

Senate of Pennsylvania

SENATE DEMOCRATIC WRAP-UP FOR THE 1991-1992 LEGISLATIVE SESSION

FOR EDITORIAL BACKGROUND

The two-year, 1991-92 legislative session ended in historic fashion as the final three days saw the Democrats gain control of the Senate for the first time in 12 years.

Democrats took the Senate's organizational reins when Sen. Frank A. Pecora joined 24 other Senate Democrats in electing (25-23) Sen. Robert J. Mellow (D-Lackawanna) as the Senate's new President Pro Tempore.

Following the reorganization, some 80 bills -- many of which had been delayed for months by the chamber's former GOP majority -- were finally passed.

The first winners were Pennsylvania's children. Within hours of the Democratic takeover, long-delayed child health care legislation was brought to a vote and approved.

The landmark measure, which had collected dust in GOP-controlled Senate committees for nearly a year, provides for free and/or low-cost health coverage for thousands of uninsured children in Pennsylvania. Funded by two cents of the state's per-pack tax on cigarettes, the new program -- to be implemented by April -- will provide health coverage for youngsters whose families earn too much to qualify for Medicaid but too little to afford private insurance.

Also enacted was a companion measure to reduce the taxpayer cost for child health care by requiring that insurance coverage of children be a part of court-ordered child support by divorced or separated parents.

The final days also resulted in action on legislation to help shore up the financial solvency of the state Lottery Fund and, in particular, to preserve prescription drug assistance for senior citizens.

The so-called "PACE rescue" bill, intended to save more than \$36 million annually, requires higher rebates from drug manufacturers and the increased use of generic drugs under the Pharmaceutical Assistance Contract for the Elderly program.

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Also passed in the session's waning hours were measures that:

-- provide for the implementation of a federally-mandated "enhanced" auto emissions inspection and maintenance program in 33 counties of Pennsylvania by 1995;

-- require insurers to pay for yearly mammograms for women over 40;

-- promote payroll savings for school districts by encouraging the voluntary early retirement of long-time teachers and other school employees;

-- strengthen the state's laws against drunken driving and underage drinking in the wake of recent court decisions; and

-- guarantee people with physical disabilities equal access to institutions of higher education.

Enacted earlier in the two-year session were two budgets. Whacked by the multi-headed hammer blow of spiraling costs for federal mandates, an increase in participation in human service

programs and a dramatic recession-induced decline in revenues, the 1991-92 state budget required the first state tax increase in eight years.

The 1992-93 state budget, a bare-bones spending plan, allowed for a tax cut.

Also winning final approval in 1991-92 were bills to limit teachers' strikes, to implement the federal Clean Air Act, to permit so-called "living wills" and to provide for the creation of a new college savings incentive program.

These and many other new laws and bills are highlighted in this summary of the legislative session which officially ended November 30, 1992. The governor completed final action on the last bills sent to his desk December 28, 1992.

Legislation referred to is coded as follows: a single asterisk indicates Senate passage, two asterisks indicate Senate and House passage, and three asterisks indicate the measure became law. A "V" means the measure was vetoed by the governor.

BUDGET AND FINANCE

*** **1992-93 State Budget** -- Pennsylvania entered the 1992-93 fiscal year with a budget on time, but nobody -- neither the Senate, the House, nor the governor -- was particularly happy with the end product.

As a midnight June 30, 1992 budget deadline approached, House Democrats took the unusual step of sending a Senate Republican-sponsored spending plan (HB 1320) to the governor. House passage occurred on a 102 to 93 vote.

The bill, originally passed (28-21) by the Senate June 10, had been intended only as a vehicle to achieve a budget compromise. It was expected to go to a House-Senate conference committee for a final resolution.

As it was, a negotiated settlement never occurred.

The \$14.049 billion General Fund budget signed by the governor (Act 8A/1992) -- along with \$71.3 million in line item vetoes -- freezes overall state government spending. The total budget amount was only one-half percent higher than the \$13.989 billion budget approved for fiscal 1991-92.

The good news was that it allowed for a scheduled July 1, 1992 reduction in the state personal income tax rate -- from 3.1 to 2.8 percent.

The bad news was that many state government programs and services endured budget cuts.

State agencies sustained a 5 percent reduction while funding for most programs and services was slashed by 3.5 percent.

In the area of education, the new state budget appropriated a total of \$5.871 billion. Of that amount, \$2.961 billion was for basic education subsidies to school districts. After being increased by \$200 million in the prior year, the 1992-93 Equalized Subsidy for Basic Education (ESBE) amount was frozen at the 1991-92 level (See Education section).

In the area of higher education, funding for state-owned and state-related colleges and universities was reduced by 3.5 percent (Also see: Non-Preferred Appropriations, this section) while state assistance for private colleges -- such as the University of Pennsylvania and Drexel University -- was eliminated.

Community colleges, however, received a 6 percent boost in state funding to a total of \$140.1 million.

The appropriation for state-owned universities, members of the State System of Higher Education, was \$358 million -- a \$13 million drop from fiscal 1991-92.

Although much debate prior to the budget's passage centered on the question of welfare reform, that issue was left unresolved.

The new budget appropriated \$4.696 billion for Department of Public Welfare-related programs in fiscal 1992-93, including \$667 million for welfare cash grants, \$594.6 million for medical assistance outpatient care and \$710.1 million for medical assistance inpatient care.

In the area of transportation, the overall budget appropriated \$544.9 million for highway maintenance and \$232.9 million for mass transit assistance.

The budget also included: \$500.4 million for the Department of Corrections, \$203.3 million for the Department of Environmental Resources, \$189.6 million for the Department of Health and \$127.8 million for the Department of Commerce.

In his line item veto of funding in certain areas of the budget, the governor eliminated all funding for county court costs (\$26.8 million) and wiped out an \$8.3 million reimbursement for district justice expenses.

*** **1991-92 State Budget** -- One of the most difficult budget struggles in Pennsylvania history ended on Sunday, August 4, 1991 as Governor Casey, following a marathon House and Senate weekend session, signed his name on a tax and spending accord for fiscal 1991-92.

Prolonged by an extremely unpopular, and yet, unavoidable need to increase taxes, the 35-day budget impasse held up property tax and rent rebate checks for 370,000 senior citizens, resulted in late payments to schools, counties, hospitals and other service providers and delayed paychecks for thousands of state workers.

In effect, the state's fiscal logjam didn't end until the Legislature mustered sufficient votes for the tax bill (See Taxes) to fund the \$13.99 billion 1991-92 General Fund budget (HB 1536, Act 7A/1991).

Faced with the double whammy of spiraling costs for federal mandates and a sharp recession-induced increase in participation in human service programs, the final 1991-92 spending plan saw a 16 percent increase in state-funded costs for public welfare from \$3.86 billion in fiscal 1990-91 to \$4.49 billion in 1991-92.

Basic education subsidies were boosted by \$200 million, the largest dollar increase in history, while funding for special education and early intervention services was increased by 33 percent over 1990-91.

Transportation and corrections also received major funding increases in 1991-92.

*** **Taxes** -- The same legislation (HB 185, Act 22/1991) that in 1991 resulted in the first state tax increase in eight years also triggered an automatic reduction in the state's personal income tax (PIT) rate, from 3.1 percent to 2.8 percent, on July 1, 1992.

Also effective July 1, 1992 was a provision requiring that two cents of the state's 31 cents-per-pack tax on cigarettes be deposited in a special Children's Health Fund. Monies generated for the fund, estimated at \$20 million annually, were targeted to provide free and/or low-cost health care coverage for young children of low to moderate income working families who don't qualify for medical assistance (See Public Health & Welfare).

When first enacted, Act 22/1991 raised an assortment of levies on individuals and businesses -- and extended the state's sales tax to a series of previously untaxed products and services -- to generate what was estimated at \$2.863 billion in new revenues for the General Fund.

Also enacted in 1991 was legislation (HB 840, Act 26/1991 --See Transportation section) to provide up to \$440 million in additional funding annually for mass transit and highway improvements.

Act 22/1991 had passed the House on a vote of 103 to 99 and the Senate on a vote of 26 to 24. Seven Republicans joined 19 Democrats to pass the bill in the Senate.

Key provisions provided for the following:

-- an increase in the state Personal Income Tax (PIT) rate from 2.1 percent to 3.1 percent, effective July 1, 1991, with a reduction in the rate to 2.8 percent July 1, 1992;

-- an increase in the Corporate Net Income (CNI) tax rate from 8.5 percent to 12.25 percent, effective January 1, 1991;

-- an increase in the business Capital Stock and Franchise Tax from 9 1/2 mills to 13 mills, effective January 1, 1991, with a reduction to 12 3/4 mills January 1, 1992;

- an increase in the utility gross receipts tax from 4.4 percent to 5 percent effective July 1, 1991;
- a 2 percent tax on insurance companies for setting up non-pension annuities;
- a 13 cent increase in the state cigarette tax from 18 cents to 31 cents per pack; and
- extension of the state's six percent sales tax to cable television "premium channels", long distance phone calls, certain household paper and cleaning products, pizza deliveries; pest control services, lawn care services, storage space services, credit reporting and collection services, building cleaning and maintenance services, janitorial services, computer and data processing services, personnel services and lobbying services.

Act 22 of 1991 also eliminated, retroactive to January 1, 1991, a corporation's ability (Net Operating Loss provision) to offset corporate net income taxes by carrying previous losses forward for three years.

Additionally, while the General Assembly maintained the manufacturer's exemption from the Capital Stock and Franchise Tax, the minimum levy for those who do pay that tax was boosted from \$75 to \$300 a year and the exemption of the tax on the first \$100,000 of a business's valuation was lowered to \$50,000.

Act 22 of 1991 also provided for a phased-in reduction in the so-called "widows' tax" when an estate being transferred to a surviving spouse is valued at \$200,000 or less and when annual household income averaged less than \$40,000 in the three years prior to the decedent's death.

Under the measure, the state's six percent inheritance tax on the first \$100,000 of value of a qualifying estate was to be cut by two percent after January, 1992, by four percent after January, 1993 and eliminated after January, 1994.

The provision -- with its so-called "means test" -- represented a compromise between the Legislature and the governor who, in the prior 1989-90 session, had vetoed a bill that would have provided for a total repeal of the widows' tax.

New taxes for mass transit and highways, as contained in House Bill 840, Act 26/1991, included a \$1 excise tax on each new tire purchase, a 12 mill increase in the Public Utility Realty Tax, an extension of the state's six percent sales tax to magazines, a \$2 per day tax on car rentals, a 3 percent tax on automobile leases and an increase in the Oil Company Franchise tax from 6 percent to 11.5 percent.

*** **Non-Preferred Appropriations** -- Enacted were 28 so-called non-preferred appropriations bills (SBs 1747-1750; 1760-1763; 1766-1785), which became Acts 11A-38A/1992, providing for a total of \$539 million to state-related universities as well as several health-related institutions and museums.

A series of Senate-passed bills authorizing some \$70 million in funding to private colleges were never enacted.

Of the non-preferred appropriations measures that did become law, the bulk of the money -- a reduction of 3.5 percent from the prior year -- went to the state-related universities as follows: Penn State, \$249.2 million; Pitt, \$135.07 million; Temple, \$137.81 million; and Lincoln, \$9.89 million.

Prior to his signing of the non-preferred appropriations, the governor line item vetoed \$1.7 million from several of the bills.

*** **PUC, Consumer Advocate; Miscellaneous Budgets** -- Enacted were a series of bills providing for the 1992-93 operating budgets of the Public Utility Commission, Consumer Advocate and Small Business Advocate (HB 2467, Act 10A/1992); the State Employees' Retirement System (HB 1323, Act 9A/1992); the Public School Employees' Retirement System (HB 2701, Act 7A/1992); the state Bureau of Professional and Occupational Affairs, the state Board of Medicine, the state Board of Podiatry and the state Athletic Commission (HB 2501, Act 5A/1992); and the state workers' compensation program (HB 2500, Act 4A/1992).

The PUC budget of \$33.5 million, the Consumer Advocate budget of nearly \$3.4 million and the Small Business Advocate budget of \$735,000 are funded by assessments on utilities.

Funding for the State Employees' Retirement System budget of \$13,830,000 and the Public School Employees' Retirement System budget of \$18,282,000 comes from earnings on investments while the \$16,602,000 budget of the Bureau of Professional and Occupational Affairs and the other professional board budgets are financed by fees and fines on licensees. The state workers' compensation program budget of \$23,098,000 is financed by assessments on insurers and self-insurers.

*** **Capital Budget** -- Passed by both houses was a 218-page capital budget measure (SB 1642) that would have authorized a total of \$3.43 billion for hundreds of highway and public improvement projects throughout the state.

In signing the bill as Act 188 on December 28, 1992, however, the governor line item vetoed \$1.039 billion from the measure -- reducing authorization to \$2.38 billion. Much of the funding vetoed, he said, were projects not eligible for capital budget funding or projects which were duplicated or previously included in capital budget acts.

At \$1.4 billion, highway construction projects constituted the largest share of the capital budget. The highway funding will be used by PennDOT to construct some 630 highway projects around the state.

The legislation also contains \$38.1 million to help finance a double-stack container rail transportation network in Pennsylvania. The anticipated project will remove low bridges and other obstacles in order to provide the 20-foot, eight-inch clearance needed for double-stack containers to travel on rail freight lines between Philadelphia and Ohio and Philadelphia and New York.

Authorized was \$2 million to support the continued planning and design of a magnetic levitation railroad demonstration project in Allegheny County. Planners eye the construction of a high-speed transportation link between downtown Pittsburgh and the new Midfield Terminal at Pittsburgh International Airport.

Senate Bill 1642 contains some \$60 million for the proposed "Avenue of the Arts" in Philadelphia, including \$35 million for a 2,800-seat concert hall to house the Philadelphia Orchestra. Approximately \$50 million is authorized for Allegheny County's on-going "Strategy 21" initiatives, including \$17,750,000 for cultural district development in Pittsburgh.

The legislation includes a total of \$439.7 million for public improvement projects around the state, including \$198.6 million for state-owned educational facilities.

The Legislature also passed House Bill 1959 (Act 143/1992) providing authorization for more than \$1.7 billion in bridge projects.

*** **"Sunny Day" Investments** -- Enacted were four bills appropriating nearly \$29 million in so-called Sunny Day funds. The low-cost financing for seven business expansion projects was expected to create more than 4,000 new jobs.

Senate Bill 1812, Act 39A/1992, appropriated \$3 million in Sunny Day loans for two projects. A \$2 million loan was authorized for U.S. Bioscience for the location of a new facility in either Chester or Montgomery Counties for the manufacture of Hexalen, a drug used in treating ovarian cancer. The project was expected to result in the creation of 270 new jobs. A \$1 million loan was approved for Murry's Incorporated to help finance the construction of a meat and poultry processing and distribution facility in Lebanon County, expected to create 200 jobs.

House Bill 2932, Act 40A/1992, provided a \$3 million loan to finance the consolidation and expansion of an auto part manufacturer's operations in southeastern Pennsylvania. The financing to Blue Chip Products, Inc. will enable the company to relocate all of its operations -- including those in Maryland -- to Falls Township, Bucks County for the retention of 300 existing Pennsylvania jobs and the creation, within three years, of 700 new jobs. House Bill 2932 also authorized an additional \$750,000 loan for the Murry's, Inc. project in Lebanon County which received initial Sunny Day financing under Act 39A/1992.

Senate Bill 1440, Act 1A/1992, authorized an additional \$11 million in Sunny Day financing for three projects as follows:

-- \$4.5 million to Plastek Industries for the construction of a new plastic injection molding plant in Erie, expected to create 500 new jobs;

-- \$2 million to the Little Tikes Company to help finance the construction of a toy manufacturing plant near Shippensburg in Cumberland County, expected to create 224 jobs; and

-- \$4.5 million to Astra/Merck (a Swedish pharmaceutical firm) to locate a new corporate headquarters in Tredyffrin Township in Chester County, expected to create 300 new jobs.

House Bill 1644, Act 53A/1991, provided an \$11.5 million Sunny Day loan to Sony Corporation to assist in the establishment of a color television assembly plant at the site of the former Volkswagen plant in Westmoreland County. Sony was expected to employ more than 2,000 workers at its new facilities over the next several years.

The Sunny Day Fund, first established in 1985, provides a financial incentive to encourage major job-producing businesses to locate or expand their operations in Pennsylvania.

