

COUNCIL OF THE CITY OF PHILADELPHIA
COMMITTEE ON FINANCE

Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, October 30, 2018
10:40 a.m.

PRESENT:

COUNCILWOMAN JANNIE L. BLACKWELL, CHAIR
COUNCILMAN WILLIAM K. GREENLEE
COUNCILMAN DAVID OH
COUNCILWOMAN CHERELLE L. PARKER
COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN AL TAUBENBERGER

BILLS 180870 and 180909

- - -

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 COUNCILWOMAN BLACKWELL: Good
3 morning. We will now call the Finance
4 hearing to order. We do have a quorum.
5 To my left, Councilman Greenlee. To his
6 left, Councilwoman Cherelle Parker. To
7 my right, Councilman Taubenberger, who is
8 sitting in for us today, and to his
9 right, Councilman Oh.

10 We'll ask the Clerk to read the
11 title -- why don't you read the title of
12 both bills.

13 THE CLERK: 180870, an
14 ordinance amending Section 21-2302 of The
15 Philadelphia Code, entitled "Form of
16 Fiscal Impact Statements," by amending
17 Exhibit "A" to add job growth or loss
18 information, all under certain terms and
19 conditions; and

20 180909, an ordinance amending
21 Chapter 19-2600 of The Philadelphia Code,
22 entitled "Business Income and Receipts
23 Taxes," by extending the period that Net
24 Operating Losses can be carried, all
25 under certain terms and conditions.

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 COUNCILWOMAN BLACKWELL: Thank
3 you.

4 We note that Councilwoman
5 Blondell Reynolds Brown is also here, and
6 we are, of course, grateful that we have
7 a quorum.

8 We will now, for Bill 180870,
9 ask Mr. Rob Dubow, Director of Finance,
10 to come forward.

11 (Witness approached witness
12 table.)

13 COUNCILWOMAN BLACKWELL: Thank
14 you very much. And we will entertain,
15 does anyone on the Committee have any
16 statement?

17 (No response.)

18 COUNCILWOMAN BLACKWELL: Then
19 we'll call on you, Mr. Dubow, for your
20 comment with regard to this bill.

21 MR. DUBOW: Thank you. Good
22 morning, Councilwoman Blackwell and
23 members of the Committee. I'm Rob Dubow,
24 Finance Director for the City of
25 Philadelphia, and I'm here to testify on

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 Bill 180870, which proposes to include
3 estimates for job growth or job loss,
4 where applicable, to fiscal impact
5 statements.

6 We support the desire to
7 evaluate the impact on job growth or
8 loss, in combination with other variables
9 like revenues or program costs, when
10 considering legislation. Estimating the
11 impact of various proposals on jobs can
12 at times be complex and imprecise.

13 Finance will, however, provide the job
14 impact analysis when possible and when
15 the estimate will be meaningful for
16 decision-makers. If the legislation is
17 approved, the Office of Budget and
18 Program Evaluation and the research and
19 analysis staff within the Department of
20 Revenue would work together to produce
21 estimates when data is available. We
22 will also consult with our colleagues in
23 the Commerce Department and other offices
24 with relevant experience.

25 That concludes my testimony,

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 and I'd be happy to answer any questions
3 you may have.

4 COUNCILWOMAN BLACKWELL: Any
5 questions or any comments?

6 (No response.)

7 COUNCILWOMAN BLACKWELL: Thank
8 you, Mr. Dubow. Thank you very much.

9 On the second bill, 180909, we
10 have written testimony for which bill,
11 let me see, from the Chamber? All right.
12 The Chamber of Commerce gave us written
13 testimony on both bills, and so we make
14 that part of the record that the Chamber
15 has written its statement and obviously
16 has no real problem with either of these
17 bills.

