

Senate of Pennsylvania

SENATE DEMOCRATIC WRAP-UP FOR THE 1973- 1974 LEGISLATIVE SESSION

A year and one-half ago in a background paper similar to this it was written: "With rare exception, the trademark of a politically divided General Assembly traditionally has been one more of legislative impasse than legislative advancement.

" ...The 1973-74 General Assembly, with a Democratic-controlled Senate and a Republican-controlled House of Representatives, would seem to adhere very much to that tradition."

The characterization on no longer applies.

The pace of the legislative session quickened considerably in the intervening 12 months to the point where, when one who wrote in terms of just numbers of bills in 1973, may write in terms of issues addressed in 1974.

Central to the break in the legislative impasse was resolution earlier this year of a stubborn stalemate between the two political parties over the sharp, size and duration of a tax reduction package for fiscal 1973-74,

When that settlement came, the wraps effectively were off.

Issues which sat idly on the backburner were warmed up and brought to the floor for consideration of one or both chambers.

The intent of this paper is to summarize the issues which were raised during the 1973-74 biennium and what became of them.

It falls to others to place a value judgment on the fate and content of these issues.

ENACTMENTS

TAXATION

Income Tax Relief--It took the two parties better than a year to do it, but in March of 1974 legislation proposing permanent reductions in the rate of both the state personal income and corporate net income taxes were approved and signed into law. Under the measure, the rate of the personal income tax was dropped from 2.3 per cent to 2 per cent, effective last Jan. 1. In addition, a schedule of poverty- exemptions were incorporated into the legislation to exempt low-income people, either entirely or proportionately from the income levy. At the same time, the rate of the corporate net income tax was reduced on a permanent basis from 11 per cent to 9.5 per cent.

Property Tax Relief to the Elderly--A bill to liberalize the state's property tax relief program for senior citizens was also enacted. Its principal features were to extend the act to renters as well as homeowners and to widowers as well as widows, and to liberalize the income eligibility levels and payment schedules for recipients.

Rent for property tax purposes was defined as 20 per cent of the total annual rent paid to a landlord by persons over 65, widows or widowers over 50 and the permanently disabled. The ceiling of a \$200 property tax reimbursement to any homeowner or renter was retained in the expanded act.

Gas Tax--The rate of the state gasoline tax was raised from 8 to 9 cents per gallon by the General Assembly immediately prior to the 1974 summer recess. The increased tax was estimated to produce some \$50 million in additional motor license fund revenue to be used for maintenance of secondary road systems

throughout the Commonwealth.

The action was the General Assembly's response to a lingering problem of providing additional revenue to meet what had become to be known as the "Pothole" issue of the 1973 session.

Capital Gains Tax--Legislation was enacted revising the state income tax act as it relates to capital gains on the sale of personal property. Supporters of the legislation said it was designed to rectify an inequity in the law. Critics called it a "rich man's" bill. The measure provides that for state income tax purposes, the value of the property would be determined as of the June 1, 1971, effective date of the income tax rather than when the property was originally purchased. Thus, if a taxpayer sold a home which he owned for 30 years, his tax on the capital gain would be determined by the value of his property in 1971 rather than the value at the time of purchase. Supporters contended it was an unfair burden to the average taxpayer to levy his tax on a 30-year increase in property value since the tax itself was only three years old. Critics contended the wealthy would receive the most generous benefit from the measure.

GOVERNMENT

Sunshine Law--After a year of deliberation, and increasing public attention, the General Assembly approved a so-called Sunshine Bill to require meeting of governmental bodies at both the state and local level to be open to the public. This would include, at the state level, the quasi-judicial agencies such as the Public Utility Commission, Liquor Control Board, Milk Marketing Board, etc.

The bill took effect Sept. 21. The judicial branch is excluded from its provisions. The law also applies to all standing committees of the General Assembly, but excludes party caucuses. Under the law, open meetings could be halted only for executive sessions to discuss labor contract negotiations or the dismissal or disciplining of an employee. Executive sessions would be limited to 30 minutes in duration once the formal meeting of the agency had started. Legislation to substitute adequate advance public notice for the legal advertising requirement of the law failed to pass in the final hours of the session.

Senate Confirmation--The legislature gave approval to a proposed Constitutional amendment to reform the process by which gubernatorial nominees were confirmed by the Senate. The proposed amendment would require the Senate to act on a gubernatorial appointment within 25 days of receipt from the Governor. It would also prohibit interim appointments by the governor during recesses of the Senate; and it would eliminate 473 positions from the necessity of confirmation at all.

The proposal calls for confirmation by a majority vote of 26 for 1,312 policy or administrative offices and retain the two-thirds vote of 34 for only 195 of the highest offices in the state such as the governor's cabinet. The amendment must be approved in identical fashion by the 1975-76 legislative session before it goes to the electorate on a referendum. A companion bill (**SB 1410**) would spell out in law those offices requiring simple or two-thirds majority vote of the Senate for confirmation. This measure was in the hands of a joint Senate-House conference committee but no report was submitted.