*** **Lottery Preservation** -- Enacted were measures intended to help shore up the financial solvency of the state Lottery Fund. One bill (HB 2442, Act 128/1992), better known as "PACE Rescue" legislation, requires drug manufacturers to give the state a higher rebate for prescriptions purchased under the PACE prescription drug assistance program for senior citizens (See Aging & Youth).

The other measure, House Bill 164 (Act 138/1992), permits commercial advertising on lottery tickets. The Secretary of Revenue has discretion to refuse any advertisement that is inappropriate or offensive. Advertisements for tobacco products or alcoholic beverages are prohibited. All revenues generated from such lottery ticket ads would be deposited in the state Lottery Fund.

*** **State Employee Early Retirement; Budget Cost Savings** -- Legislation (SB 405) designed to save the state millions of dollars through a state employees' "early retirement" incentive program and other pension system changes unanimously cleared the Senate and House and became law (Act 23/1991).

Under the early retirement provision, state workers 55 years of age or older with 10 or more years of service received an extra 10 percent service credit in the calculation of their pension benefits if they retired between February 1, 1991 and December 31, 1991.

More than 6,700 state employees with combined annual salaries of more than \$222 million took advantage of the retirement window. Exact payroll savings were unavailable, although it was estimated at a conservative \$30 million for fiscal 1991-92.

Another key feature of Act 23 of 1991 provided additional financial savings for the state and local school districts by extending, to 20 years, the time period for payment of State Employees' Retirement System and the Public School Employees' Retirement System liability.

This reamortization resulted in a lowering of the employer contribution rates for both the State Employees' Retirement System (from 12.5% to 10%) and the Public School Employees' Retirement System (from 16.6% to 14.9%). Liability costs for the school employees' pension system are shared equally between the state and local school districts while the state pays the full cost of liability of the state employees' system.

Additionally, the law also provided for the following:

-- limited health insurance premium assistance (\$55 per month), effective July 1, 1992, for school retirees with 24 1/2 years of service or with disabilities;

-- an extension, until June 30, 1993, of a previous early retirement window allowing state and school employees with 30 years of service (regardless of age) to retire without any pension penalty;

-- an expansion of the definition of "enforcement officer" for pension benefit purposes to include enforcement officers and investigators of the state Attorney General's office, agents and employees of the Board of Probation and Parole, and corrections and welfare department employees who provide therapeutic treatment services to inmates; and

-- a statutory increase, from 1% to 2%, in the asset amount that both the state employees' and public school employees' pension systems can designate for economic development venture capital investments.

*** **School Employee Early Retirement** -- Intended to promote payroll savings for school districts, the General Assembly approved a bill (SB 1790, Act 186/1992) to encourage the voluntary early retirement of long-time, higher-paid teachers and other school employees.

The legislation, similar to a previous retirement incentive for state workers, grants school employees 55 years of age or older an extra 10 percent service credit in the calculation of their pension benefits if they retire prior to August 31, 1993.

The window for the incentive would apply to those eligible school employees who retired after July 1, 1992 and to those who retire prior to August 31, 1993.

Eligible school employees are required to declare their intent to retire prior to April 1, 1993 and file applications for retirement before September 1, 1993.

*** **Judiciary Pay Raise** -- For the first time in five years, the Legislature passed a bill (HB 627, Act 167/1992) granting a pay raise for members of the judiciary.

Absent from the measure was any salary adjustment for state lawmakers or other state officials.

The bill, which passed the Senate (39-10) and the House (138-51) at the end of the session, increases the annual salaries of Supreme Court justices by \$13,500, to \$105,000; of Superior and Commonwealth Court judges by \$12,000, to \$101,500; and of Common Pleas Court judges by \$10,000, to \$90,000.

District justices were to receive an approximate \$7,000 increase in their base pay, capped at a maximum \$45,000.

The measure also provides for annual cost of living adjustments in judicial salaries -- starting in January 1994 -- tied to the consumer price index.

Funding for the judicial pay raises does not come from General Fund tax dollars. Instead, the legislation raises court filing fees and costs imposed on criminals to more than cover the expense of the salary adjustments. Court fees and costs were increased by an estimated \$20.7 million annually. The cost of the judicial pay raise was estimated at \$10 million annually.

*** **Lottery Intercept** -- Passed and signed by the governor was legislation (SB 402, Act 87/1992) allowing the state to intercept lottery winnings of individuals who are delinquent in making child support payments.

The measure applies to lottery winnings of more than \$2,500. Delinquent child support payments would be deducted from the lottery prize.

"V" **Tax Amnesty** -- Although it cleared the Senate on a vote of 49 to 1 and the House on a vote of 197 to 5, Governor Casey vetoed tax amnesty legislation (SB 1059) -- a bill designed to finally collect all back taxes owed the state by giving tax delinquents a one-time forgiveness on penalties and half of the interest cost.

Under the measure, delinquent citizen and business taxpayers (or even those who previously under-reported income and didn't pay their full tax obligation), would have had a one-time, three month "grace period" to pay their back taxes in full with a 50 percent reduction in the interest cost and without additional penalty.

Similar tax amnesty programs have reaped an aggregate of \$1.5 billion in windfall tax revenues in 31 states and the District of Columbia.

The governor said he vetoed Senate Bill 1059 because of technical flaws and also because he feared the measure's provisions were too broad and would interfere with certain existing Department of Revenue enforcement and collection efforts.

*** **Budget Oversight; Etc.** -- Enacted was legislation (HB 804, Act 35/1991) containing a wide assortment of legislative provisions including language to enhance legislative oversight of executive branch budget actions.

The legislation requires the governor, at the time of his annual budget presentation to the General Assembly, to submit the original budget requests of the various departments and agencies of state government.

It also requires the Secretary of the Budget to give the appropriations committees of both houses of the General Assembly prior notice, for legislative review and comment, of any plans to disapprove or reduce grant or subsidy appropriations.

Another budget-related feature requires the Secretary of the Budget to deposit, on a quarterly basis, 10 percent of any surplus operating revenues in the state's tax stabilization reserve or Rainy Day Fund. Additionally, any monies received by the sale of commonwealth assets are required to be deposited in the Rainy Day Fund.

Crime Victims Compensation

The legislation also doubled, from \$15 to \$30, the added costs convicted criminals are required to pay for compensation to crime victims and for victim-witness services.

The measure expanded the state's crime victims' compensation program to permit payment to the injured victims of alcohol-related motor vehicle and boating mishaps and to certain out-of-state crimes committed against Pennsylvania residents.

Additionally, the legislation expanded the definition of losses from which crime victims' compensation may be awarded to include pension, retirement or disability payments; eyeglasses or contact lenses; and dental and prosthetic devices.

Offenders to Pay for Supervision

The legislation also required the courts -- at the time of placing an offender on probation, parole, accelerated rehabilitative disposition (ARD) or in some other alternative or intermediate sentencing program -- to impose a \$25 monthly fee on the offender to help defray the cost of supervision for such programs. The courts could reduce, waive or defer such fee payments if the offender is found to have a "present inability to pay."

Miscellaneous

Other provisions of Act 35 of 1991 provided for:

-- a continuation of health insurance coverage, to be deducted from pension benefits at the state's group rate, for widowed spouses of retired state employees; and

-- the drilling of water wells on state forest land by boroughs, other municipalities and municipal authorities, subject to DER restrictions and regulations.

*** **Children & Youth Services Reimbursement** -- Passed as part of the 1991-92 state budget agreement was legislation (HB 1143, Act 30/1991) establishing a new "needs based" budgeting system for county-operated children and youth services.

* **State Funding For Mandates On Local Government** -- Failing to win final House consideration was a proposed constitutional amendment (SB 401) to require the state to provide adequate funding or a funding mechanism when imposing new or expanded mandates on the backs of local government. The bill had passed the Senate on a vote of 50-0.

Under the measure, state government would have been required -- as stated by its Senate Democratic sponsor -- to "put its money where its mouth is" when telling Pennsylvania's more than 2,600 units of local government and 501 school districts that they must provide a new program or offer an expanded service.

According to the Pennsylvania Local Government Commission, there are already an estimated 8,000 legislative and regulatory state government mandates on local government.

Also passing (50-0) the Senate, but not acted upon by the House, was a somewhat related measure (SB 1089) that would have required, by law, that the state Senate and House Appropriations Committees determine the fiscal impact of bills on local government before being passed by either the Senate or House.

* **Spending Limit** -- The Senate voted (32-16) to pass a proposed constitutional amendment (SB 917) intended to cap annual increases in state spending to the overall percentage growth in personal income of Pennsylvania's citizens over the previous two years. The bill died in the House.

"V" **State Deposits** -- Passing the Senate (48-2) and House (187-0), but vetoed by the governor, was a bill (SB 1190) that would have made it easier for smaller, community banks to qualify as depositories of state funds. The legislation would have allowed a smaller bank's retained earnings and loan loss reserves to be included as factors in determining eligibility for state deposits.

In his veto message, the governor said provisions of the bill would have increased investment risks to the commonwealth without any increase in investment return.

* **Foster Care Tax Exemption** -- Passing the Senate (47-0) was a bill (SB 413) that would, by law, exempt all payments to foster parents for in-home care of foster children from the state income tax. Such payments are already exempt from the state tax under policy of the Department of Revenue. Senate Bill 413 failed to receive final action in the House.

*** **Retirement Panels** -- Enacted was a bill (SB 1368, Act 42/1991) changing the name of the Public Employee Retirement Study Commission to the Public Employee Retirement Commission and reestablishing it until December 31, 2001. Also passed by both houses and signed by the governor was legislation (SB 1369, Act 43/1991) reestablishing the Municipal Pension Advisory Committee through 2001.

* **Legislative Tax Commission** -- Passed (46-0) by the Senate was a bill (SB 1504) to create a special 18-member Legislative Tax Commission to study taxation policy in Pennsylvania. The bill died in the House.

EDUCATION

*** **Teachers' Strike Limits** -- Teachers' strikes would be less likely, and selective strikes would be outlawed, under legislation signed into law as Act 88 on July 9, 1992.

Senate Bill 727 establishes a series of deadlines during the negotiating process. It requires last best offer arbitration if a strike occurs and a school district is in danger of being forced to extend the school year past June 15 (or past the district's scheduled last day of school, whichever is later).

Mandatory arbitration will not be binding, although the parties could agree to binding arbitration as part of the negotiating process. They will be required to bargain about the type of last best offer arbitration used.

The new law:

-- Establishes a strict timetable for negotiations. Bargaining would have to start by Jan. 10. If an agreement is not reached by Feb. 25, a state mediator would be called in.

-- Allows either party to request fact finding.

-- Requires 48-hour advance written notice of strikes and bans selective strikes. Teachers' unions which have called a strike and returned to work may call only one more strike during a school year.

-- Prohibits the use of strikebreakers during a legal strike. However, strikebreakers may be used if either party rejects an arbitrator's decision and if the state-mandated 180-day school year is in jeopardy.

-- Requires that strikes and lockouts cease during fact-finding and when parties agree to arbitration.

Senate Bill 727 also increased the reimbursement school districts receive for non-public school transportation. Districts will receive \$124 for each student transported in the 1990-91 and 1991-92 school years and \$159 per student beginning in

1992-93.

The bill lets public and non-public school students refuse to participate in animal dissection.

*** **School Subsidies Frozen** -- School district basic education subsidies in fiscal year 1992-93 were frozen at 1991-92 levels under legislation (SB 6) signed into law as Act 85 on July 9, 1992.

The legislation also provided for special education payments at the fiscal 1991-92 level through December 31, 1992. Further action is still required on funding for special education between January 31, 1993 and June 30, 1993.

Senate Bill 6 also allowed the state to obtain and use some \$20.5 million in federal funds to employ disadvantaged young people this past summer. The measure also altered a tax rebate requirement that was enacted as part of last year's record increase in funding for school districts.

Under the amended provision, districts that were required to rebate excess funds to taxpayers were allowed to implement the tax abatement requirement by providing tax credits against 1992-93 property or nuisance tax bills or use the increased funds to reduce school district debt.

*** **1991-92 School Funding** -- State funding under the Equalized Subsidy for Basic Education (ESBE) increased by nearly \$200 million for the 1991-92 school year. The 7.27 percent increase was the largest ever. School districts also reaped a windfall cost savings as a result of a change in their contribution rate to the Public School Employees Retirement System (see State Employee Early Retirement bill in Budget & Finance section).

*** **College Savings Incentives** -- Pennsylvanians will have two new ways to save for college as a result of legislation signed into law as Act 11 on April 3, 1992.

Senate Bill 2 created a Tuition Account Program and a College Savings Bond Program. Under the Tuition Account Program, tuition credits may be purchased today and used years later. College Savings Bonds provide a tax-free investment which may be used to pay for college expenses.

The Tuition Account Program (TAP) may be used at Pennsylvania community colleges, universities in the State System of Higher Education and state-related universities. Participants may purchase tuition credits at one of three standard tuition levels corresponding to the average tuition rates at the three participating classes of institutions. Credits may also be purchased at the actual tuition rate of a specific participating school.

If TAP fund earnings don't keep pace with tuition increases, the cost of tuition credits may be adjusted above the actual cost of tuition. Participants may also be asked to pay administrative fees.

The tuition credits will not be subject to state or local taxes. The Internal Revenue Service was expected to be asked to rule on federal tax liability.

College Savings Bonds will be similar to U.S. Savings Bonds. They will be purchased at a discount and be worth a fixed amount at maturity. Interest earnings on the bonds will be tax exempt.

*** **Educational Access for Disabled** -- People with physical disabilities would be guaranteed equal access to institutions of higher education under legislation signed into law as Act 187 on December 22, 1992.

Senate Bill 1794 amends the Pennsylvania Fair Educational Opportunities Act to ensure equal opportunities for people with physical disabilities. The act previously banned discrimination only on the basis of race, religion or national origin.

*** **College Loan Forgiveness** -- Legislation (HB 1313) which will forgive college loans of students who go to work on a Pennsylvania family farm or enter a Pennsylvania practice of veterinary medicine that includes large farm animals was signed into law as Act 64 on June 26, 1992.

Participants in the Agriculture Education Loan Forgiveness Program must hold a degree in an agriculture-related field or in veterinary medicine from a Pennsylvania institution. The program will forgive portions of Guaranteed Student Loans obtained through the Pennsylvania Higher Education Assistance Agency (PHEAA).

PHEAA will determine how much debt will be forgiven for each applicant. A total of \$10,000 may be forgiven at a rate of up to \$2,000 a year.

"V" **Approved Private School Budgets** -- Legislation which would change the budgeting and auditing procedures for approved private schools and for the four chartered schools for the education of the deaf and blind was vetoed by Governor Casey on July 9, 1992.

House Bill 1318 would require the schools to negotiate pre-approved budgets with the Department of Education. The schools previously received quarterly payments based on their costs in the previous year. The quarterly payments would continue under the new law, but they will be based on the pre-approved budgets.

Independent audits previously performed by the Department would be done by the schools and submitted to department for review. The governor cited the revised audit process in his veto message, saying it would be more expensive and reduce the Education Department's oversight ability.

*** **Reduced Tuition for Military** -- Military personnel stationed in Pennsylvania, and their children, may pay lower cost resident-status tuition at state schools under legislation (HB 1797) signed into law as Act 40 on May 21, 1992.

The reduced tuition rates would apply at community colleges and the state-related universities of Penn State, Pitt, Temple and Lincoln.

* **Tuition Vouchers/Schools of Choice** -- Legislation providing for the most sweeping "educational choice" program in America was approved (28-22) by the Senate on a vote which crossed party lines.

Proponents argued that Senate Bill 953 would upset the "status quo" in the educational establishment by giving parents the opportunity to select a "school of choice" -- public or private -- to teach their children, thereby fostering improvements in education through increased competitiveness and accountability.

Opponents argued that the program would violate the state's constitution, require a large state tax increase and make it more difficult for **all** students to obtain a quality education.

Rejected by the House as unconstitutional, the bill would have entitled parents who decided to send their children to a private or religious school, or to a public school outside their home school district, to receive a state-funded "tuition voucher" of up to \$900 a year.

Although such tuition vouchers would cost the state more than \$300 million annually, Senate Bill 953 contained an appropriation of only \$300,000 to the Department of Education to establish an Office of Educational Opportunity.

The bill was in the House Education Committee when the session ended.

* **Mandatory School Breakfast** -- School breakfast programs would be mandatory in all Pennsylvania school districts under legislation (SB 1443) approved (41-6) by the Senate on May 5, 1992.

