licensed funeral directors, funeral entities, and, in certain cases, cemetery companies to notify the county director of veterans affairs within 96 hours after receiving the remains of a deceased service member who was a county resident. The bill also requires families to be provided with the county veterans affairs office's contact information, increasing coordination between funeral providers and county veterans affairs offices.

Act 44 (SB 349, P.N. 286, July 20, 2026): Amends Title 27 (Environmental Resources) of the Pennsylvania Consolidated Statutes by establishing statewide decommissioning requirements for solar energy facilities, including decommissioning plans and financial assurance for new facilities. The legislation requires county recorders of deeds to receive and maintain decommissioning plans and related financial assurance documents and preempts local ordinances that materially conflict with the statewide requirements.

By establishing statewide standards, the act limits the ability of counties and municipalities to adopt or enforce local decommissioning requirements that conflict with state law. Local governments will continue to retain authority over other aspects of land use and development that are not addressed by the act, but any local decommissioning provisions will need to be consistent with the statewide framework.

For additional information on legislation enacted this session, please refer to **CCAP's Acts Affecting County Government**.

LANDMARK FEDERAL HOUSING BILL BECOMES LAW

The 21st Century ROAD to Housing Act (**H.R. 6644**) became law on July 10. The bipartisan legislation is a comprehensive federal housing package designed to increase the nation's housing supply, improve housing affordability, and modernize federal housing and community development programs. The law includes several provisions that will provide counties with greater flexibility and additional tools to address local housing challenges.

Key provisions affecting counties include:

- Permanent authorization of the Community Development Block Grant–Disaster Recovery (CDBG-DR) program.
- Expanded CDBG flexibility to support new housing construction.
- HOME program reforms to address workforce housing needs and improve neighborhood infrastructure.
- Streamlined environmental reviews for low-impact housing projects.
- Greater flexibility to strengthen local homelessness response efforts.

While the legislation authorizes several new grant programs for local governments, funding has not yet been appropriated. Counties should continue working with Congress to ensure these programs receive sufficient funding to support implementation.

For a comprehensive analysis of the legislation and its impacts on counties, please refer to **NACo's summary**.

IFO RELEASES JUNE REVENUE UPDATE

The Independent Fiscal Office (IFO) released the monthly revenue update for **June 2026**, showing that General Fund collections totaled $3.96 billion, which was $159 million (4.2%) above the IFO's official estimate. Stronger-than-expected collections were driven primarily by sales and use tax, corporate net income tax, and personal income tax revenues.
Fiscal year 2025-2026 General Fund revenues totaled $48.93 billion, exceeding the IFO's official estimate by $1.00 billion (2.1%). Compared to the previous fiscal year, total General Fund collections increased by $2.52 billion (5.4%).

The IFO noted that the year-end revenue surplus was driven in part by stronger-than-expected non-withholding personal income tax collections, likely reflecting robust capital gains activity during tax year 2025. Additional revenue gains came from higher sales and use tax collections and one-time corporate net income tax payments from prior tax years.

CCAP MEMBERS: HELP SHAPE CCAP'S POLICY POSITIONS

One of the most impactful ways to make your voice heard as a CCAP member is by actively engaging in the policy-setting process **throughout the year**. Participation is especially valuable during July and August, as these months offer key opportunities to influence decisions that shape county policy priorities. Now is the time to get involved and help drive the issues that matter most to your county.

All CCAP members are invited to observe any of our ten policy committee meetings, held in-person on August 2, the Sunday prior to the **Annual Conference**, at the Kalahari Resorts and Conventions (Monroe County). Voting on all policy resolutions to update the **CCAP Platform** will take place during the conference at the business meeting on Tuesday, August 4.

For those not able to attend in person, CCAP members will have the ability to participate in the business meeting and voting process virtually. The full voting packet, which includes the 2031 Annual Conference site selection, 2027 CCAP officer elections and a proposed bylaws amendment was distributed via email on Tuesday July 22.

County Commissioners Association of Pennsylvania

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