It would trigger into effect once the constitutional amendment reforming the system was ratified in the voter referendum. Thus, there is time in 1975-76 to act upon it.

Municipal Police Officer Training--After almost 3 years of consideration, a 17-member Municipal Police Officer Education and Training Commission was enacted into law. The law creating the commission was designed to provide a program of training for new municipal police officers and in-service training for incumbent policemen. The training program is to be administered by the State Police Department. An officer who failed to successfully undergo the training within one year of his appointment would be required to leave the force. The state will finance the full cost of training, living and travel expenses for the officer. The state and the local municipality will share equally the cost of the officer's salary while in training.

Pension reform--Another measure to win legislative approval was a bill to reform the highly criticized state pension program which rendered preferential treatment for legislators and judges. The net effect of the

measure was to institute a new system which would compute the retirement of all members of the state pension program--executive, legislative or judicial--on the same basis: 2 per cent of their highest average salary for their best three years times each year of service.

Current members of the pension system are unaffected by the changes.

The measure also provided a cost-of-living increase ranging from 30 percent for those who retired prior to 1967 to 5 - 2t cent for those who retired in 1972.

Another aspect of the legislation was to guarantee that incumbent legislators, who retired in 1974 or later would receive retirement benefits equal to that of legislators who retired in 1970.

Legislators who retired in 1970 received a 10 per cent cost-of-living increase under the statute.

The General Assembly also approved legislation recodifying the state teacher retirement code similar to revisions made in the state retirement system. Teachers did not receive preferential treatment so the recodification did not apply here. This bill also provided a cost of living increase for retired teachers. More controversial provisions of the proposed measure, such as permitting teachers to buy into the system time they spent teaching in non-public schools or time they spent in a vocation prior to entering the teaching profession as a vocational education instructor, were dropped from the bill before final enactment.

Merit Selection of Judges--One issue which failed because of a deadline was a proposal to remove the selection of judges from the electoral process. A proposed amendment to the Judiciary Article of the Pennsylvania Constitution would have had all judges, justices and justices of the peace appointed through nomi:1ating commissions.

The electorate would vote on these offices only in the case of retention of the judge to a new term. All vacancies would have been filled under a statewide nominating commission which would have recommended three nominees to the governor. The issue became mute for this session when the measure was re-referred to a House Committee. Under the Constitution, it would have had to be advertised at least 90 days prior to the November election as a proposed Constitutional Amendment receiving first time approval in the General Assembly. That deadline fell in August.

Gubernatorial Disability--In the final day a measure was passed to set forth in law provisions similar to the 25th amendment to the U. S. Constitution regarding the disability of a governor to perform his official duties. The bill was patterned after the 25th amendment language setting forth conditions by which a vice president would temporarily assume the powers of the presidency in the event of presidential incapacity. Like the 25th amendment, the state bill would call for a written declaration of incapacity to be transmitted to the General Assembly by a lieutenant governor and a majority of the governor's cabinet in the absence of a self-declaration by the chief executive.

If challenged by the governor, the issue would be adjudicated by the General Assembly. This bill was awaiting action by the governor at this writing.

ELECTION REFORM

The move for election reform focused around an 18-bill package which originated in the House. A number of individual proposals made it to the governor. An omnibus bill incorporating into one measure the major features of the individual House bills-- including an independent election commission, a ceiling on campaign spending and tighter reporting and accounting requirements for campaign contributions and expenditures--died in the Senate in the final two weeks of the session. (SEE FOLLOWING SECTION).

Those bills which did make it to the Governor 'and were signed into law:

--Require any business entity which received a non-bid contract to report by Feb. 15 of each year all

political contributions made by any officer, director, associate, partner, limited partner, individual owners or members of their immediate family. The reports are to be filed with the secretary of the Commonwealth who would be required to publish the itemization as a matter of public record within 60 days of receipt. The record is to be made available to the public at a charge equal to the cost of reproducing it. The company also would be required to report any contribution in excess of \$1,000 made by any employee, his spouse or un-emancipated children.

--Require that every candidate who creates a committee or series of committees to solicit and disburse funds on behalf of his candidacy shall designate a single treasurer to be responsible for all contributions and disbursements. The Senate added an amendment to permit individual candidates who did not utilize the committee fundraising techniques to authorize individuals to raise funds for him so long as all funds raised are deposited in campaign account of the candidate and reported by him as required by law.

--Require that all accounts filed in connection with election campaigns be made available on demand to the public at the actual cost of copying.

--Extend from 20 to 30 days after the deadline for filing of election reports the time in which any five electors could file a petition with the appropriate court for the audit of an expense report. It would also remove the \$10 per day compensation for auditors and substitute what the court regards as "reasonable" compensation. The object is that it is difficult these days to hire a competent auditor for a mere \$10 per day.

--A bill was sent to the governor dealing with both successful and unsuccessful candidates for public office who fail to file the required reports with the appropriate election officials.

Victorious candidates would be prohibited from assuming their office until the reporting requirements were complied with. Defeated candidates would be prohibited from seeking office in either the next primary or general election following their failure to comply with the requirements of the law. This bill was awaiting gubernatorial action at this writing.