Only about 1,000 out of Pennsylvania's 4,200 schools currently offer breakfast programs. All school districts would have to offer breakfast under Senate Bill 1443, but individual schools could receive a one-time waiver from the state Education Department.

School districts which offer breakfast programs are reimbursed by both the federal and state governments. The estimated state cost of a mandatory school breakfast program is \$2.6 million to \$5 million based on current student participation rates. Mandatory breakfast programs under Senate Bill 1443 would be contingent on continued federal funding.

The bill was in the House Rules Committee when the session ended.

* **School Latchkey Programs** -- Legislation which would encourage school districts to offer before-school and after-school child care services for children between the ages of five and 13 was unanimously approved by the Senate on June 23, 1992.

Senate Bill 569 would designate \$1.5 million from the Department of Public Welfare's day care services appropriation to pay for latchkey program demonstration grants.

The bill was in the House Education Committee when the session ended.

* **Campus Crime Information** -- Legislation (SB 1378) that would expand the state's campus crime information law was unanimously passed by the Senate on June 3, 1992.

The bill would require Pennsylvania colleges and universities to maintain daily logs -- open to public inspection at no charge -- of reported campus crimes. The log would include responses to valid complaints as well as the names and addresses of persons arrested and the charges filed.

The bill was in the House Education Committee when the session ended.

* **Philadelphia School Board Selection** -- Philadelphia school board members would be elected, rather than appointed, under legislation approved (28-20) by the Senate on June 2, 1992.

Senate Bill 1597 would mandate a change in Philadelphia's Home Rule Charter, which currently calls for the appointment of school board members by City Council. One school board member would be elected from each city council district.

The bill was in the House Education Committee when the session ended.

* **Interstate Teacher Certification** -- The Senate approved legislation (SB 532) which would direct the state Department of Education to establish reciprocity with other states for teacher certification. Teacher certifications from other states could be recognized if the states participate in national or regional agreements which spell out criteria for reciprocity.

The bill was in the House Rules Committee when the session ended.

TRANSPORTATION

*** **Emission Program Expanded** -- The governor's signature on House Bill 2751 (Act 166/1992) sets the stage for implementing an enhanced, federally-mandated vehicle emission inspection program in Pennsylvania.

The bill expands the state's emission inspection program from 11 counties to 33 counties. The new law, which goes into effect in 1995, permits either centralized or decentralized emission testing systems.

It also prohibits the renewal of vehicle registrations without evidence of a passed emission inspection and allows emission inspection through remote sensing devices, roadside checks with tailpipe tests and emission control device checks.

Vehicle owners will not be required to spend more than \$450 to bring a vehicle into compliance with emission standards.

Another provision of Act 166 creates a Low Emission Vehicle Commission to study whether the adoption of low emission vehicle standards will bring about significant net air quality improvements. Also created is a Vehicle Emission System Inspection Program Advisory Committee to advise PennDOT. The panel must recommend whether the program will be run by PennDOT under a contracted, centrally-operated system of statewide inspection stations or whether auto service stations may administer the emission test.

If a centralized system is chosen, tests will be required every two years; testing would be on an annual basis under the decentralized setup.

The 33 counties that are included in the inspection program are Adams, Allegheny, Beaver, Berks, Blair, Bucks, Cambria, Carbon, Centre, Chester, Columbia, Cumberland, Dauphin, Delaware, Erie, Fayette, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, Mercer, Monroe, Montgomery, Northampton, Perry, Philadelphia, Somerset, Washington, Westmoreland, Wyoming and York.

However, the state plans to petition the federal EPA to exempt eight of these counties from the program: Adams, Carbon, Columbia, Fayette, Monroe, Perry, Somerset and Wyoming. Federal regulations allow exemptions under certain circumstances for counties with fewer than 200 people per square mile.

Another provision of Act 166 provides for incentive grants for retrofitting vehicles to use alternative fuels.

Also included in the bill is authorization for PennDOT to establish three pilot programs to decentralize the provision of registration plates, cards and stickers, and drivers' licenses.

*** **Alternative Fuel Vehicle Registration Exemption** -- The legislature passed and sent to the governor a bill (HB 184) which exempts any electric-powered vehicle, hybrid electric vehicle or zero-emission vehicle from the annual registration fee. The exemption provision expires at the end of 1996. In addition, the bill authorizes the owner of an inspection station where one of these vehicles is inspected to claim a credit for the cost of the certificate of inspection. Another provision of the bill allows PennDOT to issue an annual permit for construction trucks which exceed the registered gross weight allowed by law. With the governor's signature, the bill became Act 139 of 1992.

*** **Drunk Driving/Underage Drinking; Etc.** -- Legislation (HB 355) that originally was aimed at "identifying" handicapped parking spaces became the vehicle for a wide variety of Vehicle Code amendments that the governor signed into law as Act 174 of 1992.

In response to a court decision that weakened Pennsylvania's laws against underage drinking, the new legislation says that a chemical analysis is not required to prove that a substance found in the possession of a minor is an alcoholic beverage. For example, a "can of beer" would be presumed an alcoholic beverage unless the underage defendant can prove that it was not alcoholic. The burden of proof would be on the minor.

The measure also gives law enforcement authorities three hours from the time a person was driving to obtain a blood alcohol test on a suspected drunken driver. Under previous law, a person was considered incapable of safe driving if their blood alcohol level was .10 percent at the time they were driving. In some cases, however, the chemical test of a person's breath, blood or urine cannot be conducted for several hours.

The original provision of the bill remains intact and requires that handicapped parking spaces not only be designated by the special symbol but also include a sign specifying the penalties for violations. The bill also:

- Directs PennDOT to design a Wild Resource Conservation motor vehicle plate which would be available for a fee of \$35, with \$15 of the fee earmarked for the Wild Resource Conservation Fund;
- Changes the definition of a school bus to exclude vehicles which transport 11 to 15 passengers, including the driver;
- Permits the use of fleet owner transporter registration plates in lieu of individual plates;
- Prohibits an individual from driving on public property, including school parking lots, without a valid operator's license;
- Makes it unlawful for any agreement to contain a provision that would require the owner of a retail service station from having to be open during hours that the owner would consider to be unprofitable; and
- Sets the annual fee for registering a vehicle used to spread fertilizer at \$51, or one-half of the regular fee, whichever is greater.

*** **Mass Transit/Highway Aid** -- A new stream of dedicated funding was made available for the state's mass transit systems and highway construction projects with the passage of House Bill 840.

Signed into law as Act 26 of 1991, the legislation was expected to provide an additional \$440 million annually (\$200 million for mass transit; \$240 for highways) to supplement the state's highway Motor License Fund and ongoing mass transit assistance program. The new revenue was generated by a \$1 excise tax on new tire purchases, an extension of the state's sales tax to magazines, a \$2 per day tax on car rentals, a 12 mill increase in the Public Utility Realty Tax, a 3 percent tax on automobile leases and an increase in the Oil Company Franchise tax from 6 percent to 11.5 percent.

*** **Maglev Funding** -- The House did not act on Senate Bill 1793 which authorized \$2 million in state capital budget funds to support the continued planning and design of a magnetic levitation railroad demonstration project in Allegheny County. However, as the two-year session moved to a close, legislators approved the \$2 million grant and included it as part of a capital budget measure (SB 1642, Act 188/1992).

*** **Vehicle Code Additions** -- Senate Bill 559 traveled a long road through the legislature, finally becoming law (Act 47/1992) after the House concurred in Senate amendments to House amendments.

Originally a one-page bill that would require police officers to file an accident report with PennDOT within 15 days (rather than "promptly"), the measure grew to nearly 40 pages as other Vehicle Code changes were added.

The legislation:

- Requires operators of all motor vehicles to turn on headlights not only between sunset and sunrise but at all other times when rain, snow or other unfavorable conditions make it impossible to have a clear view for a distance of 1,000 feet;
- Prohibits a person from riding a bicycle on a freeway;
- Strengthens the ability of the Department of Revenue to enforce the collection of liquid fuels taxes and hikes penalties for violations of the liquid fuels tax law;

-- Requires buses to pay the fuel tax on actual highway mileage traveled in Pennsylvania even if the fuel was purchased out-of-state;

-- Permits manufacturers to test a vehicle within a radius of 50 miles of their place of business;

-- Provides for waiving title and registration fees when vehicles loaned or transferred by the U. S. Department of Defense or the General Services Administration are leased to political subdivisions, state agencies or the federal government;

-- Authorizes PennDOT to issue a limousine registration plate only to vehicles used as limousines for the transportation of persons for compensation.

*** **Driver Supervision** -- Clearing the Senate and House and signed into law as Act 38 of 1992 was House Bill 1263 which requires that new drivers with a learner's permit be accompanied and supervised by a licensed operator at least 18 years old. Previously, a 16-year-old who may have just received an operator's license could accompany a person learning to drive.

*** **Exemption Okayed** -- Signed by the governor as Act 39 of 1992 was House Bill 1484. The bill adds drivers of emergency vehicles to those exempted from requirements of the commercial driver's license law. Federal CDL guidelines identified firefighters on the exemption list but not other emergency vehicle drivers.

*** **Fines Increase/Surcharge Exemption** -- A number of areas are covered in a series of amendments to the state Vehicle Code in a bill (HB 1549) signed into law as Act 31 of 1992.

The bill increases fines levied against motorists and truckers who attempt to avoid paying fares on the Pennsylvania Turnpike. Previously, fines ranged from a low of \$25 to a maximum of \$300; the new law increases the range of fines from a minimum of \$100 to a maximum of \$1,000.

The bill also exempts motorcyclists from surcharges that are levied to support the Catastrophic Loss Benefits Continuation Fund. The fund was created in 1989 to pay off an unfunded debt of more than \$300 million that had been run up by the ill-fated Catastrophic Loss Trust Fund. The law provided for surcharges on fines levied for a variety of moving traffic violations. HB 1549 exempts motorcyclists from paying into the continuation fund because they never directly benefited from the defunct CAT fund.

Other provisions of the bill:

-- Allow third parties to administer the skills part of the Commercial Driver's License test;

-- Exempt operators of motorcycles equipped with sidecars or trailers from having to secure a CDL;

-- Clarify language dealing with commercial drivers who are charged with driving under the influence. Previously, the Vehicle Code provided for a commercial driver to lose his license if blood alcohol level was at .04. The new law provides for disqualification if the blood alcohol level is higher than .04 percent.

"V" **More Code Amendments** -- Another bill that "grew" during a succession of amendments found its way to the governor's desk at the end of the legislative session, only to be vetoed by the governor on Dec. 18, 1992.

The measure -- House Bill 555 -- called for amending various sections of the Vehicle Code.

In his veto message, the governor cited one of the bill's provisions that would have permitted a police officer to arrest without a warrant the driver of a vehicle that was involved in an accident in which someone was seriously injured or killed. The provision, the governor said, contains no requirement that the officer have "reasonable grounds" to make the arrest. He went on to say that he could not sign the legislation because he was convinced that the provision would be found by the courts to violate both the state and federal constitutions.

Gov. Casey also said he had been urged to veto the bill because another provision would require PennDOT to license motorcycles for off-highway recreation. This, he added, could cause excessive soil compaction and erosion, create conflict with other state forest users and exacerbate existing law enforcement problems on public lands.

* **Theft Prevention Bill** -- Legislation (SB 7) which would provide for the creation of a motor vehicle theft prevention program was passed by the Senate but was not acted on by the House. Under the proposed program, motorists who do not normally drive between the hours of 1 a.m. and 5 a.m. could have obtained a special decal to place on their cars. Police would be authorized to stop cars bearing the decals if they were seen operating during the 1 a.m. to 5 a.m. period.

* **Drivers' License Fraud** -- The House failed to act on Senate Bill 1645, legislation that would have boosted fines for driver's license fraud. The measure would have doubled from \$100 to \$200 the summary offense fine for showing a suspended, revoked or altered driver's license; for failing to surrender a revoked or suspended license, and for taking a driver's test for another person or allowing another to take an exam for you.

Using a false or fictitious name on a driver's license application or possessing, selling or attempting to sell a counterfeit license would be a misdemeanor of the third degree which carries a fine of not less than \$500. Repeat offenders could face a jail term of up to six months and/or a fine of up to \$1,000.

* **High Speed Chases** -- Concern over the number of accidents occurring during high-speed chases prompted legislation (SB 1434) which stiffens penalties for drivers trying to elude police. The bill cleared the Senate just prior to the 1992 summer recess but the House took no action on the measure.

Persons who willfully fail or refuse to stop their car for a pursuing police officer would be guilty of a misdemeanor of the second degree, punishable by a jail term of up to two years and/or a fine of up to \$5,000. The current penalty is a summary offense which carries a fine of \$200.

The bill also required local police to implement a written policy on police pursuits and stipulated that the state's driver's manual include a section on the risks of fleeing a police officer.

*** **Helmets for Kids/Unattended Children** -- Protection for children riding as passengers on bicycles or who are left unattended in automobiles is provided in legislation that, after several tries, finally became law. House Bill 161 was signed into law (Act 20/1991) July 19, 1991, and prohibits bicycle riders from allowing a child five years old or younger to ride as a passenger unless the child is wearing a helmet.

A rising number of head injuries to youthful passengers prompted the legislation. Violators can be charged with a summary offense and can be fined up to \$25. However, a first violation can be dismissed if proof is offered to show that a helmet has been obtained for the child passenger. A study by one medical journal revealed that head injuries are the primary or contributing cause of death in 70 to 80 percent of all bicycling fatalities.

The law also makes it a summary offense to leave a child under six years of age in an unattended vehicle under circumstances that endanger the health, safety and welfare of the child. In recent years, at least three Pennsylvania children have succumbed after being left in unattended automobiles during extremely hot weather.

Another provision of House Bill 161 makes more people eligible for handicapped license plates and placards. It extends parking privileges to people who are unable to walk 200 feet without stopping to rest, cannot walk without the use of a device or artificial leg, have a serious heart condition, are limited in their ability to walk because of an arthritic, neurological or orthopedic condition, or are acting on behalf of an eligible handicapped person's parent.

* **Speed Limit Increase** -- The threat of a gubernatorial veto failed to deter the Senate from passing (26-21) Senate Bill 53, legislation that would increase the speed limit on so-called non-urban stretches of the state's interstate highway system from 55 to 60 miles per hour.

The bill would limit the higher speed to operators of cars and trucks weighing less than 9,000 pounds. The speed limit for large trucks and tractor-trailers would remain at 55 mph. Gov. Casey, PennDOT and the insurance

industry all have opposed a speed limit increase and the governor has said on numerous occasions that he'd veto legislation boosting the limit to above 55. The House did not consider the bill.

* **Traffic Control Devices** -- Legislation (SB 879) providing for a \$50 fine and payment of restitution by persons convicted of destroying or removing traffic control devices was passed by the Senate but died in the House.

* **Continuing Emergency Runs** -- The House took no action on Senate Bill 386, legislation that passed the Senate in June of 1991. The bill addressed a problem encountered by operators of fire or police department vehicles or those operating ambulance, rescue or emergency medical service vehicles and who are involved in accidents while on emergency runs. This bill authorized them to continue their journey if the driver determined it was "reasonable and appropriate", if someone acting on his behalf remained at the scene or if the driver summoned other emergency personnel to the scene of the accident.

* **Motorized Wheelchairs** -- The House took no action on Senate Bill 881 which would have excluded motorized wheelchairs from the Vehicle Code definition of "motor vehicle" to permit their legal operation on sidewalks. The bill identified a motorized wheelchair as a self-propelled vehicle used by a handicapped person that is not capable of speeds greater than 8 miles per hour.

* **Identifying Leased Car Drivers** -- Owners of leased vehicles would have been required to identify the person who leased the vehicle to facilitate civil or criminal investigations if Senate Bill 93 had become law. Failure or refusal to give this information to authorities would be a third degree misdemeanor which could result in a one-year jail term and/or a fine of up to \$1,000. The measure died in the House Transportation Committee.

* **Special Plates for Bikers** -- The House did not act on Senate Bill 877, legislation authorizing handicapped and disabled veterans plates for owners of motorcycles.

* **More Vehicle Code Changes** -- Two other bills which failed House action (SB 206 and SB 870) proposed amendments to the Vehicle Code.

Senate Bill 206 would have exempted from registration any vehicle used exclusively for the transportation and application of chemicals and fertilizer. Owners of such vehicles could obtain a permit to operate for 45 consecutive days.