18 Now with regard to Bill No.
19 180909, does the sponsor wish to testify
20 with regard to this bill?

21 COUNCILMAN TAUBENBERGER: I
22 would like to say a few words, Madam
23 Chair.

24 COUNCILWOMAN BLACKWELL:
25 Please.

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 COUNCILMAN TAUBENBERGER: Thank
3 you, Madam Chair. I simply want to say
4 that this, I think, is a much-needed
5 ordinance as it relates to loss
6 carryforward, putting us in line with the
7 federal and state governments, and I
8 think it's something that's very, very
9 important to attracting new business,
10 particularly technological businesses in
11 the City of Philadelphia. But because
12 the state, even though it allows citizens
13 of Pennsylvania to do a 20-year
14 carryforward, does not allow cities of
15 the first class to have that same
16 carryforward as they do, so I would like
17 to amend the bill in Section 2, making
18 the effective date of this ordinance
19 shall take effect upon the enactment of
20 authorizing legislation by the
21 Commonwealth of Pennsylvania,
22 Pennsylvania General Assembly, and I have
23 circulated that to all members and wish a
24 positive vote on that.

25 COUNCILWOMAN BLACKWELL: Thank

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 you. And when we enter into our
3 committee part, we will again pretty much
4 ask that you repeat that.

5 COUNCILMAN TAUBENBERGER: No
6 problem at all.

7 COUNCILWOMAN BLACKWELL: Thank
8 you.

9 Any comments or questions on
10 either bill?

11 (No response.)

12 COUNCILWOMAN BLACKWELL: All
13 right. Then we will end our hearing
14 part, enter the committee part of our
15 deliberations, and I'll ask Councilman
16 Greenlee to give me a motion with regard
17 to Bill No. 180870.

18 COUNCILMAN GREENLEE: Thank
19 you, Madam Chair. I move that Bill No.
20 180870 be reported from this Committee
21 with a favorable recommendation and
22 further move that the rules of Council be
23 suspended to permit first reading of this
24 bill at the next session of Council.

25 (Duly seconded.)

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 COUNCILWOMAN BLACKWELL: It has
3 been moved and properly seconded that
4 Bill No. 180870 be reported from this
5 Committee with a favorable recommendation
6 and further moved that the rules of
7 Council be suspended so as to permit
8 first reading of this bill at the next
9 session of Council.

10 All those in favor of the
11 motion say aye.

12 (Aye.)

13 COUNCILWOMAN BLACKWELL:
14 Opposed?

15 (No response.)

16 COUNCILWOMAN BLACKWELL: The
17 ayes have it and the motion carries, and
18 Bill No. 180870 will be reported from
19 this Committee with a favorable
20 recommendation and a request that the
21 rules of Council be suspended so as to
22 permit first reading at our next session
23 of Council.

24 The Chair now recognizes
25 Councilman Taubenberger for a motion on

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 the amendment to Bill No. 180909.

3 COUNCILMAN TAUBENBERGER: Yes.

4 I'd like to move the amendment to Bill
5 180909. A copy that amendment has been
6 circulated to all members of the
7 Committee, and I move for the adoption of
8 the amendment.

9 (Duly seconded.)

10 COUNCILWOMAN BLACKWELL: It has
11 been moved and properly seconded that the
12 amendment to Bill No. 180909 be approved.

13 All those in favor of the
14 motion will signify by saying aye.

15 (Aye.)

16 COUNCILWOMAN BLACKWELL: Those
17 opposed?

18 (No response.)

19 COUNCILWOMAN BLACKWELL: The
20 motion carries, and Bill No. 180909 has
21 been amended.

22 We will be holding that bill in
23 Committee.

24 Are there further comments?

25 COUNCILMAN TAUBENBERGER: I

1 10/30/18 - FINANCE - BILLS 180870 & 180909

2 requested the bill be held in Committee
3 until such time that we have the
4 opportunity for the public to speak
5 forward and to hear testimony thereupon.

6 (Duly seconded.)

7 COUNCILWOMAN BLACKWELL: All in
8 favor?

9 (Aye.)

10 COUNCILWOMAN BLACKWELL:
11 Opposed?

12 (No response.)

13 COUNCILWOMAN BLACKWELL: Then
14 that would complete our Committee hearing
15 with Bill No. 180870 reported out and a
16 hold for Bill No. 180909.

17 Thank you all for being here.
18 Thank you all, and have a great day.
19 (Committee on Finance concluded
20 at 10:50 a.m.)