The governor vetoed a bill which would have required candidates to itemize the names of persons who purchase tickets to a political rally, dinner similar political affair costing more than \$100. The governor said in his veto message that the effect of this bill would be to weaken current election law which now calls for a report "setting forth each and every sum of money received, contributed or disbursed ...and the name of the person from whom received.

Computerized voting--Another bill sent to the governor in the final stages of the session was a bill that would permit counties to employ computerized voting systems in the recording and tally info of votes during elections. The measure would require that the proposed use of the system be first approved by the voters of the county in referendum before it could be employed in a county. The systems would be required to be tested before, during and after vote counts. It also provides for examination of the system by party officials or on the petition of 10 or more qualified voters.

SOCIAL ISSUES

Death Penalty--The General Assembly put itself solidly on record in favor of the death penalty as a tool in the justice system by overriding a gubernatorial veto of a bill designed to conform to the U. S. Supreme Court ruling on the unconstitutionality of indiscriminate sentences to death. The new law set forth three categories for murder: First degree for intentional killings, which would be subject to a death sentence or life imprisonment; second degree for felony murders subject to life imprisonment; and third degree murder subject to up to 20 years imprisonment. Killings of firemen, policemen, prison guards, contract killings, kidnap killings, etc. would be subject to the death penalty. The new act provides for automatic review of all death sentences by the State Supreme Court within 60 days.

Gov. Shapp vetoed the bill on the ground that it represented a philosophy "that the death penalty should be used as a method of societal retribution and vengeance" and was constitutionally vague in its language. The House overrode the governor's veto, 169-20, and the Senate, 42-6.

Abortion--Another bill to run into a gubernatorial veto was a measure designed to bring Pennsylvania law into conformity with a U. S. Supreme Court decision on the constitutionality of abortion.

The measure would permit every woman to seek an abortion prior to the viability of the fetus with the consent of her husband, or, if she were unmarried and under 18, the consent of her parent. After the fetus reached viability--the ability to live outside the mother's womb with or without artificial aid--the abortion would be performed only if a physician certified it as necessary to protect the mother's life.

All abortions would have to be performed by a physician in a state approved facility. No abortion at any stage could be performed without first a positive determination of pregnancy and a signed statement by the woman that she had been advised of alternatives to abortion, medical procedures to be used; and possible physical or psychological effects. The governor vetoed the measure on the ground that the requirement of husband consent was unconstitutional and that the U. S. Supreme Court had ruled that any decision on abortion in the first trimester of pregnancy was a matter solely for a woman and her physician.

The Senate overrode the veto, 41-8; the House, 157-37.

Nursing Homes--Shortly before the General Assembly departed for its annual summer recess in mid-July, it approved legislation creating a Pennsylvania Nursing Home Agency. The Agency is to administer loans to approved nursing homes to be funded under a \$100 million referendum approved in May of this year by the electorate. The object of the program is to provide financial assistance to nursing homes to permit them to conform to federal and state safety standards.

Only qualified nursing homes would be eligible for the loan program.

To qualify, the homes must agree to comply with reasonable regulations for the acceptance of Medicaid patients; must have an approved plan for correcting safety code deficiencies; and show a reasonable ability of loan repayment. The attorney general has requested the State Supreme Court to assume original jurisdiction so that the program's constitutionality might be promptly tested before bonds are sold .

Pornography--The General Assembly passed legislation attempting to bring state law into conformity with U. S. Supreme Court guidelines on pornography. The bill would have defined something as being obscene if it violated contemporary' community stands by appealing to purient interests, or the material depicted or described in a patently offensive way sexual act etc. and lacked literary, artistic, educational or scientific value.

The measure was vetoed by the governor on the ground that it was unconstitutional in .that it permitted injunctions to be issued without a hearing; permitted seizure of materials without a hearing; and allowed unwarranted delay of a trial. The Governor said he would support **SB 232** which would ban the display of explicit sexual material in places visible from a public thoroughfare; sidewalk or street. That bill remained in Senate Committee, however.

Minority Business Development--Legislation was enacted creating a Pennsylvania Minority Business Development Authority to encourage minority entrepreneurship throughout the state. The authority is to be governed by a 16-member board. It is empowered to receive funds from federal and state agencies and from business or charitable institutions. It also may sell bonds for loans to minority businesses or use as guarantee in the operation of c minority businesses or use as guarantee in the operation of a minority enterprise. The Authority will operate under a revolving \$5 million minority business development fund.

School Busing--A controversial proposal which would have the effect of removing the authority of the state Human Relations Commission or any other state agency from ordering school busing as a means of achieving racial balances was sent to the Governor's desk in the final days of the session. It was awaiting a gubernatorial decision at this writing. It would forbid any child from being bused to a school further away than his nearest neighborhood school without the consent of the parents. The ban would apply to state orders. It would have no effect on court orders handed down as a result of civil suits being taken.