Senate Bill 870 would have exempted line painting vehicles and vehicles used in municipal recycling programs from width requirements. Current exemptions apply only to street sweepers and snow removal equipment. The same bill contained a provision identical to that in Senate Bill 206.

* **School Bus Safety** -- No action was taken by the House Education Committee on Senate Bill 873 which would have required school districts to provide school bus safety instruction in conjunction with fire and emergency evacuation drills.

* **'Confidential' Registrations** -- The House did not act on Senate-passed legislation (SB 773) that would have permitted federal district court and Third Circuit Appeals Court judges in Pennsylvania, and state Supreme Court justices and judges of the Superior, Commonwealth and Common Pleas courts to obtain "confidential" motor vehicle registrations.

*** **Ornamental Lamps** -- House concurrence in Senate amendments set the stage for Senate Bill 1324 to be signed into law by the governor (Act 109/1992). The bill amends the Motor Vehicle Code to permit vehicles to be equipped with ornamental lamps, but only for off-road use. The lamps can be installed on a vehicle's roof or rollbar but can not be illuminated when the vehicle is being operated on a highway. A violator is subject to a \$100 fine. SB 1324 also includes a technical amendment providing for Pennsylvania Turnpike extensions and improvements.

* **Reduced Museum Fee** -- The House did not act on Senate Bill 876 which would have added "non-profit mobile aviation museum" to the list of organizations qualifying for a reduced vehicle registration fee. Only one organization presently falls within this category. It is the Piper Aircraft Mobile Museum of Lock Haven which

travels to air shows to promote Clinton County's aviation history. Had the bill become law, the museum could have registered its tractor trailer for a fee of \$10.

*** **Special License Plates** -- House concurrence in Senate amendments set the stage for House Bill 211 to become law. This legislation provides for issuing special license plates to veterans of the Korean conflict and the Persian Gulf War. The plates will cost \$20 plus the annual registration fee. Gov. Casey signed the bill on Nov. 24, 1992 (Act 105/1992).

*** **Funds Transferred** -- The governor signed into law (Act 84 of 1992) legislation (HB 2521) transferring Capital Facilities Fund monies to other PennDOT highway projects. The transfer is intended to reduce the need for bond sales for highway projects.

* **Tax Exemption Proposed** -- The House took no action on Senate Bill 1362, legislation that would have exempted four area agencies on aging from having to pay the liquid fuels tax. Currently, all agencies directly affiliated with a county are exempt. The agencies affected by this bill are Blair, Bedford-Fulton-Huntingdon, Mifflin-Juniata, and Mercer.

** **HOV Rules** -- The two-year legislative session ended before the Senate could take final action on House Bill 2195. The bill would have statutorily relaxed passenger requirements for vehicles using the HOV (high occupancy vehicle) lane on I-279 in Allegheny County. Highway regulations require vehicles to be occupied by at least three persons to gain access to the lane. House Bill 2195 would have reduced the requirement to two persons.

The bill also revised PennDOT guidelines for weighing vehicles with portable scales and provided for permits for construction trucks that exceed registered maximum gross weight and axle weights. In addition, the bill eliminated a requirement that PennDOT issue permits for the operation of oversize or overweight vehicles in each county. Locations of issuing authorities would be left to the discretion of PennDOT.

*** **Land Purchase Okayed** -- The governor has signed legislation (HB 1314, Act 51/1992) that authorizes PennDOT to purchase one and a half acres of land in Fairview Township, York County, for a safety clearance zone at the end of a runway at Capital City Airport. The purchase was recommended by the FAA which has agreed to pay 80 percent of the \$200,000 purchase cost.

* **Identifying Drivers** -- The House tabled and took no action on Senate Bill 37, legislation that would have required owners of vehicles to identify the driver of a vehicle to a law enforcement officer if the vehicle is involved in an accident or cited for a traffic violation. The owner also would be responsible for paying parking fines even if the vehicle was operated by another person at the time the tag is issued. The bill exempted rental cars, leasing agents and persons whose vehicles have been stolen and who have reported the theft to police. Refusal by an owner to identify a driver to police would result in suspension of registration and operating licenses for six months.

ENVIRONMENTAL RESOURCES AND ENERGY

*** **Clean Air Regulations** -- Tough new federal air pollution controls became the law in Pennsylvania under legislation which became Act 95 on July 9, 1992.

Senate Bill 1650 implements 1990 amendments to the federal Clean Air Act. It does not require state regulations which are more stringent than the federal standards. The new federal standards will force industries to drastically reduce toxic chemical emissions and cut sulfur dioxide emissions which cause acid rain.

The new law:

-- Imposes an interim fee of \$14 for each ton of pollutants generated by the state's major polluters. A permanent fee structure will be developed by the Environmental Quality Board.

-- Creates a Small Business Compliance Assistance Program and an Office of Small Business Ombudsman to help small businesses comply with the new air pollution standards.

-- Establishes stiff new penalties for air polluters.

-- Restricts DER's authority to impose health-based risk standards on steel industry coke ovens.

-- Adopts DER regulations which require Stage II vapor recovery systems at service stations in some parts of the state. The regulations could be waived in moderate ozone nonattainment areas if the federal Environmental Protection Agency develops an alternative control measure by Nov. 15, 1993. The Stage II regulations will become effective on Nov. 15, 1992.

-- Creates an Air Quality Improvement Fund to help small businesses meet the new air pollution standards.

Also enacted before the session ended was legislation (HB 2751, Act 166/1992) providing for an enhanced auto emissions inspection and maintenance program (See Transportation, Emission Program Expanded).

*** **Pennvest Bond Issue** -- Legislation authorizing a \$350 million bond issue for the Pennvest water and sewer system infrastructure improvement program was signed into law as Act 5 on March 16, 1992. The bond issue was subsequently approved in a statewide referendum on April 28.

House Bill 1403 also provided for Pennvest financing of storm water control projects and creates a grant program to help small water companies pay for feasibility studies aimed at establishing regional water systems. Separate legislation dealing with storm water projects was passed as Senate Bill 275, Act 149/1992.

*** **Pennvest Storm Water Projects** -- Storm water control projects will be included in the state Pennvest program under enabling legislation (SB 275) signed into law as Act 149 on Dec. 16, 1992. The measure also increased Pennvest's revolving loan fund ceiling from \$325 million to \$725 million. The increase in the fund's capacity is expected to permit Pennvest to finance projects in future years through loan repayments without the need for additional bond authorization.

*** **Mine Reclamation** -- Legislation to encourage the reclamation and remining of abandoned coal mines was signed into law as Act 173 on Dec. 18, 1992.

House Bill 78 establishes incentives for reclamation and remining, strengthens water supply replacement regulations and creates alternative financing to help ensure that active mine sites are reclaimed and pollution discharges are treated.

The law authorizes the Department of Environmental Resources to issue bond credits in lieu of required bonds to operators for voluntarily reclaiming abandoned mine lands.

The measure also creates a Remining Environmental Enhancement Fund to encourage remining and reclamation. The fund will be financed by license and permit fees and penalties for surface mining law violations.

The law also creates a presumption that mine operators are responsible for water pollution or the loss of water supplies located within 1,000 feet of a surface mine.

** **Water Supplies Affected by Mining** -- The Senate and House approved legislation which would have provided for the replacement of water supplies affected by underground mining, and for the restoration or replacement of, or compensation for, some structures damaged by mine subsidence.

House Bill 828 would have required mine operators to replace affected public or private water supplies with an alternate source. Mine operators would be "presumed" responsible for water problems which occur within a specified area surrounding their operations.

Although the bill was approved in both houses of the General Assembly, it was signed only in the House. It therefore died when the session ended.

*** **Orphan Wells** -- Legislation (HB 866) that creates a surcharge on new permits for oil and gas wells for the purpose of financing a program to plug so-called "orphan" or abandoned wells was signed into law as Act 78 on July 2, 1992.

The bill also requires the identification and reporting of previously unregistered and unpermitted wells.

*** **Increase for Storage Tank Loans** -- The maximum amount of low-interest state loans to assist businesses in the clean up and removal of old storage tanks is increased from \$15,000 to \$50,000 under legislation (HB 2456) signed by the governor as Act 184 on Dec. 18, 1992.

The new law also exempts volunteer fire companies and emergency medical services organizations from the requirement to pay DER's \$50 annual tank registration fee. It also revises the Underground Storage Tank Indemnification Fund fee structure to establish a different storage tank pollution insurance fee for tanks used to store heating oil and diesel fuel.

** **Environmental Education** -- A statewide environmental education program would be created under legislation unanimously approved by the Senate on June 16, 1992.

Senate Bill 1444 would involve the state Departments of Education and Environmental Resources in developing and implementing environmental education programs.

The legislation would require the Education Department to assess school-based environmental education programs; support teachers and education agencies and organizations; recognize exemplary environmental education curricula and ensure that schools have procedures for assessing environmental education learning outcomes. It would create an environmental education grant program funded by 5 percent of the fines and penalties collected annually by DER.

The bill was approved by the House, with amendments, and was in the Senate Rules Committee when the session ended.

* **Water Conservation** -- Legislation (SB 1674) establishing statewide requirements for the use of water-saving plumbing fixtures passed the Senate unanimously on June 15, 1992. The bill would require new or replacement faucets, shower heads, toilets and other plumbing items to meet interim water conservation standards established by the American National Standards Institute. Permanent standards would be established by the state's Environmental Quality Board.

The bill was in the House Conservation Committee when the session ended.

* **Household Hazardous Waste** -- The Senate has approved legislation which would create a funding mechanism for household hazardous waste collection programs.

Under Senate Bill 208 -- passed (50-0) on February 11, 1992

-- money for household hazardous waste programs could be transferred from the Solid Waste/Resource Recovery Development Fund into a restricted revenue account in the state Recycling Fund. The new account would provide matching grants to municipalities to help establish and operate household hazardous waste collection programs.

The bill was in the House Conservation Committee when the session ended.

* **Toxic Packaging Ban** -- The Senate unanimously approved legislation which would ban the use of lead, cadmium, mercury and hexavalent chromium in packaging materials. The ban would become effective in two years.

Senate Bill 1733 was approved by the Senate on July 1, 1992. It was in the House Conservation Committee when the session ended.

*** **No Bidding for Recyclables** -- Political subdivisions will not have to go through advertising and bidding procedures when they sell recyclable materials under legislation (HB 222) signed into law as Act 21 on April 9, 1992.

Bidding will not be required for the sale of "personal property" which is recyclable material or material separated, collected, recovered or created by recycling. The exemption applies to political subdivisions -- including school districts.

*** **Alternative Fuels** -- A grant program would help finance the retrofitting of vehicles to use alternative fuels under legislation that was incorporated into House Bill 2751, which became Act 166 of 1992 (Also see Transportation, Emission Program Expanded).

The measure, which previously passed the Senate in the form of Senate Bill 1470, authorizes grants to school districts, municipal authorities, nonprofit groups, corporations, partnerships and individual citizens.

*** **Sewage Enforcement** -- Publicly owned sewage treatment plants will have additional authority to enforce industrial pretreatment standards under legislation signed into law as Act 9 on March 26, 1992.

Under House Bill 795, municipalities and municipal authorities could impose civil penalties of up to \$25,000 a day for industrial pretreatment violations.

*** **Cave Exploration** -- Legislation (SB 1051) which designates "cave exploration" as a recreational activity under a 1986 law which encourages landowners to make land and water areas available to the public for recreational purposes was signed into law as Act 10 on March 26, 1992. Landowner liability will be limited to personal damages in connection with opening a cave to the public.

*** **Sewage System Cleaners** -- Legislation which will prohibit the sale, distribution and use of some sewage system cleaners was signed into law as Act 41 on May 28, 1992.

The ban will initially apply to cleaners which contain halogenated or aromatic hydrocarbons, but other materials could be prohibited by the state Environmental Quality Board.

The restrictions created under Senate Bill 14 will be enforced by the state Department of Environmental Resources.

*** **Water Wells in State Forests** -- Municipalities and municipal authorities could drill water wells on State Forest land under a bill (SB 1224) unanimously approved by the Senate. Provisions of this measure were later included in House Bill 804, which became Act 35/1991 (See Budget & Finance section, Budget Oversight).

* **Subsidence Insurance** -- Legislation which would expand coverage available through the Coal and Clay Mine Subsidence Insurance Fund was unanimously approved by the Senate on March 18, 1992.

Senate Bill 1063 would set new maximum coverage limits of \$250,000 for residential property and \$500,000 for commercial and industrial property. The bill would also let the fund cover damage caused by landslides.

The bill was in the House Conservation Committee when the session ended.

* **Sinkhole Damage Assistance** -- A sinkhole damage assistance program would be created under legislation (SB 335) approved by the Senate on April 16, 1991.

The vote was along party lines (26-22), with Democrats objecting to program's cost.

The program would provide grants or loans to the owners of property damaged by sinkholes. Grants would be given to homeowners whose dwellings are unsafe for occupancy.

The sinkhole damage assistance program would help repair sinkhole damage to dwellings, commercial property and public school buildings. Loans would be made on a priority basis with preference given to dwellings.

Senate Bill 335 was in the House Conservation Committee when the session ended.

* **Allegheny County Hydroelectric Project** -- The Senate unanimously approved legislation which would set new standards for a Second Class (Allegheny) County to follow when evaluating a hydroelectric project proposal.

Senate Bill 1463 was passed by the Senate on May 19, 1992, It was in the House Conservation Committee when the session ended.

*** **Scenic River Additions** -- Four bills which make additions to Pennsylvania's Scenic Rivers System were signed into law on Dec. 4, 1992, as Acts 116, 118, 124 and 125.

Added to the system were:

- portions of Pine Creek and its tributaries in Tioga County (HB 416, Act 124);
- two portions of the Schuylkill River which are not already a part of the Scenic Rivers System (HB 782, Act 125);
- three segments of the Yellow Breeches Creek in Cumberland and York counties (SB 1408, Act 116); and
- four segments of the Tuplehocken Creek in Lebanon and Berks counties (SB 1537, Act 118).

PUBLIC HEALTH AND WELFARE

*** **Child Health Care** -- Landmark legislation (HB 20) to provide free and/or low-cost health insurance to thousands of uninsured children in Pennsylvania has been signed into law as Act 113 of 1992.

The new program, to be funded by two cents of the state's per-pack tax on cigarettes (estimated to generate approximately \$20 million annually), is intended to cover youngsters whose families earn too much to qualify for Medicaid but too little to afford private insurance.

The legislation provides for the following:

- free coverage for children under age six if their families have incomes below 185 percent of the federal poverty level (currently \$25,807 or less for a family of four);
- payment of 50 percent of the cost of coverage for children under age six if their families have incomes between 185 percent and 235 percent of the federal poverty level (currently between \$25,807 and \$32,782 for a family of four);
- free coverage for children 12 years of age or younger who aren't already covered by Medicaid even though their families' incomes are below the federal poverty level.

The federal Medicaid program only covers below-poverty-level children through the age of nine. The state program will supplement the federal program, expanding coverage to older children. Further, the age limit of the state program (now 12 years old) will increase by one year during each year of the program.

Services to be provided under the child health care program include doctor visits, preventive care, immunizations, up to 90 days of hospitalization, dental, vision and hearing care, and prescription assistance.

An estimated 32,000 of more than 90,000 eligible children are expected to participate in the program.

The legislation also includes a \$1.25 million appropriation for a college loan forgiveness program for doctors and nurses who agree to practice in medically under-served areas of the state, as well as for incentives to local communities for the establishment of primary health care clinics.

*** **Living Wills** -- Signed into law was legislation (SB 3, Act 24/1992) that gives Pennsylvanians a right to reject extraordinary life-sustaining treatment when there is no chance for recovery.

Final enactment of the so-called "living will" measure ended a 15-year battle surrounding the issue of a comatose and/or terminally ill person's right to die. The measure also changes state provisions governing the guardianship of persons who are unable to care for themselves.

Under the law, persons 18 years of age or older can execute, in advance, a written declaration expressing his or her wishes for the initiation, continuation, withholding or withdrawal of life-sustaining treatment once the person become incapacitated, comatose or terminally ill.

The law, however, does contain an exception to the so-called right to die for pregnant women. Comatose or terminally ill pregnant women are required to receive life-sustaining treatment, nutrition and hydration unless the treatment would not permit the continuing development and live birth of the unborn child, would be physically harmful to the woman, or would cause pain to the pregnant woman which could not be alleviated by medication.

If the pregnant woman lacks medical insurance, the state is required to pay the life support costs.