21 - - -
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE

I HEREBY CERTIFY that the
proceedings, evidence and objections are
contained fully and accurately in the
stenographic notes taken by me upon the
foregoing matter, and that this is a true and
correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

(The foregoing certification of this
transcript does not apply to any reproduction
of the same by any means, unless under the
direct control and/or supervision of the
certifying reporter.)

Committee on Finance
October 30, 2018

Page 1

A a.m 1:7 10:20 accurately 11:5 add 2:17 adoption 9:7 AL 1:12 allow 6:14 allows 6:12 amend 6:17 amended 9:21 amending 2:14,16,20 amendment 9:2,4,5,8,12 analysis 4:14 4:19 and/or 11:23 answer 5:2 applicable 4:4 apply 11:21 approached 3:11 approved 4:17 9:12 Assembly 6:22 attracting 6:9 authorizing 6:20 available 4:21 aye 8:11,12 9:14,15 10:9 ayes 8:17	Blackwell 1:10 2:2 3:2 3:13,18,22 5:4,7,24 6:25 7:7,12 8:2,13,16 9:10,16,19 10:7,10,13 Blondell 1:12 3:5 Brown 1:12 3:5 Budget 4:17 business 2:22 6:9 businesses 6:10	combination 4:8 come 3:10 comment 3:20 comments 5:5 7:9 9:24 Commerce 4:23 5:12 committee 1:3 3:15,23 7:3,14,20 8:5,19 9:7 9:23 10:2 10:14,19 Commonwe... 6:21 complete 10:14 complex 4:12 concluded 10:19 concludes 4:25 conditions 2:19,25 considering 4:10 consult 4:22 contained 11:5 control 11:23 copy 9:5 correct 11:8 costs 4:9 Council 1:2 7:22,24 8:7 8:9,21,23 Councilman 1:10,11,12 2:5,7,9 5:21 6:2 7:5,15 7:18 8:25 9:3,25 Councilwo... 1:10,11,12 2:2,6 3:2,4 3:13,18,22 5:4,7,24 6:25 7:7,12 8:2,13,16 9:10,16,19 10:7,10,13 Clerk 2:10,13 Code 2:15,21 colleagues 4:22	course 3:6 D data 4:21 date 6:18 DAVID 1:11 day 10:18 decision-ma... 4:16 deliberations 7:15 Department 4:19,23 desire 4:6 direct 11:23 Director 3:9 3:24 Dubow 3:9,19 3:21,23 5:8 Duly 7:25 9:9 10:6 E effect 6:19 effective 6:18 either 5:16 7:10 enactment 6:19 enter 7:2,14 entertain 3:14 entitled 2:15 2:22 estimate 4:15 estimates 4:3 4:21 Estimating 4:10 evaluate 4:7 Evaluation 4:18 evidence 11:4 Exhibit 2:17 experience 4:24 extending 2:23 F favor 8:10 9:13 10:8 favorable 7:21 8:5,19	federal 6:7 Finance 1:3 2:1,3 3:1,9 3:24 4:1,13 5:1 6:1 7:1 8:1 9:1 10:1 10:19 first 6:15 7:23 8:8,22 fiscal 2:16 4:4 foregoing 11:7,20 Form 2:15 forward 3:10 10:5 fully 11:5 further 7:22 8:6 9:24 G General 6:22 give 7:16 Good 2:2 3:21 governments 6:7 grateful 3:6 great 10:18 Greenlee 1:10 2:5 7:16,18 growth 2:17 4:3,7 H Hall 1:6 happy 5:2 hear 10:5 hearing 2:4 7:13 10:14 held 10:2 hold 10:16 holding 9:22 I impact 2:16 4:4,7,11,14 important 6:9 imprecise 4:12 include 4:2 Income 2:22 information 2:18	J JANNIE 1:10 job 2:17 4:3,3 4:7,13 jobs 4:11 K K 1:10 L L 1:10,11 11:14 left 2:5,6 legislation 4:10,16 6:20 line 6:6 loss 2:17 4:3 4:8 6:5 Losses 2:24 M Madam 5:22 6:3 7:19 making 6:17 matter 11:7 meaningful 4:15 means 11:22 members 3:23 6:23 9:6 MICHELE 11:14 morning 2:3 3:22 motion 7:16 8:11,17,25 9:14,20 move 7:19,22 9:4,7 moved 8:3,6 9:11 much-needed 6:4 MURPHY 11:14 N Net 2:23 new 6:9 note 3:4 notes 11:6	O objections 11:4 obviously 5:15 October 1:7 Office 4:17 offices 4:23 Oh 1:11 2:9 Operating 2:24 opportunity 10:4 opposed 8:14 9:17 10:11 order 2:4 ordinance 2:14,20 6:5 6:18 P Parker 1:11 2:6 part 5:14 7:3 7:14,14 particularly 6:10 Pennsylvania 1:6 6:13,21 6:22 period 2:23 permit 7:23 8:7,22 Philadelphia 1:2,6 2:15 2:21 3:25 6:11 Please 5:25 positive 6:24 possible 4:14 PRESENT 1:9 pretty 7:3 problem 5:16 7:6 proceedings 11:4 produce 4:20 program 4:9 4:18 properly 8:3 9:11 proposals	4:11 proposes 4:2 provide 4:13 public 10:4 11:15 putting 6:6 Q questions 5:2 5:5 7:9 quorum 2:4 3:7 R read 2:10,11 reading 7:23 8:8,22 real 5:16 Receipts 2:22 recognizes 8:24 recommend... 7:21 8:5,20 record 5:14 regard 3:20 5:18,20 7:16 relates 6:5 relevant 4:24 repeat 7:4 reported 7:20 8:4,18 10:15 reporter 11:24 reproduction 11:21 request 8:20 requested 10:2 research 4:18 response 3:17 5:6 7:11 8:15 9:18 10:12 Revenue 4:20 revenues 4:9 Reynolds 1:12 3:5 right 2:7,9 5:11 7:13 Rob 3:9,23 Room 1:6 RPR-Notary
---	---	--	---	--	---	---	---