Child Welfare--Another bill sent to the Governor in the final days of the session was a measure designed to strengthen legal provisions to protect against child abuse. It would strengthen reporting requirements, including establishment of a statewide telephone hotline linked to a computerized central registry. A second significant feature is a provision that in juvenile court cases, the very presence of a battered child would constitute prima facie evidence of abuse and shift the burden of proof to the accused. Under current law, proof of abuse often

requires the testimony of the battered child and may be difficult to obtain due to age, etc.

Bugging--The legislature also sent to Gov. Shapp in the waning days a bill to expand state prohibitions against bugging. This proposal would prohibit the use of any type of electronic interceptive or recording device except in cases where they were required to protect the life of an undercover agent or where a court order was issued authorizing their use. Current Pennsylvania law prohibits the wiretapping of telephone conversation. This bill, too, was awaiting the Governor's signature at the time of this writing.

LABOR

It was a year of modest accomplishment in the area of labor legislation, marked by passage of bills dealing with the state's minimum wage and workmen's compensation laws.

Minimum wage--An amendment to the state minimum wage law will increase the rate for workers covered under the law from \$1.60 an hour to \$1.90 immediately, to be followed by increases to \$2 on Jan. 1, 1975; \$2.20 a year later, and \$2.30 an hour on January 1, 1977.

The legislation is intended to bring the state minimum in line with the federal law.

Approximately one million workers are covered by the state law which applies to businesses grossing less than \$250,000 a year and not engaged in interstate commerce. Exceptions include schools, hospitals, nursing homes, laundry's and dry cleaning operations--all of which are covered by the federal statute.

Workmen's Compensation--Workmen's compensation benefits are pegged to the average statewide weekly wage, which is computed annually.

The current average wage is \$159 a week. Legislation approved by the General Assembly raises the maximum benefit from 66 and two-thirds percent of the statewide average wage to 100%, beginning next July.

State Employees--The growing trend toward collective bargaining among state employees often requires modification of existing laws to permit greater flexibility in dealing with public employee unions.

One bill passed by the General Assembly this session grants the state executive board complete authority to regulate sick leave, annual leave and leaves of absence, and state work holidays. The objective is to eliminate the need to change the law each time a change is negotiated in a state labor contract.

A companion measure, passed by the legislature and signed into law, requires that certain terms of collective bargaining agreements will take precedence over Civil Service Commission rules where they conflict in the following areas: promotions to fill a vacancy; promotions within the same class to position; certification for appointment or promotion; furloughs; re-employment after furlough.

INSURANCE

After three years of sound, fury and stalemate, a no-fault automobile insurance bill was finally approved in both chambers and sent to the governor. The new law is to be effective in one year to give insurance companies the opportunity to gear up for the program and, at the same time, provide ample opportunity for a pending constitutional challenge to be determined. The essential features of the No-Fault bill signed into law are to provide first-party benefits without regard to fault in the accident equal to: \$1,000/month in lost wages up to a maximum of \$15,000; unlimited medical benefits; 100 per cent funeral and burial benefits up to \$1,500; and 100 per cent of lost income and value of lost services up to \$5,000 maximum in the case of death. Pain and Suffering suits, the key point of contention between advocates and opponents of the bill, would be permitted if: medical expenses exceeded \$750, including a maximum of \$100 for diagnostic, X-ray and rehabilitative services; death or serious and permanent injury resulted; permanent, severe and irreparable disfigurement resulted, or 6; days of consecutive disability from performing usual activities resulted. A little-heralded feature of the bill was to require

mandatory insurance of at least \$15,000/person, \$30,000 accident and \$5,000 property damage. Current law makes no provision for mandatory coverage.

Arbitrary cancellation--Another proposal which had been kicking around for three years before finally going to the governor's desk was a measure prohibiting arbitrary cancellation of, or refusal to write or renew, fire and casualty insurance by sole reason of a person's age, race, residence, marital status or occupation. Under the new law, only default of premium payments would be sufficient reason for cancellation without recourse to appeals.

THE ENVIRONMENT

Resource Recovery--In the last week prior to the summer recess, the General Assembly sent to the governor, and he signed into law, legislation to implement a \$20 million program of loans for solid waste disposal and resource recovery to local units of government. The Department of Environmental Resources was given responsibility for administration and implementation of the program.

In its most fundamental terms, the law empowers the Environmental Quality Board to set a uniform interest rate to be applied to the loans, which would be re-paid within 10 years. The department would be empowered to loan up to 50 per cent of the cost of the resource recovery or solid waste disposal project so long as the municipality in question holds funds or property equal to 5 per cent or more of the cost of the project. The emphasis of the loan program is to be directed at the construction of resource recovery systems with the capability of recovering 50 per cent of the disposable waste in the form of aluminum, steel, glass, paper or energy.

Pesticide Control--Legislation controlling the sale and use of pesticides was forwarded to the Governor when the House accepted a series of Senate amendments, principal of which was the tying of the proposed state regulations to the federal Insecticide, Fungicide and Rodenticide Act of 1947.

The bill is in compliance with a requirement two years ago by U. S. legislation that all states enact pesticide controls by 1975.