Guardianship provisions of the legislation, designed to protect the civil rights of elderly citizens, substitutes the word "incapacitated" for "incompetent" and outlines levels of capacity. In addition, it establishes the concept of "limited guardianship" whereby "incapacitated" persons -- depending on their ability to do so -- will be able to make some decisions for themselves.

Under the previous law, a person declared to be incompetent could have lost all rights to all personal decisions and become a ward of the state without any legal representation and without ever being seen by the judge who issues the ruling. The new law mandates that, unless it can be proven that it would be harmful to the individual, the individual being considered for guardianship must appear before the judge.

A petition and hearing notice for guardianship must be in simple and plain language and must clearly explain the rights that the individual will lose.

When determined appropriate by the courts, individuals will have the right to be represented by a lawyer. Guardians will be responsible for filing regular reports to the courts on the progress of the individual under their care.

*** **Mammography Standards** -- The governor has signed into law (SB 1393, Act 93/1992) legislation that establishes quality assurance standards for mammography services in Pennsylvania.

The bill requires mammography service providers to be licensed and related facilities and equipment to be inspected. In addition, mammography providers who are Medicare-certified are exempt from the state licensure requirements.

The legislation provides for the revocation or non-renewal of licenses of facilities that do not meet quality standards and fines of up to \$500 per day -- per machine -- for mammography deficiencies.

*** **Infant Testing for Diseases** -- Doctors and hospitals statewide are required to test newborn infants for sickle cell, maple syrup urine and other metabolic diseases under legislation signed into law as Act 86 of 1992.

The legislation (SB 9) requires the Department of Health, with the approval of the State Advisory Health Board, to establish a program for screening tests and follow-up services for infants. It requires health care providers to take blood samples of newborns and forward the samples to laboratories -- designated by the Department of Health -- for testing. If the initial sample is unacceptable, the provider is required to collect another specimen.

The measure contains a provision which allows parents or guardians to refuse the test on the grounds that it conflicts with religious beliefs or practices.

*** **Certificate of Need** -- Legislation (HB 1982) reenacting and expanding "certificate of need" requirements for health care facilities was enacted (Act 179/1992).

The law, marking a renewed attempt to hold down health care costs, requires all health service providers to obtain a certificate of need from the state Health Department before constructing or expanding facilities or purchasing new equipment.

Prior to the new law, only institutional health care providers (such as hospitals) and health maintenance organizations were required to comply with the certificate of need program.

The legislation also creates a 15-member Health Policy Board within the Department of Health.

*** **Council's Life Extended** -- The governor has signed legislation (SB 1975, Act 123/1992) that extends the life of Pennsylvania's Health Care Cost Containment Council until June 30, 1993.

The measure also appropriates \$1 million for the council's operation for the remainder of the fiscal year.

* **Prison Treatment Costs** -- Legislation (SB 278) which would absolve counties from paying the costs for treatment of prisoners sentenced to state mental health facilities passed the Senate (47-0). The measure died in the House Appropriations Committee.

Under current law, the county where the individual is convicted and sentenced is required to pay such costs.

*** **Trauma Center Accreditation** -- Certificates of accreditation for hospitals meeting the guidelines as a trauma center would be increased from two to three years under legislation (HB 2293) signed into law as Act 146 of 1992.

*** **Drug Wholesalers** -- The House concurred (194-0) in Senate amendments to legislation (HB 2602, Act 145/1992) which establishes minimum standards and requirements for persons who engage in the wholesale distribution of prescription drugs.

The law, which provides for the licensure of wholesale distributors, regulates the storage, handling and record keeping of prescription drugs. Licenses would be required to be renewed at least every two years.

* **Welfare Reform** -- Welfare benefits would have been restricted under legislation (SB 1233) which passed (39-9) the Senate but died in the House.

Among its provisions, the measure would have instituted a so-called "learnfare" program requiring regular school attendance by children in exchange for public assistance. The bill also would have restricted year-round benefits for "transitionally needy" individuals between the ages of 45 and 55, prohibited cash assistance to persons who have quit their jobs within the past 30 days, and barred welfare benefits to persons who haven't lived in the state for at least 90 days.

*** **Expiration Date Extended** -- The expiration date for the Cancer Control, Prevention and Research Act is extended to June 30, 1996 under legislation (HB 2482) that has been signed into law as Act 37 of 1992.

* **Drug Treatment and Prevention** -- A 13-member state Board of Drug and Alcohol Abuse would have been created to direct and coordinate Pennsylvania's drug and alcohol abuse prevention and treatment programs over the next 10 years under legislation which passed the Senate (49-0). The bill died in the House.

*** **Death Certificates; Fees** -- A physician, dentist or coroner is prohibited from issuing a death certificate for an immediate family member under legislation (HB 344) signed into law as Act 46 of 1991. The law also allows professional nurses to pronounce death. Further, the legislation allows local registrars to receive \$2.00 for each

copy of a death certificate and increases from \$20,000 to \$35,000 the amount of fees a registrar may receive in a year.

* **Drug-Baby Births** -- Legislation (SB 1197) intended to target meaningful services to prevent substance abuse pregnancies and so-called "drug baby" births passed the Senate (50-0) but was not considered by the House. The measure contained a \$10 million appropriation and called for the establishment of an outreach services program to link pregnant women in targeted areas with prenatal care.

* **Tracking Domestic Abuse** -- Legislation (SB 517) which would have required health care providers to file a confidential medical data collection report on the treatment of domestic violence victims was in the House Health and Welfare Committee when the two-year session ended.

The measure would have required doctors, nurses, dentists, hospitals and clinics to submit the reports to the Department of Health. The victims would not have been identified in the reports.

*** **Bed, Breakfast Inns Exempt** -- The governor has signed legislation (HB 1970, Act 62/1992) which exempts bed and breakfast inns from the Public Eating and Drinking Law.

A bed and breakfast homestead or inn is defined as a private residence containing 10 or fewer bedrooms where the public may seek overnight accommodations and where breakfast is the only meal served and is included in the room charge.

* **Autopsy Requirement** -- An autopsy would be required if a child under the age of three dies from an unknown cause under Senate Bill 196. The bill did not receive final action by the House.

AGING AND YOUTH

*** **PACE Rescue Plan** -- The governor has signed legislation (HB 2442, Act 128/1992) designed to maintain prescription drug assistance for senior citizens by shoring up the financial solvency of the state Lottery Fund.

The measure, expected to save \$36 million annually, requires drug manufacturers to give a higher rebate to the state for prescriptions purchased under the PACE prescription assistance program for elderly citizens.

Pennsylvania, with its PACE program, is the largest single purchaser of prescription drugs in the United States.

Retroactive to October 1, 1992, the legislation requires a drug manufacturer price rebate of 15 percent for brand name drugs and 11 percent for generic drugs. The previous legislatively- required rebates, enacted in 1991, were 12.5 percent for brand name drugs and 10 percent for generic equivalents.

House Bill 2442 also provided for an additional discount to the state if and when a drug manufacturer exceeds the average producer price index cost.

Another provision of the new law requires pharmacists to fill PACE prescriptions with A-rated generic drugs unless a cardholder's doctor stipulates that a brand-name must be used. If a PACE cardholder insists on a brand-name drug, the cardholder must pay 70 percent of the average wholesale cost plus the required \$6 co-payment.

Earlier in the session, the Legislature had approved a measure (HB 1470, Act 36/1991) providing for the first drug manufacturer rebate for prescriptions purchased under the PACE program.

Among its provisions, Act 36 of 1991 also raised the income limits for PACE eligibility from \$12,000 to \$13,000 for a single person 65 years of age or older, and from \$15,000 to \$16,200 for elderly married couples.

* **Adoption Requirement** -- A visit to the home of adopting parents would be required as part of the investigation to determine the suitability of placement of a child under Senate Bill 1243.

The bill, which was in the House Aging and Youth Committee when the session ended, would also have required the investigation to include founded reports of child abuse and a criminal history record check of adopting parents.

* **Child Abuse Reports** -- Legislation (SB 900) that would have allowed court access to child abuse reports and files relevant to any matter involving custody of a child passed the Senate but died in the House.

*** **Missing Children** -- Enacted was a bill (HB 1515, Act 59/1992) requiring law enforcement agencies to make an entry into the Commonwealth Law Enforcement Assistance Network (CLEAN) upon taking custody of an unidentified living child or discovering an unidentified deceased child.

*** **Fire and Panic Act Changes** -- Legislation which establishes fire and safety requirements in the Fire and Panic Act to specifically cover family child day care homes and group child day care homes has been signed into law as Act 75 of 1992.

The legislation adds a new class of buildings to specifically cover family and group day care homes.

Under the measure, group child day care homes are required to develop a fire-evacuation plan, maintain a direct grade exit and provide smoke detectors in each sleeping area.

The Department of Labor and Industry will charge a fee of \$25 for inspection and issuance of an occupancy permit.

BANKING & INSURANCE

*** **Mammogram Coverage Mandate/Long Term Care Insurance** -- Passed in the closing hours of the two-year session was legislation (SB 1087, Act 148/1992) requiring health insurance policies to cover the costs of mammograms for women 40 years of age and older. The law also establishes consumer protection measures for long-term care insurance policies.

Intended to help combat breast cancer, which claims the lives of nearly 3,000 women in Pennsylvania each year, the new mammogram coverage requirement for women over 40 also stipulates that insurance companies pay for mammograms of younger women if a doctor recommends such screening.

The new law also protects senior citizens from long-term care insurance ripoffs by regulating the sale and marketing of such policies.

Key features include:

-- the establishment of standard policy language so that consumers will be able to better compare one long-term care insurance plan to another;

-- a prohibition against the practice of requiring long-term care policyholders to have a prior hospital admission before going to a nursing home;

-- a ban on the cancellation or termination of a policy on the grounds of the age or the deterioration of the mental or physical health of the policyholder;

-- restrictions on the denial of coverage based on pre-existing conditions; and

-- a 30 day time period for consumers to cancel such a policy, and get a complete refund, rather than the 10 days that had been the practice.

Act 148 of 1992 also provides for a uniform health care claim form for use by health professionals and insurers, to speed the processing of claims.

*** **Insurance Company Finances** -- Following a wave of insurance company insolvencies across the country, the General Assembly passed a two-bill package to protect consumers by strengthening Pennsylvania's ability to oversee the financial stability of insurers that do business here.

The measures (HBs 1669; 1670), which became Acts 177 and 178 of 1992, give the state Insurance Department strict authority to monitor and control insurance company financial transactions and to limit insurance company involvement in certain high risk investments.

The legislation requires insurers to formulate investment plans which provide for the liquidity and diversity of investments, increases the Insurance Department's regulatory control over transactions between an insurer and its parent or affiliate, and allows for quicker action by the department to revoke licenses of financially-troubled insurers headquartered outside of Pennsylvania.

The legislation also provides for the state's licensure and regulation of so-called "managing general agents" who often control major portions of an insurance company's business.

Enactment of the new laws enables Pennsylvania to meet insurance solvency accreditation standards established by the National Association of Insurance Commissioners.

*** **Fraternal Benefit Societies** -- The Legislature passed a measure (SB 186, Act 134/1992) governing the structure, organization and operation of fraternal benefit societies.

Such nonprofit organizations perform charitable work and provide insurance programs for members.

In writing life, accident and health insurance policies, the new law requires fraternal benefit societies to establish adequate reserve accounts, to maintain contract provisions identical to commercial insurers and to bring agents for fraternal under the requirements of insurance law.

*** **Child Immunization Coverage** -- In an effort to prevent the spread of common childhood diseases in Pennsylvania, legislation (HB 536) was signed into law (Act 35/1992) requiring most health insurance policies to provide child immunization coverage.

Individual or group policies providing health insurance for dependent children must include coverage for immunizations against measles, mumps, whooping cough and other preventable childhood diseases. Such coverage could include a copayment requirement if other health benefits of the policy also require a copayment.

The law's advocates say that for every dollar spent on immunization, \$10 is saved in later health care costs. In 1991 nearly 1,500 Pennsylvanians -- half of them children under the age of five -- came down with measles. Eight persons died from the disease which, for years, many thought had gone by the wayside.

*** **"Reduced" Payment Car Financing** -- Breezing through the General Assembly, and signed into law (Act 55/1992) by the governor, was a bill (SB 1606) intended to help make car purchases more affordable by allowing for reduced payment financing.

Under this measure, auto finance companies and other lenders are permitted to offer "fixed residual value" loans for motor vehicle purchases.

In essence, consumers who purchase a vehicle under the new finance option will make monthly payments on only a portion of the vehicle's value. At the end of the finance term, the buyer will have the option of paying off the balance, refinancing the remaining cost, or turning the car over to the dealer for resale to another customer.

As implemented in other states, such financing reduced the monthly payment for a new car purchase -- when compared to conventional financing -- by \$100 or more.

*** **Credit Services/Loan Brokers** -- Enacted was legislation (SB 865, Act 150/1992) designed to protect consumers against unscrupulous practices of credit service organizations and loan brokers.

Loan brokers are required to register with the state at an annual cost of \$300 and they are prohibited from making false representations about their services or collecting advance fees from consumers. Violations are a third degree felony.

Further, credit service organizations are required to obtain a surety bond, or establish a trust account, to benefit persons damaged by any violation of the act. Before executing a contract or receiving money from a consumer, credit service organizations are also required to provide purchasers with an information sheet on their right to review their credit file.

*** **Check/Credit Card Customer Protection** -- Department stores and other retail establishments are no longer permitted to demand that customers give their home address and telephone number when making a credit card purchase under legislation (HB 686) signed into law (Act 36/1992) by the governor.

The legislation also prohibits stores from asking for a credit card number when a customer makes a purchase with a check. Credit card numbers can only be requested when stores provide check cashing services.

*** **Interstate S & L's** -- Legislation (SB 950) was signed into law (Act 89/1992) permitting savings banks, savings & loans, and thrift institutions from the other 49 states to do business here if those states have a reciprocal banking agreement with Pennsylvania.

Out-of-state financial institutions may now establish branch offices and make acquisitions in Pennsylvania if banks, savings and loans, and thrift institutions based in Pennsylvania are permitted to do business in the other states.

Prior to this new law, interstate operations were limited to a region which included Delaware, Indiana, Kentucky, Maryland, New Jersey, Ohio, Virginia, West Virginia and the District of Columbia.

*** **Affiliate Bank Service** -- Legislation (SB 1436) was enacted (Act 77/1992) permitting a financial institution to conduct banking business for customers who maintain their accounts at an "affiliate" of the same institution.

Under this measure, if an institution receives approval from the state Department of Banking, customers are permitted to do business with a bank in another part of the state which is "affiliated" with their hometown bank.

*** **Insurance Agent "Single License"** -- A bill (SB 748) was signed into law (Act 48/1992) by the governor creating a "single license" procedure for insurance agents in Pennsylvania. Beforehand, insurance agents had to receive a separate license for each company and each type of insurance they sold. The new law streamlines licensing procedures of the State Insurance Department by allowing agents to be licensed only once.

And the legislation authorizes the insurance commissioner to implement continuing education requirements for insurance agents and brokers.

*** **Fire Loss Claims** -- The governor signed into law (HB 1028, Act 98/1992) a bill that's intended to deter the crime of arson-for-profit and to discourage the abandonment of fire-destroyed property.

Under the measure, insurance companies are restricted from paying any fire loss claim in excess of \$5,000 unless the municipality where the fire-damaged structure is located certifies that the property is free of any delinquent taxes or other charges.

A portion of an insurance payout, instead of being made to the person or company named on the policy, will be diverted to the affected municipality for payment of any back taxes or municipal costs incurred for the demolition, repair or securing of the fire-ravaged structure.

The measure also requires insurance companies which hold paid-up policies on a property to continue such insurance coverage for 180 days after the death of an insured or until the sale of the property, whichever occurs first.

*** **Auto Insurance "Grace Period"** -- Legislation (HB 2519) has been enacted (Act 165/1992) which increases from 20 to 30 days the grace period given drivers to obtain new automobile insurance or proof of financial responsibility if their policies lapse.

* **Prescription Coverage/Mail Order Pharmacies** -- A bill (SB 1095) that would have prevented group health insurance plans that provide coverage for prescription drugs from requiring beneficiaries to obtain their prescriptions from mail order pharmacies passed the Senate but died in the House.

Proponents of the measure contended that an increasing reliance on mail order pharmacies to fill prescriptions could threaten the public health. Such high-volume mail service outlets, they believe, are more likely to make mistakes. Also missing from the mail service equation is the personal face-to-face consultation between pharmacist and patient.