Committee on Finance
October 30, 2018

Page 2

11:15 rules 7:22 8:6 8:21	7:18 10:17 10:18 think 6:4,8 time 10:3 times 4:12 title 2:11,11 today 2:8 transcript 11:8,21 true 11:7 Tuesday 1:7	8:18 9:1 10:1,15 180909 1:14 2:1,20 3:1 4:1 5:1,9,19 6:1 7:1 8:1 9:1,2,5,12 9:20 10:1 10:16 19-2600 2:21					
S							
saying 9:14 second 5:9 seconded 7:25 8:3 9:9 9:11 10:6 Section 2:14 6:17 see 5:11 session 7:24 8:9,22 signify 9:14 simply 6:3 sitting 2:8 speak 10:4 sponsor 5:19 staff 4:19 state 6:7,12 statement 3:16 5:15 statements 2:16 4:5 stenographic 11:6 supervision 11:23 support 4:6 suspended 7:23 8:7,21	U V variables 4:8 various 4:11 vote 6:24 W want 6:3 we'll 2:10 3:19 WILLIAM 1:10 wish 5:19 6:23 witness 3:11 3:11 words 5:22 work 4:20 written 5:10 5:12,15	2 2 6:17 20-year 6:13 2018 1:7 21-2302 2:14 3 30 1:7 4 400 1:6					
T	X						
table 3:12 take 6:19 taken 11:6 Taubenber... 1:12 2:7 5:21 6:2 7:5 8:25 9:3,25 Taxes 2:23 technological 6:10 terms 2:18,25 testify 3:25 5:19 testimony 4:25 5:10 5:13 10:5 Thank 3:2,13 3:21 5:7,8 6:2,25 7:7	Y Z 0 1 10/30/18 2:1 3:1 4:1 5:1 6:1 7:1 8:1 9:1 10:1 10:40 1:7 10:50 10:20 180870 1:14 2:1,13 3:1,8 4:1,2 5:1 6:1 7:1,17 7:20 8:1,4						