It calls for commercial distributors to be licensed, as well as pesticide consultants. New guidelines for the use and labeling of the chemicals are provided, to be, enforced by the state Department of Agriculture.

EDUCATION

State Subsidies--As part of the 1974-75 budget settlement, the General Assembly enacted legislation providing an additional \$132.5 million in increased state school subsidies to local school districts.

The principal feature of the new subsidy was to increase from \$665 to \$750 the per-pupil state aid ratio for the 1973-74 school year.

Thus the increased subsidies will be made available to local school districts this year since state payments are made on one-year delayed basis. The new subsidy plan also included a provision that no school district would receive less money this year than it did in prior years because of a recalculation of poverty students in line with the 1970 census as opposed to the 1960 census. The increased subsidy program also included the \$26 million in poverty aid to the Philadelphia and Pittsburgh districts.

Non-Public School--Also in line with the 1974-75 budget settlement, the General Assembly moved on three distinct fronts to provide some \$16.4 million in additional non-public school aid. Reimbursement for the purchase of text books, equipment and the like was increased from \$10 to \$12 per pupil for the 1973-74 school year and from \$12 to \$15 for 1974-75. In addition, the allowance for auxiliary services such as guidance counseling, etc was increased from \$30 to \$36 per pupil, effective last July 1. By expanding these programs, some \$7.4 million in additional state aid was made available to private and parochial schools. In addition, the

General Assembly appropriated some \$9 million in increased subsidy for the transportation of nonpublic school pupils.

College Grants--A third area of increased state aid to education was a new program of "Institutional Assistance Grants" to private colleges and universities throughout the Commonwealth. The program incorporated in the 1974-75 budget, provided some \$12 million in funds for award to these institutions at the rate of \$400 for each enrolled student who receives assistance from the Pennsylvania Higher Education Assistance Agency.

RACING

Breeders Fund---After almost two years of consideration, legislation was approved in the final week of the session to create a Pennsylvania Breeding Fund to stimulate the breeding of race horses in the Commonwealth. The fund, to be equal to 1/2 of 1 per cent of the betting handle, is to be financed equally by the tracks and the state. In addition, the legislation, which was awaiting gubernatorial action at this writing, increased the track take out from 10 per cent to 11 3/4 per cent. The legislation would require Pennsylvania tracks to run preferred races for thoroughbred horses bred or foaled in the Commonwealth. Similar breeding fund programs are in operation in such states as Kentucky, Maryland and California. A Harness breeding fund was created in Pennsylvania in 1967. While the program would mean an initial cutback in state tax revenue, from 5 per cent to 4 3/4 per cent, the program is anticipated to be financially regenerative. That is the initial losses are to be offset in future years by such events as increased sales tax on stabling, fencing , etc; income tax from new employees; sales tax from stud fees, feed and bedding and, eventually, from yearling sales.

School Revenue--A late entry approved in the final days of the session and awaiting gubernatorial action at this writing would increase from 2 per cent to 4 per cent the amount of harness racing revenue to be allocated from harness track operations in the city of Philadelphia to city school district. The increase was designed to offset a loss of school revenue when two thoroughbred operations shifted their racing programs from Liberty Bell track in the city to a new plant in Bucks County. A million-dollar-plus program of sewage disposal aid derived from harness revenue in counties outside of Philadelphia was retained in the proposal. A lesser publicized aspect of the measure would authorize Sunday night harness racing in the Commonwealth.

HEALTH

Physicians Assistants--Another innovative program for the state was sent to the governor in the waning days of the session. It would call for the licensing and supervision of physician assistants to assist doctors in routine, day-to-day medical care. The object is to make use of so-called paramedic personnel such as military corpsmen.

The program would function in this fashion: Two types of assistants would be created -- primary care and secondary care assistants; proficiency examinations must be approved by the appropriate state board of either medicine or Osteopathic medicine, Likewise, training and education programs must be approved by the appropriate board; the appropriate State Board shall grant certification to the assistants; anyone illegally practicing as an assistant is subject to \$1,000 fine and six months in prison on first offenses; the proposal also sets out eight criteria for revoking certification from an assistant:

- a. unqualified
- b. fraud in obtaining the license
- c. felony conviction
- d. revocation of certificate
- e. impaired mental state
- f. violation of rules of appropriate medical board
- g. unsupervised practice
- h. immoral or unprofessional conduct

AGRICULTURE

Clean and Green--One item approved by both chambers is intended to implement the so-called "Clean and Green" amendment approved last May in a statewide referendum. The measure provides for special tax assessment on agricultural land or agricultural reserve land in excess of 10 acres on the land's current use rather than its potential for industrial or Commercial developments. The object is to keep farm land assessments low so that farmers aren't overburden with soaring real estate taxes, particularly in industrial areas, because of its potential for development. The most controversial feature of the bill was a provision that any farmer who sold off parcels of his preferred land would be subject: to a seven-year rollback on taxes, to include the difference between the special assessment and the normal assessment.