Opponents of the bill, meanwhile, refuted the allegations about a lack of quality control by mail service firms. They cite studies that show mail order pharmacies are no more likely to make dispensing errors than retail outlets.

*** **Insurance Company Exemption** -- The governor signed into law legislation (SB 1110, Act 91/1992) expanding the authority of nonprofit insurers to do business in Pennsylvania.

This measure exempts insurance companies from state certification if they are exclusively organized to provide insurance for nonprofit educational or scientific institutions.

*** **Director Residency Requirements** -- Legislation (SB 1007) was enacted (Act 90/1992) changing the residency requirements for directors or trustees of all state-chartered financial institutions.

Under SB 1007, directors and trustees are required to be citizens of the United States. Two-thirds of the trustees must have resided in Pennsylvania or within 100 miles of the savings bank or financial institution for at least one year prior to their election. They must also be residents of the state or live within 100 miles of the institution during their tenure on the board of directors or trustees.

The bill also permits banks to offer 100 percent standard mortgages to low or moderate income families -- eliminating down payment requirements for people who cannot afford them.

*** **Insurance Company Stock Law** -- The governor signed legislation (SB 1435, Act 33/1992) allowing mutual life insurance companies based in Pennsylvania to reorganize as domestic stock insurance firms.

Under this bill, policy holder-owned mutual life insurance companies have the option, under regulatory review and approval of the state Insurance Department, to transform into companies that could sell stock to raise additional funds.

The measure gives some life insurance companies that may be experiencing a decline in investment earnings the ability to enhance financial solvency.

*** **Charity Life Insurance Policies** -- A measure (SB 969), effective last June, permits charitable organizations to own or purchase life insurance on a person who consents to the ownership or purchase.

In addition, the legislation (Act 13/1992) requires the use of standardized health care insurance claim forms which shall be known as the Health Care Financing Administration Form-1500. The form, however, does not apply to payments made by the federal government and exempts hospital plan corporations and health services corporations from using the form.

*** **Closing Loans** -- Legislation (HB 2166) was enacted (Act 82/1992) amending the Secondary Mortgage Loan Act to permit the closing of loans in the office of an attorney or title insurance company without an employee of the loan company being present. The bill also amends the act to provide that records for open-ended loans be retained for a two-year period from the date of each payment.

* **Employee Health Insurance** -- A measure approved by the Senate intended to give small businesses, those with fewer than 25 employees, an incentive to provide at least limited health insurance coverage for their workers died in the House.

Senate Bill 1271 would have allowed insurance companies to offer small firms lower-cost health insurance plans for their employees, even if those plans don't provide all of the coverage currently mandated by law.

*** **Credit Card Interest Rates** -- Legislation (HB 67) extending, until June 1, 1994, a maximum 18 percent interest rate ceiling on consumer bank cards and credit cards issued in Pennsylvania was approved by the General Assembly and the governor (Act 1/1991). The interest rate ceiling on gasoline credit cards in Pennsylvania remains at 15 percent.

*** **Protection for Creditors Approved** -- The governor signed into law (HB 739, Act 19/1991) a bill raising the ceiling on the amount of credit life insurance a creditor may purchase to insure a debtor. Act 19 of 1991 raised the ceiling from \$60,000 to \$100,000.

* **Requiring Proof of Insurance** -- The House failed to act on a Senate-passed bill (SB 568) which would have required police officers investigating any accident to request proof of insurance or financial responsibility from the driver or drivers involved.

The legislation would have made the accident reportable if a driver couldn't furnish the information and it would have mandated that a driver's license be suspended and registration be revoked.

At present, a police officer isn't required to investigate proof of insurance if the accident doesn't involve an injury or property damage.

* **Homeowners Tax Discount Guarantee** -- Legislation that would have guaranteed homeowners the benefit of a property tax discount rate even if their local taxes are being paid by mortgage companies through an escrow account was approved by the Senate but was not acted on by the House.

Under Senate Bill 583, mortgage lenders who require an escrow account to be established for payment of municipal and school district taxes would have had to give homeowners or other mortgage debtors full credit in their escrow account for the early payment discount.

Supporters argued the legislation is needed because some mortgage lenders keep the cash difference between the full tax bill and the discount rate.

LABOR AND INDUSTRY

** **Workers' Comp Reform** -- Reforming Pennsylvania's workers' compensation law will be a top priority of the new Senate Democratic majority in the early stages of the 1993-94 legislative session.

Just prior to the 1992 summer recess, the House of Representatives abruptly adjourned and failed to consider a Senate-modified version of House Bill 2140, a bipartisan response to a proposed workers' compensation rate increase.

When the legislature returned in September, numerous meetings to hammer out a compromise bill failed and, on Dec. 1, 1992, the state Insurance Commissioner approved a 25 percent rate increase.

Last May, a previous Senate version of the measure had been rejected by the House, prompting supporters in the Senate to try once again before the summer recess. A revised bill cleared the Senate on a vote of 30 to 18.

Sponsors of the Senate-passed proposal labeled it a compromise and argued that it would put the brakes on a requested 52 percent workers' compensation rate increase request.

The measure clarified that insurance rating organizations must file for new rates after the bill became law, a provision that would have derailed the requested \$1.5 billion rate hike request.

Other key provisions of the measure would have:

- made workers' compensation fraud a felony;
- established a competitive rating system whereby insurers would compete to provide the lowest possible rates;
- capped medical payments to doctors, hospitals and other health care providers;
- exempted employers from liability for work-related injuries that are caused by an employee's drug or alcohol use;
- eliminated provisions that allowed some workers to receive more in workers compensation than their after-tax earnings on the job; and
- prohibited injured workers from collecting workers compensation and unemployment compensation at the same time.

* **Expanded Role for PYCC** -- No action was taken by the House on Senate Bill 1364, legislation that would have expanded the role of the Pennsylvania Youth Conservation Corps. The bill expanded the type of public works programs which could be undertaken by the corps, including human service projects which could provide aid to the elderly and disabled. It also expanded the number of state agencies authorized to sponsor youth corps on-the-job training programs and lowered the age for participating in a youth corps program from 18 to 16.

*** **Child Labor Law Changes** -- Extending the parameters of the Child Labor Law, Senate Bill 88 reduces from 12 to 11 the legal age for minors to sell or distribute newspapers, magazines or other periodicals. The bill also extends the legal workday for minors, allowing those under 16 to begin at 5 a.m. rather than 6 a.m. The measure passed both chambers and was signed into law by the governor as Act 154 of 1992.

*** **Membership Increased** -- Signed into law was a measure (HB 1981, Act 52/1991) increasing membership of the Advisory Council for the Deaf and Hearing Impaired in the Department of Labor and Industry from 8 to 9 to include the Secretary of Aging.

*** **Human Relations Commission Continued** -- Legislation (HB 1827, Act 51/1991) continuing the Pennsylvania Human Relations Commission through Dec. 21, 2001 was passed, bringing the state Human Relations Act into conformance with the Federal Fair Housing Act and with the Federal Americans with Disabilities Act. The changes will allow the state to retain funding from the U.S. Department of Housing and Urban Development and make the commission eligible for federal funding to enforce disability

protection.

JUDICIARY

*** **Child Support Medical Insurance** -- The governor has signed into law legislation (SB 1795, Act 114/1992) mandating that insurance coverage of children be a part of court-ordered child support.

Intended to help cut the public, taxpayer cost for health care of children, the legislation is designed to make sure that divorced or separated parents covered by group health insurance policies where they work include their children on those policies.

Under the measure, the court is empowered to order either the non-custodial parent, custodial parent or both to pay any "reasonable" cost of including their children on insurance policies where they work. Failure to make court-ordered child medical support premium payments could result in the attachment of an employee's wages.

**** Judicial Discipline** -- The General Assembly gave first-session approval to a proposed constitutional amendment (SB 1000) providing for the creation of a new, two-tiered system of judicial discipline.

Before it can be submitted to the voters for a final decision, the amendment must again be passed by both the Senate and House in the 1993-94 legislative session.

Proponents of the change contend it would provide for a more open and independent system to discipline errant judges and justices.

A Judicial Conduct Board would be established to investigate complaints of judicial misconduct. A Court of Judicial Discipline would be created to accept evidence and render disciplinary decisions.

While the Judicial Conduct Board's investigations would be kept confidential (unless the subject of an investigation waives confidentiality), the proceedings of the Court of Judicial Discipline would be open to the public.

The Judicial Conduct Board would consist of 12 members -- six appointed by the Supreme Court; six appointed by the governor. The Court of Judicial Discipline would consist of eight members -- three justices, one justice of the peace, two attorneys and two non-attorneys.

***** Drug Houses; Crime Lab Fee** -- Signed into law by the governor as Act 140 of 1992 was legislation (HB 301) granting individual citizens living within 1,000 feet of a property suspected of illegal drug activity the legal right to take court action against the property.

Upon the filing of a citizen complaint and disposition of the case in common pleas court, owners of properties found to be a drug-related nuisance could be ordered to seal the property and/or fined up to \$10,000.

The legislation also provides for a new funding mechanism for police crime labs in Pennsylvania by imposing a surcharge on criminals for the actual cost of crime lab evidence services.

The so-called crime lab user fee would be in addition to any other penalties or costs a convicted criminal is sentenced to pay.

Money collected as a result of the assessments in Allegheny and Philadelphia Counties would be forwarded to those counties to finance their crime labs. The assessments in other counties would be earmarked to fund the six regional state police crime labs.

The bill also provides for an increase in various court fees in Philadelphia.

"V" Car-jacking Penalties -- Legislation (HB 713) providing stiff new penalties for the crime of car-jacking passed the Senate (48-1) and the House (174-20) in the closing hours of the session but was vetoed by Governor Casey.

Among its provisions, the legislation would have imposed a mandatory minimum jail term of five years for persons who steal an occupied motor vehicle, an additional five year jail term if an occupant of the car is injured and an added five year jail term if the car-jacker possessed a gun.

Further, the legislation provided for the use of deadly force against car-jackers. Motorists would have been permitted to use deadly force against anyone they thought was about to commandeer their motor vehicle.

In his veto message, the governor indicated he withheld his signature because the deadly force provision was too broad, because of the cumulative nature of the mandatory jail sentence provisions and because of what he called "defects" that would have eliminated mandatory jail sentences for persons convicted of other crimes with the use of a gun.

*** **Crime Victims' Rights** -- The rights of the victims of crime were expanded under legislation (HB 90) passed by the General Assembly and signed by the governor (Act 155/1992).

The new "bill of rights" for crime victims includes procedures for notification of victims regarding the disposition of a criminal defendant's case. Victims are allowed input on the release of prisoners and, in personal injury cases, are to be notified whenever an offender escapes custody. Crime victims are also entitled to receive information regarding available assistance services.

*** **Crime Victims' Compensation** -- A multi-faceted bill that doubles the costs criminals pay for compensation to crime victims was signed into law as Act 35/1991 (See Budget & Finance, Budget Oversight). House Bill 804, enacted in conjunction with the 1991-92 state budget, also expands provisions of the state's Crime Victims' Compensation program to bring it into compliance with federal regulations.

*** **Drug Offenders Face Six-Month License Suspension** -- The governor has signed into law (Act 30/1992) legislation (HB 1467) which increases the suspension of driver operating privileges from 90 days to six months for a first-time drug offender.

The law also requires first time, non-violent drug offenders seeking probation and/or treatment in lieu of trial and/or criminal sentencing to prove their drug dependency through testimony of a physician trained in drug abuse.

*** **Prisoner Transfers** -- The transfer of prisoners between state prisons and county jails are authorized by House Bill 1623 (Act 142/1992).

The state Department of Corrections and county correctional facilities are also authorized to contract with the federal government to house federal inmates in state and county correctional facilities.

*** **Death Penalty Revision** -- The Secretary of Corrections would be required to carry out an execution within the week such a death warrant is issued by the governor under House Bill 2267, which became Act 144 of 1992.

"V" **Firearms Licensing** -- The governor vetoed legislation (HB 2401) which would have eliminated the requirement of new firearms' proficiency examinations for persons who have been licensed in Philadelphia to carry a concealed firearm for five or more years.

The measure also would have removed restrictions in Philadelphia against the loaning of a firearm if the loan was made to a person who is properly licensed, or who is engaged in a certified hunter safety or approved firearm training program.

* **Product Liability** -- Legislation which, for the most part, would exempt retailers, distributors and other suppliers who have no control over the manufacturing process from product liability lawsuits was in the House Judiciary Committee when the session closed.

Under Senate Bill 965, product liability actions against retailers and suppliers would have been restricted unless one or more of the following conditions existed:

- if the supplier exercised substantial control over any aspect of the product which caused the harm;
- if the supplier, through alteration or modification of the product, contributed to the cause of harm;
- if, upon receiving the product, the supplier had actual knowledge of a product defect;
- if the supplier made an express factual representation about that aspect of the product which caused the harm;
- or
- if the supplier provided a component part which was defective.

The Senate defeated an amendment that would have broadened the scope of the bill to limit product liability lawsuits against manufacturers as well. The failed amendment would have blocked product liability lawsuits against businesses except in cases where appropriate warnings are not provided, the product is found to be defective or there is a design flaw, or a false statement made by a supplier about the product resulted in injury or death.

Currently, in Pennsylvania, there are no statutory limits on a consumer's ability to sue any entity which produced, supplied or sold them any product that they believed caused them harm.

*** **Constable Fee Schedule** -- A new constable fee schedule was established under legislation (HB 2574) signed as Act 102/1992.

The measure also created the Constable Education and Training Board -- to be funded by a two dollar surcharge on constable fees -- within the Commission on Crime and Delinquency. The board was to consist of seven members, one each appointed by the governor, Senate president pro tempore, speaker of the House and the four caucus leaders. Members must be either constables or lawyers who previously served as constables.

The board was authorized to establish rules and perform other duties to administer an 80-hour training program and to establish mandatory continuing education programs to include no more than 40 hours per year.

Constables who are already in office will be given an opportunity before their terms expire to complete the course by examination.

*** **Detention of Juvenile Offenders** -- The detention of children in a prison lockup under certain circumstances is allowed under legislation signed into law as Act 9 of 1991.

Senate Bill 304 provided for a juvenile to be securely held in an adult jail for a maximum of six hours for the purpose of identification, investigation, processing, or release or transfer to a parent, guardian, juvenile official or detention center. While being securely held, the juvenile must be separated by sight and sound from incarcerated adults and must be under continuous visual supervision.

* **Death Penalty Restriction** -- A two-bill package which would prohibit the death penalty from being imposed on mentally retarded individuals and persons who were under the age of 18 at the time a murder was committed failed to receive action in the House Judiciary Committee.

Senate Bill 331 would have prevented the death sentence from being imposed on individuals with an intelligence quotient of 70 or less and whose mental retardation was recognized before the individual attained the age of 22.

Senate Bill 332 would have prevented persons under the age of 18 from being sentenced to death.

* **Commitment of Youth for Drug Treatment** -- Legislation (SB 197) which died in the House Aging and Youth Committee would have allowed parents to commit their children to drug and alcohol treatment centers without the minor's consent.

* **Computer "Virus"** -- Legislation (SB 48) to make it a specific crime to insert a "virus" into a computer system was in the House at the close of session.

Tampering with computer operations of state or local governments, or of a public utility, would have been a second degree felony, punishable by a fine of up to \$25,000 and up to 10 years in jail.

* **Forcible Rape** -- Individuals 16 years of age or older who have sexual intercourse with a child under the age of 10 would be charged with having committed forcible rape under Senate Bill 113 which received no action by the House Judiciary Committee.

Forcible rape is a first degree felony, punishable by up to 20 years in jail and a fine of up to \$25,000.

* **Retail Gun Theft** -- Legislation (SB 112) which would make it a third degree felony to steal a gun from a retail outlet was in the House Appropriations Committee at the close of session.

Under present law, a person arrested for retail theft of a firearm is charged with only a summary or misdemeanor offense, depending on the sale price of the gun.

The legislation also clarified that a person who attacks a student in a school setting, or a judge or law enforcement official in the performance of their duties, would automatically face a charge of aggravated assault.

* **Sexual Exploitation** -- A person who procures a child under the age of 18 for sexual exploitation would face up to 10 years in jail and a fine of up to \$25,000 under Senate Bill 306. The measure was in the House Appropriations Committee when the session closed.