MISCELLANEOUS

Home Mortgages - After much deliberation and a gubernatorial task force review, the General Assembly approved legislation which sets a floating ceiling on home mortgage interest rates, The legislation, signed into law by the governor, replaced the former 8 per cent ceiling on home loans of less than \$35,000, The new interest ceiling, to be announced and published each month by the state Banking secretary, would have the interest ceiling determined by the yield on long-term government bonds, plus 2.5 points. The latest ceiling to be announced by the secretary was 9.75 per cent. Momentum for the flexible ceiling came from financiers and the home building industry on the argument that an 8 per cent ceiling \Was unrealistic in today' s economy. They said at the time of passage earlier this year they anticipated a floating ceiling would produce a 9 per cent level of home mortgage interest.

Studded Tires--The General Assembly enacted into law a bill banning the use of studded tires on Pennsylvania highways from April 30 to Nov, each year. Penal ties would range from \$10 to \$35 depending upon the month the violation was incurred. The governor was given standby authority to waive the deadline dates in the event or late or early snowstorms. The impetus behind the legislation came from a Dept. of Transportation report that studded tires were causing some \$25 million in annual damage to Pennsylvania roads by out-of-season use.

Limited Licenses--A conference report proposing a system of limited licenses for persons who could show a need to drive even though their regular licenses had been suspended was killed in the Senate on two separate votes of 21-27, 21-26, after passing the House of Representatives. The Conference report was much closer in form to a liberalized House version of the limited license bill which provided for hearing examiners to weigh the need for a license. The measure was sent to conference after Senate amendments had tightened the bill considerably, principally by requiring proof that driving was essential to a man's livelihood as the only condition for issuance of the license.

UNCOME

GOVERNMENT

Lobbyist Regulation--Legislation (**HB 126**) to require a public accounting of expenditures made by lobbyists in advocating support or defeat of legislation was passed by the House but died in Senate Committee. It was similar to legislation "1hich passed the Senate in the 1971-72 session but died in House Committee. Both the individual lobbyist and his employer would have been required to file the accounts each year. The legislation would specifically bar contingent agreements in which payment of a lobbyist's fee would hinge on the passage or defeat of specific legislation.

Budget controls--The House and Senate moved in separate directions on legislation designed to provide more stringent and professional legislative review over executive spending. Their twain never met. The Senate approved **SB 1509** which would abolish the Legislative Budget and Finance Committee and replace it with a professionally staffed State Government Audit Committee. The Legislative Budget and Finance Committee as previously constituted as been subject of severe criticism of professional

ineffectuality. The new committee would be charged with both revising expenditures by the executive branch and conducting performance audits to judge the effectiveness and efficiency of state programs. The bill died in House Committee. The House, meanwhile, passed a five-bill package (**HB1990-1994**) which went beyond a professionalization of a legislative audit agency. **HB 1994** would have established a professional audit committee similar in nature to **SB 1509**. The other bills in the package would have compelled the executive branch to provide to the General Assembly information used by the Budget Secretary in preparation of the next fiscal year budget and set a date by which the governor's budget must be presented to the General Assembly. Another feature' (**HB 1993**) would have provided that if a new budget were not enacted by July 1 of each year, the spending levels from the preceding fiscal year budget would automatically carryover until the new budget were approved, The House bills died in Senate Committee.

Ethics--The House sent to the Senate two bills dealing with statutory codes of ethics for the legislative (**HB 1306**) and executive branches (**HB 2130**) of state government. The legislative ethics bill would have dealt with annual disclosure of interest by each legislator and staff member earning more than \$12,000 annually. It would also have tightened provisions by requiring "public disclosure by legislator lawyers practicing before state agencies. The Senate amended the bill to include the judiciary, as well. The executive code of ethics bill (**HB 2130**) was similar to the legislative ethics measure in three areas: financial disclosure; conflict-of-interest and removal from office for violation. while the Governor has by executive order mandated financial disclosure from ranking members of his administration, such an order could be rescinded at any time by a succeeding chief executive.

Both bills were reported to the Senate floor but never brought to a vote.

Executive Reorganization--Two bills proposing creation of new state departments were introduced in the 1973-74 session. The Senate approved **SB 956** proposing to replace the General State Authority, the state's major building arm, with a new Department of Building Construction.

One feature of the-bill calls for a professional committee of building experts to recommend qualified architects to be appointed to state construction projects and the one receiving the contract must be selected from the recommended list. This bill failed to reach a vote in the House,

A second bill to be reported to the Senate Floor was **SB 1089** proposing creation of a new Dept. of Corrections. This bill would elevate the Bureau of Corrections to cabinet level status and incorporate state functions relating to penal, corrections and parole activities into one agency. It was recommitted to Senate Committee for a cost study and never reached the floor again.

Reduced legislature--No legislative session would have been complete without bills to reduce the size of the General Assembly. The 1973-74 session is no exception. One bill to cut the legislature was passed by the Senate (**SB 114**). It would have reduced the House from 203 to 121 and the Senate from 50 to 40 in 1982 in line with the 1980 census. The bill rested permanently in House Committee.

As a constitutional amendment, it would have required the approval of two consecutively elected legislative sessions before going to the voters as a referendum.

ELECTION REFORM

Campaign Spending -The move toward substantive reform of campaign law lost momentum in the final week of the legislative session and never came to pass. House passed legislation proposing a variety of change in election law died in joint conference committee. An omnibus bill similar in thrust though varying in specifics reached the Senate floor but never came to a vote. Both measurer; proposed creation of independent election commission; ceilings on campaign spending; limitation on contributions; both pre-and-post election reports of campaign contributions; post-election reporting of campaign expenditures; and limitations on cash contributions.

Voter Registration--A two-bill package (**HB 2243, HB 2244**) proposing door-to-door registration of voters throughout the Commonwealth was introduced in the House with bipartisan sponsorship but never cleared committee. The first bill pertained to Philadelphia, the second to the remainder of the state. Under the measures,

each party would be authorized to name one volunteer registrar in each voting district. Non--partisan citizens groups would be permitted to name two volunteer registrars. These registrars would be authorized to conduct door-to-door canvasses prior to primary and general elections.

The bills were offered as alternatives to a six-bill registration package which failed to win approval in a special legislative session of 1971. This package would have permitted voter registration by mail, plus created a system of floating registrars throughout the state,

The package (**SB 1048 - 1053**) was reintroduced but remained in Senate committee.

TRANSPORTATION :

Big Trucks--HB 740 was introduced in 1973 in the House and would have permit trucks to haul their trailers up to 27 feet in length each on Pennsylvania roads. The maximum length of such a rig would have been 65 feet, including tractors, which would be 10 feet longer than the present maximum. The legislation was the subject of public hearings by the House Transportation Committee, but that was as far as it went. The measure would have permitted the longer rigs to use Interstate and four-lane highways in the state and local roads within three miles of an interchange of a four-lane facility.

ENVIRONMENT

Flood Plain Management--With the devastation of Hurricane Agnes as a ready and recent reminder, bills proposing the regulation of development in flood plain zones were introduced in both chambers.

The first was **Senate Bill 1122**, which passed the chamber last June but died in the House. It would have required local municipalities to draft and adopt flood plain zoning plans and ordinances to regulate future development and construction as a protection against heavy financial losses such as that incurred in 1972 throughout much of the state.

The emphasis of the bill was on local initiative and action. Only in the absence of local compliance would the state enter the picture.

At the same time the Senate has passing **SB 1122**, a sweeping new flood plain management program to be carried out under the supervision of the Dept. of Environmental Resources was introduced in the House in the form of **HB 2460**. **SB 1122** rests in the House Local Government Committee. **HB 2460** was referred to the House Committee where it remained.

Energy---Spurred by the potential consequences of the so-called energy crisis, both chambers moved on the energy front, but neither reached the point of enactments. The Senate Environmental Resources Committee held extensive public hearings on a two-bill package calling for a master energy plan for Pennsylvania and requiring approval of the Dept. of Environmental Resources for the construction of new power plants in the State. The first bill reached the Senate floor but was re-referred to Senate Committee for a cost review. The second passed the Senate in the final week of the session. The House, meanwhile, sent to the Senate in October of 1973 a bill (**HB 533**) to create an 11-member Pennsylvania Energy Council to explore the long-range energy needs and resources in the state. This bill remained in Senate Committee. A second bill reached in the House floor (**HB 1906**) to create a state energy officer to regulate and administer the fair distribution of available energy in times of crisis. This bill died in House Committee, however, after being recommitted for a cost analysis.

EDUCATION

Commonwealth University of Pennsylvania--A bill to centralize the administrative supervision of Pennsylvania's state-owned and state-operated college system came in for public hearings by the Senate

Education Committee. The measure (**SB 1743**) would create a chancellor and 15-member Board of Regents to administer the programs and personnel of the state-college system within the Department of Education. The object is to convert the state college system from a system of 14 separate institutions to one single institution with 14 separate campuses. Public hearings were held all the measure last June in Mercer, Reading and York. The bill remained in Committee after the hearings.

College loans---Legislation proposing to break new ground in the area of state-guaranteed loans to college students passed the House but failed to clear the Senate. The bill (**HB 2247**) would have authorized the Pennsylvania Higher Education Assistance Agency to make loans directly to eligible students when loan guarantee funds are unavailable from private banking institutions. PHEAA officials say that private loan monies are very difficult for students to obtain. there were some serious reservations in the Senate that should such a bill pass, however, private financial institutions would withdraw totally from the loan program.

Community Colleges---A six-bill package designed to increase state aid to community colleges (**SB 1722 - 1727**) was introduced in the Senate. The major provisions in the package would increase the state share of operating costs for the college from \$4-00/student to \$500/student each year, and provide state payment of 100 percent for the operating and capital expenditures of the college during its first academic year, phasing down to the existing one-third payment by the sixth year of the colleges life, The package remained in Senate committee.