*** **Civil Claims** -- The governor has affixed his signature to legislation (SB 40, Act 25/1992) that would allow more cases of civil litigation to be resolved by compulsory arbitration.

In Philadelphia, Allegheny, Montgomery, Delaware and Bucks Counties as well as 11 third class counties, disputes involving less than \$50,000 (previously \$20,000) may go to arbitration. In the rest of the state, civil cases involving less than \$25,000 (previously \$10,000) may go to arbitration.

The legislation also permits the Philadelphia Municipal Court to maintain jurisdiction to close down facilities judged to be public nuisances.

* **DUI License Suspension Appeals** -- Motorists appealing license suspensions by the Department of Transportation for driving under the influence would have their cases heard in the county where the arrest occurred under Senate Bill 151. The bill was in the House Committee on Appropriations when the session ended.

* **Grandparents' Visitation Rights** -- Legislation (SB 431) which would strengthen the child visitation rights of grandparents and great grandparents in cases involving divorce, separation or death of their son or daughter failed to receive action by the House Judiciary Committee.

* **Civil Immunity** -- Civil immunity would be granted to physicians, any other person who practices medicine, and any registered nurse who renders emergency care at the scene of an accident under Senate Bill 801. The session ended with the bill awaiting action in the House Judiciary Committee.

*** **Leased Property Thefts** -- In a civil action based on theft of leased property, the court is authorized to order restitution of the property, damages or a civil penalty in the amount of the value of the property plus \$150 under House Bill 23, which was signed into law as Act 14/1991.

Damages include the value of the merchandise, actual damages arising from the incident, and reasonable attorney fees and court costs. Parents may be held liable if a minor is involved in the theft.

*** **Arrest and Detention** -- A person who has fled from justice or who has been convicted in another county can be detained and returned to the county where the offense had been committed under House Bill 14, which was signed into law as Act 13 of 1991.

The measure allows a judge to issue a warrant upon a sworn statement of a credible person from the county where the offense occurred that a person is wanted, has escaped from jail, or has broken the terms of bail, probation or parole. The warrant would authorize apprehension of the person, who would face the charge before the issuing judge or another judge.

An arrest on "reasonable information" can also be made without a warrant if the suspect was charged with a crime punishable by death or imprisonment for one year or longer.

The law also clarifies that imprisonment alternatives cannot be used for crimes that carry mandatory maximum sentences and excludes drug traffickers from intermediate punishment programs.

* **Homicide by Abuse** -- Legislation which would impose a life prison term on persons found guilty of the death of a child through abuse was in the House Judiciary Committee at the close of session.

In addition to establishing a new crime of "homicide by abuse," Senate Bill 797 would also have applied to the killing -- through abuse -- of developmentally disabled individuals or adults who, because of physical or mental disabilities or advanced age, are dependent on others to provide the basic necessities of life.

The "homicide by abuse" crime would be classified as second degree murder, which automatically carries a sentence of life imprisonment.

* **Protection from Abuse Orders** -- Legislation which would have required Pennsylvania courts to honor protection-from-abuse orders issued in other states failed to receive action in the House Judiciary Committee.

Under Senate Bill 518, any protective order issued by another state would be enforced by the commonwealth's court of common pleas provided that such court has jurisdiction in the other state and that the order is issued pursuant to statutory provisions which are similar to our own.

* **Police Immunity** -- Police officers would have been granted immunity if they injure people or damage property while attempting to halt domestic violence under Senate Bill 516. The bill was in the House Judiciary Committee at the close of session.

** **"Tolling" the Statute of Limitations** -- Heavily amended by the House to include an assortment of provisions was a Senate measure (SB 978) to "toll" the statute of limitations for a civil action arising from childhood sexual abuse.

The measure would have allowed child victims of sexual abuse to report and seek prosecution of such offenses for a period of 12 years after they had reached the age of 18. The Senate failed to take action on House changes to the bill prior to the end of the session.

* **Television Testimony** -- Children would have been allowed to testify on closed-circuit television in criminal cases under a proposed amendment to the state Constitution which was contained in Senate Bill 1115. The measure was in the House Rules Committee at the close of session.

* **Criminal History Information** -- Any criminal justice agency would have been allowed to disseminate criminal history record information to a court of common pleas in cases involving child custody under Senate Bill 901.

Dissemination to the court would be made in the same manner as a dissemination to a criminal justice agency.

The House Judiciary Committee did not act on the bill.

*** **Philadelphia Municipal Court Fee** -- The fee paid to sheriffs or other writ servers for service of initial process for Philadelphia Municipal Court was increased from \$10 to \$15 under Senate Bill 1037, which was signed into law as Act 26/1992.

* **Licensing Requirements** -- Drug and alcohol programs used by state correctional institutions and juvenile detention facilities would have been required to meet state Department of Health licensing requirements under Senate Bill 821. The House Judiciary Committee did not act on the legislation.

* **"911" for Emergencies Only** -- Use of the number "911" by any entity other than a public agency authorized to provide emergency telephone service would have been prohibited under Senate Bill 1254. The legislation was in the House Rules Committee at the close of session.

*** **Parental Rights** -- Legislation (HB 79) which would require the court to appoint counsel for parents whose parental rights are subject to termination and who are financially unable to pay for counsel was signed into law as Act 34/1992.

Under the measure, both parents would receive at least 10 days notice prior to a termination hearing. The court would be required to take necessary steps to assure that the identity of the adoptive parents is kept confidential in certain proceedings.

The measure expands counseling information and instructs each county to establish a counseling fund from a \$75 filing fee on reports of intention to adopt. It calls for a home study and pre-placement report to be conducted before adoption and allows a child to be reared in the same faith as the natural parents.

The legislation also adds new grounds for involuntary termination of parental rights. The first allows a petition to be filed for a newborn child (six months of age or younger) when the parent is aware of the birth but does not reside with the child, has not married the other parent, has failed for four months preceding the filing of the petition to make reasonable efforts to maintain contact with the child and has failed to provide substantial financial support for the child. The second new ground is that the child was conceived as a result of rape.

*** **Law Against Prostitution Clarified** -- The governor has signed into law (HB 1387, Act 100/1992) legislation which clarifies the law against prostitution to make it clear that it is unlawful to hire any person for sexual purposes, regardless of whether the person is a prostitute.

* **Property Forfeiture** -- A person convicted of being involved with a corrupt organization would forfeit all property acquired through his/her association with such an organization under legislation (SB 795) which was in the House Judiciary Committee at the close of session.

*** **Liability Limitations** -- Legislation (HB 203) which would limit the liability of caretaker organizations toward persons who enter historic burial places maintained by such organizations has been signed into law as Act 110 of 1992. The legislation provides that interment rights that have not been used for 50 years would be abandoned and revert back to the cemetery company or association.

* **Law Enforcement Protection** -- Legislation (SB 1022) which would make it a felony of the third degree for a person to wear body armor while in the act of committing a crime was in the House Judiciary Committee at the close of session. A felony of the third degree is punishable by up to seven years in jail and a fine of up to \$15,000.

*** **Immunity Provided** -- The governor signed into law as Act 1 of 1992 legislation (SB 303) which provides immunity for program administrators and supervisors who provide medical treatment to inmates.

The measure indemnifies municipalities from negligence claims arising from the treatment of inmates of state correctional facilities. The indemnification does not extend to claims of medical malpractice against any person, nor to claims of gross, reckless or intentional misconduct by the municipality.

* **Illegal Drug Manufacturing** -- Legislation (SB 798) which would make it a felony, punishable by a fine of up to \$250,000 and up to 15 years in jail, to maintain or operate a facility to manufacture or cultivate illegal drugs was in the House Judiciary Committee at the close of session.

* **Outlawing "Stalking"** -- Senate Bill 1563, which would make it a crime to "stalk" a person, was in the House Judiciary Committee when the session ended.

Stalking a person with intent to harm would be a misdemeanor of the first degree, punishable by a fine of up to \$10,000 and up to five years in jail. A second offense or a first offense with a prior conviction for a violent crime would be a third degree felony, punishable by a fine of up to \$15,000 and up to seven years in jail.

"V" **Questioning of Prior Charges, Convictions** -- The governor vetoed legislation which would have made it permissible to question a defendant in a criminal proceeding about prior charges or convictions.

House Bill 1721 would have allowed a defendant to be questioned about prior convictions for crimes of dishonesty or falsehood within 10 years of the conviction or last day of confinement.

Under current law, a defendant may not be questioned about prior charges or convictions and, except to impeach his credibility, is not required to respond to any question which tends to show he is a person of bad character.

* **Collecting Delinquent Court Costs, Fines** -- Legislation which would allow delinquent court costs and fines to be turned over to private collection agencies was in the House Appropriations Committee at the close of session.

Senate Bill 1670 also allowed the use of credit cards for the payment of fines and court costs and required collection agencies to be selected through a bidding process.

* **Copying Recorded Sounds** -- The House Judiciary Committee failed to act on legislation (SB 1213) which expanded the penalty for copying recorded sounds -- with the intent to sell or use the copy for profit -- without the owner's consent.

*** **Expanding Probation Officers' Powers** -- The governor has signed into law (Act 117/1992) legislation (SB 1487) giving probation officers the authority to arrest persons who violate provisions of intermediate punishment programs.

Under previous law, probation officers could only make arrests for the violation of terms of a person's probation or parole.

* **Damaging Offices of District Justices** -- A person who defaces or damages the office of a district justice would be guilty of a misdemeanor or felony -- depending on the amount of damage -- under legislation (SB 1584) which died in the House Judiciary Committee.

STATE GOVERNMENT

* **Congressional Redistricting** -- Months of posturing over the boundary lines of new congressional districts came to an end in late February of 1992 when the president judge of Commonwealth Court recommended the adoption of a remapping plan crafted by Senate Democrats.

The intense battle found the then Republican-controlled Senate and the Democratic-controlled House unable to reach an accord on a plan satisfactory to either party, bringing Commonwealth Court into the act with a stern warning: Act on a plan by Feb. 11 or the court would assume jurisdiction.

Pennsylvania, as a result of the 1990 census, was required to reduce the number of its congressional delegation from 23 to 21.

Brushing aside Democrats' efforts to reach a fair compromise that would eliminate one Democratic and one Republican seat, Senate Republicans forged one of their own, amending it into House Bill 514. So brazen was the plan that one newspaper labeled it as "absurd" and "political doodling".

The proposal would have forced two western Pennsylvania Democrats to oppose each other and would have merged the districts of two eastern Pennsylvania congressmen -- one a Republican and one a Democrat. The latter plan would have virtually assured the Republican's re-election.

In late February, Commonwealth Court recommended that the state Supreme Court adopt the Senate Democrats' redistricting plan. The high court's approval of the lower court recommendation followed a month later.

*** **MacBride Principles** -- A legislative package that would restrict future state investment in companies that practice ethnic or religious job discrimination in Northern Island cleared both chambers and was signed into law in May of 1992. The bills -- House Bill's 314, 315 and 318 -- became Acts 42, 43 and 44, respectively.

The new laws restrict state pension funds and the state treasurer from investing in companies doing business in Northern Ireland unless they subscribe to the so-called "MacBride Principles". The laws do not require that current investments be divested.

*** **Small Charities Exempted** -- The governor signed into law Senate Bill 1299 (Act 92/1992) which exempts charitable groups that raise less than \$25,000 a year from registering with the state. However, exempted charities must comply with other provisions of the Solicitation of Funds for Charitable Purposes Act and must continue to maintain required financial records. SB 1299 also increases registration fees of larger charities and professional fund raising counsels and solicitors.

*** **Fire Company Loans** -- Refusal by the Republican-controlled State Government Committee to consider House Bill 1018 in a timely manner resulted in a huge backlog of volunteer fire company equipment purchase low-interest loan applications.

Although the House had passed a voter-approved bill authorizing a \$25 million bond issue in mid-1991, action on the measure was delayed until February, 1992 when it was sent to the floor and passed unanimously. The governor signed the bill into law (Act 4/1992) after the House concurred in Senate amendments.

One of the amendments increased from \$50,000 to \$200,000 the maximum amount that can be borrowed by a volunteer unit from the state assistance program. A section of the bill containing a Republican amendment appropriating \$100,000 from the General Fund to administer loans was vetoed by the governor.

*** **Firefighter Training** -- Also signed into law (Act 46/ 1992) was House Bill 2033. The measure permits firefighters who have successfully completed out-of-state training courses to be certified under the Pennsylvania program without additional training.

*** **Telecom Site Okayed** -- Legislation passing the Senate and House included House Bill 1345 which authorizes the state Department of Corrections to grant a license to the U. S. Park service to locate radio and telecommunications gear on the grounds of the state Correctional Institution at Cresson, Cambria County. The bill became Act 58 of 1992.

*** **Code Amended** -- The state's Administrative Code gets an extensive facelift in the wake of a wave of amendments contained in House Bill 2216, legislation signed into law as Act 180 of 1992.

The bill authorizes the Department of General Services to transfer projects that have been constructed under auspices of the General State Authority to institutions of higher education. Institutions on the receiving end of the transfers are required to pay all costs related to the transfer.

In addition, HB 2216 permits the conveyance of projects constructed under the GSA to Penn State University, University of Pittsburgh, Temple University and Lincoln University.

HB 2216 also:

-- Authorizes the Department of Environmental Resources to require water use metering from most surface waters in the state;

-- Directs the Department of Revenue to continue to provide a space on individual income tax returns so that a taxpayer can designate a contribution to the U. S. Olympic Committee, Pennsylvania Division.

-- Authorizes PennDOT to acquire land for aviation purposes without obtaining the legislature's approval;

-- Requires the Department of Labor and Industry to regulate the design, installation and construction of above-ground refrigerated low-pressure propane facilities;

-- Prohibits the Environmental Quality Board from applying the Clean Stream Act's mining restrictions to non-mining operations.

*** **Coordinate System Updated** -- The governor signed into law as Act 161 of 1992 legislation (House Bill 1859) which updates the Pennsylvania Coordinate System for designating positions on the earth's surface within the commonwealth.

* **Building Leases** -- The House took no action on Senate Bill 888, legislation that would require state agencies that may be contemplating non-renewal or termination of leases to give advance notice of their decision. It would require the agencies to divulge their intent in newspaper advertisements at least six months prior to termination or non-renewal of leases.

* **State Employee Pay** -- No action was taken by the House on Senate Bill 1494. The bill would have eliminated the prospect of payless paydays for state workers in the event of an impasse on enactment of a state budget by the start of a new fiscal year (July 1).

*** **Boxing Panel Okayed** -- Recommendations advanced by a task force on boxing are incorporated in legislation (House Bill 1174) that was signed into law as Act 32 of 1992. The bill provides for a three-member state Athletic Commission appointed by the governor and a medical board comprised of five physicians.

* **Contract Services** -- The House did not act on Senate Bill 770, a proposal that would have eliminated cost as a factor in awarding state contracts for the services of registered architects, professional engineers, landscape architects, land surveyors and professional community planners. Agencies interested in these services would have had to establish committees to review the quality of services from at least three bidders, the panel then entering into contract talks with the highest quality bidder.

*** **Salute to Peace Officers, Firefighters** -- The governor signed into law (Act 115 of 1992) Senate Bill 1329, legislation designating May 15 of each year as "Peace Officers Memorial Day" and the week of May during which May 15 falls as "Police Week". The same bill designates the Sunday marking the beginning of Fire Prevention Week as "Firemen's Memorial Sunday" in honor of firemen who have died in the line of duty the preceding year.

The "Firemen's Memorial Sunday" provision also is addressed in House Bill 2545 (Act 127 of 1992).

* **Cultural Facilities Board** -- The House did not act on Senate Bill 712, legislation establishing the Cultural Facilities Act and creating an Advisory Board. The 11-member board would assist in the development of a cultural facilities grant program which would make money available to municipalities and non-profit organizations.

* **Election Code Changes** -- No action was taken by the House on Senate Bill 84 which would have amended the Election Code. Present law provides that the chief clerk of a county election board must, five days before an election, prepare a list containing the names and addresses of residents in an election district who have received absentee ballots. This bill would have reduced the time period to four days.

Senate Bill 700 was another bill amending the Election Code and it, too, died in the House. Under current law, a candidate (or an individual or group authorized by the candidate), must notify the Election Bureau by telegram or mailgram if he or she receives a contribution of \$500 or more after a pre-election report is filed. SB 700 would have permitted the candidate to report the contribution by overnight mail or facsimile transmission.