CONSUMER AFFAIRS:

Debt Collection--Legislation (**HB 649**) proposing to curb excessive or intimidating debt collection practices passed both chambers, but died when a conference committee failed to resolve differences in the final days of the session. The essential features of the bill would have made it illegal to threaten or harass or abuse debtors or to use misleading or false representation. in the process of collecting a debt. The bill as amended in the Senate proposed a \$1,000 fine for each violation. As it passed the House, it proposed a \$5,000 fine.

Credit Installment--Legislation proposing to bring state law into conformity with the Federal Truth-in Lending Act, at the same time authorizing an increase from 15 to 18 per cent in annual interest charges on credit balances under \$600, was reported to the Senate floor but failed to pass. In its most fundamental form, the bill would require those institutions or credit lenders seeking the higher interest rate, to conform to the Senate floor but failed to pass. In its most fundamental form, the bill would require those institutions or credit lenders seeking the higher interest rate, to conform to the additional consumer disclosure features of the act. Such features include the requirement that every buyer be furnished a buyer' memo spelling out the cash price of the purchase, down payment, finance charges and the like.

Open Files-A comprehensive measure (**HB 2192**) to regulate the utilization of personal data systems in Pennsylvania has been introduced in the House of Representatives, It would require the annual registration of organizations maintaining personal data files on individuals, specifying the purpose of the files., the number of persons listed, the user and method of dissemination and procedures where individuals can obtain access to the data maintained on themselves in the files, The organizations would further be required to advise each individual as to his rights to review his personal file and would prohibit such information as 'his political' or religious views, medical information and suspicion of a crime or a penalty from being incorporated into the files, The bill died in the possess of a House Committee.

Landlord-Tenant--Two bills (**SB 1079, HB 1302**) proposing to spell out the rights and obligations between lend lords and tenants were introduced in both chambers, **SB 1079** was the subject of a series of public hearings, initially by a Senate subcommittee and then by the standing Senate Judiciary Committee. The object of the measures was to more precisely spell out the relationship and responsibilities between landlords and tenants in such ,areas rental increases, habitable conditions; lease cancellations, security deposits, etc.

The outlook is that testimony received in the public hearings will serve as the foundations for revisions in the bill in the coming legislative session.

Consoler Advocate--Several bills were proposed to create a state-level office of Consumer Advocate to

represent consumer interests before state regulatory bodies like the Public Utilities Commission, Milk Marketing Board, etc, A plan to create a Consumer Advocate in the Auditor General's office was approved by the House after it was amended into a Senate Bill dealing with gubernatorial appointments, However, it failed to clear the Senate as that chamber decided to take up the issues separately,

Credit Contracts - Legislation to outlaw abuses of the state credit laws was recommitted in the House. It would have banned the "confession of judgment" clause in retail credit contracts. This "fine print" clause gives the creditor an almost unlimited right to seize and sell the personal property of a debtor without benefit of a prior hearing or other legal proceeding in the event the consumer does not meet his obligations under the contract. This means the consumer is legally bound to pay for the product, even if it is unserviceable or completely unsatisfactory.

The bill also would have banned the practice of "walking the body", where a retail merchant refers all of his credit customers to a certain finance company and then receives a kickback on the finance company's business.

SOCIAL ISSUES

Divorce-House-passed legislation (**HB 905**) proposing to reform Pennsylvania divorce law died in the Senate without coming to a vote, As it passed the House, the so-called "No Fault divorce" bill would have allowed a couple who voluntarily lived apart for one year to obtain a divorce without specific grounds. After lengthy and sometimes bitter debate in the House, opponents of the measure succeeded in amending the measure to require that where children under 18 months are involved, the separation of parents must be for 18 months and that mandatory marriage counseling must be undertaken before the divorce could be granted. The Senate Judiciary Committee stripped much of the House language from the bill before sending it to the floor where it faces an uncertain future, In its last form, the bill would have added a new ground for divorce to state law: in a voluntary separation for one year which must be corroborated by a third party and must be uncontested for the divorce decree to be granted.

HEALTH AND WELFARE

Mental Health-Legislation proposing a so-called Bill of Rights for Mental Health patients received an exhaustive airing from the Senate Public Welfare Committee. The bill (**SB 1239**) would have spelled out specifics involving the voluntary or involuntary commitment of individuals; provide immediate care for those who need and protect the rights of patients by guaranteeing them the right to adequate treatment; confidentiality of records; protection against excessive medication, unnecessary restraint and seclusion and the right to basic human dignity. The bill was reported to the floor for a three-week exposure and was recommitted to the committee.

Health Care--A variety of legislation proposing steps to fight against spiraling health care costs in Pennsylvania has been introduced in both chambers. The principal Senate vehicle was **SB 1326**, which passed the Senate but died in the House. It would have established Health Care Policy Board in the Dept. of Health to oversee a unified system for the regulation of health care in four specific areas: rate approval, certification of need; licensing and uniform accounting and reporting. Similar legislation has introduced in the House. The House has chosen, however, to act on specific bills in a five-bill package dealing with this problem. The key bill (**HB 1710**) passed the House, reached the Senate floor but was recommitted to Senate Committee.

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