* **Notaries Public** -- Senate Bill 1847, which the House failed to act on, would have increased from \$25 to \$40 the non-refundable filing fee that accompanies a notary public application and also addressed an issue stemming from reapportionment of senatorial districts. The bill provided that a notary public application endorsed after Feb. 13, 1992, by a senator who, as a result of reapportionment, no longer represented the notary applicant's senatorial district, would remain valid.

** **Constitutional Amendment** -- House Bill 2595 would amend the state's constitution by allowing the General Assembly to extend absentee voting rights to electors not currently specified in the constitution. The measure has passed both houses and must be adopted again in a following session, then be placed on the ballot in the form of a voter referendum. If these steps are successful, the legislature would be required to pass a separate bill if it chose to extend absentee voting rights to a particular segment of the electorate.

"V" Closing State Facilities -- Legislation that Gov. Casey said would have impeded his authority to close or cut back operations at any state-owned facility was vetoed by the governor. Although the House voted to override the veto (137-61), a similar move failed in the Senate on a 30 to 17 vote, with all 17 dissenting votes cast by Democrats.

House Bill 244 would have required the administration to advise the General Assembly of any plans to close, lease or sell an institution (such as a state hospital or school) or to reduce staff by 25 percent or more. The bill also included language authorizing legislative committees to hold public hearings on such plans, with committee reports then submitted to the General Assembly which could approve or reject closings or administrative decisions to cut personnel.

House Bill 244 was pushed by legislators who were upset over the governor's plan to shut down five state hospitals and the Scotland School in Franklin County. However, Scotland School remained open for the 1991-92 school year.

*** **Rachel Carson Day** -- The governor has signed House Bill 107 (Act 44 of 1991) which designates May 27 of each year as "Rachel Carson Day" in Pennsylvania. Rachel Carson is considered by many to be the "mother" of the ecology movement. The bill passed the House in June and cleared the Senate in December.

*** **Heritage Affairs Panel** -- A Heritage Affairs Commission, consisting of at least 37 members appointed by the governor, is to be established under provisions of House Bill 1103 which cleared the House and Senate and was signed into law by the governor as Act 156 of 1992. (HB 1103 is identical to Senate Bill 960 which passed the Senate earlier in 1992.)

An additional nine at-large members will be appointed by the governor and four members of the legislature also will serve on the panel. The lieutenant governor will serve as non-voting chairperson.

The Heritage Affairs Commission will be responsible for coordinating ethnic programs and activities, commemorating historical events and sponsoring education projects. There will be an 11-member advisory council to assist the commission. Advisory panel members, also named by the governor, are to be specialists in ethnic and folklife cultural studies.

* **Assisting the Handicapped** -- Legislation (SB 205) which would have required county boards of elections to assure that all polling places are accessible to handicapped and elderly persons was passed by the Senate but died when the House failed to act.

* **Additional Leave** -- Disabled veterans who work for the state would have been granted an additional 15 days of paid leave to receive medical treatment related to their disability if Senate Bill 221 had become law. The House did not act on the measure.

LOCAL GOVERNMENT

*** **New Criteria to Form Boroughs** -- Landowners who want to form new boroughs would have to meet additional criteria under legislation signed into law as Act 181 on December 18, 1992.

House Bill 2337 requires that a proposed borough must contain at least 500 residents.

Petitions to form a new borough must be signed by a majority of the residents and by the owners of the majority of the property in the proposed borough.

The legislation retains previous requirements that a Borough Advisory Committee be formed to advise the court in determining if a new borough should be created. The new law applies to applications presented on or after March 25, 1992. In Fifth Class Counties, it applies to applications presented on or after the law's effective date.

*** **Financially Distressed Municipalities** -- Legislation restructuring Pennsylvania's Financially Distressed Municipalities Act was signed into law (Act 69/1992) by Governor Casey.

The governor's action came after the Senate unanimously concurred in House amendments to the bill (SB 1379). The legislation changed the name of the law to the Financial Recovery Act to remove the stigma attached to a municipality seeking relief. It also provided for a permanent continuation of the act's loan and grant program, which would have ended June 30, 1992.

In addition to a municipality's governing body, the legislation permits the chief executive officer of a city and the actuaries or trustees of a pension fund to petition the Department of Community Affairs for "distressed" status. The new law also gives ailing municipalities priority status for all state funded economic development programs.

*** **City Population Requirements** -- Enacted was a bill (HB 1305, Act 126/1992) decreasing the minimum population requirements for second class cities from 500,000 to 250,000 and for second class A cities from 100,000 to 80,000. Regardless of any change in city classification, cities operating under a home rule charter would retain their existing form of government until the charter was amended or repealed.

*** **Rent-A-Trooper** -- Legislation (SB 820) allowing boroughs and townships without police departments to contract with the state police for police protection was signed into law as Act 12 on July 11, 1991.

Under the measure, so-called "resident state troopers" would remain under the direct control of the State Police, adjacent municipalities could join together to share in the services and cost of a resident state trooper, and the trooper would be required to reside within the geographic area of the field installation that has jurisdiction over the municipality.

The bill authorized the state police to increase its personnel by 50 troopers to meet the initial anticipated staffing requirements of the program.

*** **"Spot Reassessments" Prohibited** -- A law (HB 521, Act 21/1991) prohibits the practice of "spot reassessment" of real estate properties in 14 counties in Pennsylvania. Spot reassessment is defined as any reassessment of property "that is not conducted as part of a countywide revised reassessment and which creates, sustains or increases disproportionality among properties' assessed values."

Property owners who are victims of spot reassessments are entitled to tax refunds based on such reassessment plus interest. The new law also clarifies the manner in which the common level ratio is to be applied to an assessment appeal following a countywide reassessment or a change in assessment affected by a change in the applicable predetermined ratio. It also permits a tax refund following an adjustment in assessed value following a catastrophic loss such as mine subsidence, fire, flood or other natural disasters.

The new law applies only to Berks, Bucks, Chester, Dauphin, Delaware, Erie, Lackawanna, Lancaster, Lehigh, Luzerne, Montgomery, Northampton, Westmoreland and York counties.

*** **Housing Tax Exemption** -- Legislation signed into law as Act 141 on December 14, 1992 grants a local tax exemption to charitable organizations which provide residential housing services.

Under House Bill 392, organizations would be tax exempt if they receive subsidies for at least ninety-five (95%) of the residential housing units from a low-income federal housing program. Any surplus from such assistance or subsidy must be monitored by the appropriate governmental agency and used solely to advance common charitable purposes within the charitable organization.

*** **Insurance for Elected Officials** -- Township commissioners, township supervisors, borough mayors and members of borough councils could receive township or borough-paid insurance coverage under legislation signed into law by the governor as Acts 157, 158 and 159 on December 16, 1992.

House Bills 1220, 1221 and 1224 also made technical changes to the laws governing police pension plans in first and second class townships and boroughs. House Bill 1221 also lets boroughs operate cable television systems and power plants.

*** **Must Reside Where Elected** -- House Bill 171 amends the Borough Code to require that elected borough officials maintain residence in the borough in which they hold office and reside in the borough for at least one year prior to election. The bill was signed into law as Act 11 on June 27, 1991.

*** **Racetrack Siting** -- Signed into law was a measure (HB 146, Act 17/1991) giving townships and their citizens the power to ban the location of a horse racetrack within their borders if there is an existing track within a 50-mile radius.

A ban on the location of such a track has to be approved in the form of a ballot referendum in the township before township supervisors can block its location. The measure was aimed at the potential siting of a horse racetrack in Western Pennsylvania.

The bill also amends the Second Class Township Code giving township supervisors clear authority over their police departments.

*** **Property Buy Back** -- Enacted was a measure (HB 1020, Act 27/1991) authorizing county commissioners to permit a taxpayer to repurchase real estate that was the subject of a tax lien and tax sale during a 12-month period after the regularly scheduled sale of the property for back taxes.

*** **Mayor Can Hire Outside Counsel** -- Legislation (SB 539) permitting the mayor of a borough to hire outside legal counsel when a legal dispute exists with the borough council was signed into law as Act 71 on July 1, 1992.

*** **Administrative Expenses Paid From Interest** -- Administrative expenses of the Pennsylvania Municipal Retirement System could continue to be paid from interest on investments under legislation (SB 752) signed into law as Act 12 on April 2, 1992. The law is retroactive to Jan. 1, 1991, when previous authorization for such expense payments expired.

*** **Township Commissioner; Supervisor Compensation** -- Enacted was a two bill package (HB 520, Act 47/1991; HB 1058, Act 49/1991) allowing townships that lost population as a result of the 1990 census to continue paying their township commissioners and supervisors what they had been receiving in compensation prior to the new census figures.

The level of compensation for elected township officials is based, in law, on population.

The legislation also adds a residency requirement for elected auditors, assessors and tax collectors.

*** **Administrative Transfer** -- Legislation (SB 1355) which transfers administrative responsibility for the certification of real estate assessors from the State Tax Equalization Board to the State Board of Certified Real Estate Appraisers was signed into law as Act 28 on April 16, 1992.

Assessors previously certified by the State Tax Equalization Board will automatically be recertified by the new board pending the 1993 certification renewal cycle of the real estate appraisers' board.

*** **Property Tax Refunds** -- People who suffer catastrophic property losses could receive a tax refund under legislation (HB 41 and 42) signed into law as Acts 14 and 15, respectively, on April 3, 1992.

Under previous law, adjustments in property assessments could be awarded only in the form of a credit for the succeeding tax year. House Bill 42 also allows property to be assessed based on a ratio not to exceed 100 percent of its value. The previous maximum ratio was 75 percent.

"V" **Allegheny County Tax Cap** -- Legislation that would have limited or reduced real estate taxes in Allegheny County following county property reassessments was vetoed by Governor Casey on July 2, 1992

Under House Bill 1296, taxing jurisdictions within the county could not collect more than a 5 percent overall revenue increase from real estate taxes in the year after a reassessment. Any revenue increase larger than 5 percent would require court approval.

*** **Allegheny County Appraisal Costs** -- Legislation (HB 719) providing for a sharing of appraisal costs between governmental entities in Allegheny County when there is an assessment appeal involving commercial property was signed into law as Act 8 on March 26, 1992.

The measure requires the county, school district and local municipality to pay a proportionate share of the cost of such appraisals based on the millage rate they impose.

*** **Bid Requirements for Third Class Cities** -- City councils in Third Class Cities will have more leeway dealing with bids under legislation (HB 757) signed into law as Act 17 on April 3, 1992. The bill eliminates the statutory requirement that all bids be accompanied by cash, certified check or other surety. City councils now have the option of whether to require such security.

*** **Work Guarantees** -- Mayors or city managers have the option of requiring cash, certified checks, cashiers checks, irrevocable letters of credit or corporate surety bonds as guarantees for work to be performed under legislation (HB 758) signed into law as Act 18 on April 3, 1992. The bill also permits a city to retain such funds as damages if a bidder is unable to perform as specified in a contract.

*** **City Retiree COLA** -- Retirement systems in third class cities could grant municipal retirees a cost of living adjustment under legislation (HB 994) signed into law as Act 49 on June 11, 1992. The bill also provides for a limited vested benefit, adds a retired city employee to the makeup of the retirement board and allows Erie Municipal Water Authority employees to retain membership in that city's retirement system. Similar legislation had been approved as Senate Bill 985.

*** **Records' Fee** -- Commissioners in Allegheny County could, with the approval of the president judge, impose a fee on civil and criminal cases filed in the Court of Common Pleas under legislation (HB 1302) signed into law as Act 99 on July 9, 1992.

The fee would help defray the cost of maintaining records. It would be collected by the appropriate local officer and deposited in a special records management fund, administered by the county's records management program in the Office of Management and Productivity or an office with a similar function.

*** **Obsolete Laws Repealed** -- Five antiquated laws relating to Allegheny County and the city of Pittsburgh were repealed under legislation (HB 1621) signed into law as Act 56 on June 18, 1992. The bill repealed measures dating back to the mid 1800s and relating to damage from gunpowder, personal taxes, the term of office of the city treasurer, official newspaper advertising and the location of cemeteries, hospitals and pest houses.

"V" **Scranton Police & Fire Pensions** -- Governor Casey vetoed legislation (SB 345) that would have expanded the ability of Scranton police and fire personnel to purchase pension credit for prior military service.

The bill would have allowed the purchase of credit for military service regardless of the interval between the service and the commencement of employment. Under current law, employment must begin within three years of an employee's release from active duty.

*** **Reemployed County Retirees** -- Enacted was legislation (HB 1697, Act 80/1992) allowing retired county employees who are reemployed on a part-time basis to continue to receive their pensions. The legislation allows such persons to work at the county for up to 1,000 hours annually without a reduction in pension and without having to make additional pension contributions.

*** **Police and Fire Vacancies** -- Legislation (SB 916) signed into law as Act 136 on December 14, 1992 will let township commissioners reappoint or reinstate a former police officer or paid fire employee without the individual being required to take a new civil service exam.

* **Bidding Prohibition** -- Legislation (SB 118) that would prohibit convicted criminals from bidding on municipal contracts unanimously passed the Senate April 16, 1991. The bill would prohibit persons or corporations convicted of corruption, bribery, theft and other offenses from bidding on such contracts for a period of three years after their conviction. The bill was in the House Local Government Committee when the session ended.

* **Tax Notice Mailing Extension** -- The Senate passed a bill (SB 356) that would extend -- from July 1 to July 15 - the deadline for local tax collectors to mail tax notices to individuals.

The bill was unanimously approved on June 10, 1991. It was in the House Local Government Committee when the session ended.

* **Changes to Planning Code** -- Legislation (SB 973) changing the Pennsylvania Municipalities Planning Code, further defining responsibilities of members who sit on county planning commissions, was unanimously approved on Dec. 11, 1991. It was in the House Local Government Committee when the session ended.

* **Borough Council Compensation** -- Passing the Senate (48-2) on Dec. 9, 1991 -- but still awaiting final House action at the end of session -- was legislation (SB 537) that would prevent borough council members from suffering any reduction in compensation as a result of a decline in the borough's population.

** **Subdivision Regulations Authorized** -- Legislation (SB 538) authorizing a county planning commission to adopt regulations pertaining to subdivisions within its county was unanimously approved on Dec. 9, 1991. The bill was amended in the House and was in the Senate Rules Committee when the session ended.

* **Boards of Health** -- Legislation (SB 1080) allowing Third Class cities greater flexibility in appointing members to their boards of health unanimously passed the Senate on Dec. 9, 1991. The legislation eliminates the requirement that such boards of health have a city-resident physician on the board.

The bill was on the table in the House when the session ended.

* **Bid Guarantees** -- Township commissioners, township supervisors and borough council members would have full discretion to determine the amount of bond required from a successful bidder to guarantee the delivery of purchased products and services under legislation (SBs 781, 782, 783) unanimously approved by the Senate on June 9, 1992.

The bills failed to gain final approval before the session ended.

* **Removal of Township Officials** -- The Senate has unanimously approved legislation (SB 786) which would change the way residents of a first class township may petition the courts for removal of a township official for failure to perform his or her duties.

Under current law, petitions must be signed by at least 100 residential property owners within the township. Senate Bill 786, would require that a petition be signed by 5 percent of the township's electorate. The bill was in the House Local Government Committee when the session ended.

** **Municipal Mergers** -- Legislation (SB 792) which allows two or more municipalities to be consolidated or merged into a single municipality, even if they are not located in the same county, was unanimously passed by the Senate on March 24, 1992.

Philadelphia, Pittsburgh and Home Rule municipalities would not be affected by the bill. Any proposed municipal mergers or consolidations would have to be approved by voters in each of the affected municipalities.

The bill had been returned to the Senate with House amendments when the session ended.

* **Transcript Time Limit** -- Records and transcripts needed to sentence criminals would have to be sent to the county seat within five working days under legislation (SB 1052) unanimously approved by the Senate on March 10, 1992.

Failure to comply with the time limit could not be the basis for overturning an otherwise appropriate sentence. The bill was in the House Local Government Committee when the session ended.

*** **Logging Ordinances** -- Zoning ordinances may not "unreasonably" restrict logging operations under legislation signed into law as Act 131 on December 14, 1992.

Senate Bill 1505 also allows the transfer of development rights beyond municipal boundaries. Such transfers may occur only where joint municipal zoning exists.

* **Racetrack and Ski Area Taxes** -- The Senate approved legislation which would exempt ski areas from the amusement tax and limit admissions taxes at Pocono International Raceway.

Senate Bill 1820 would have set a 1 percent limit on admissions taxes at the raceway. It was in the House Appropriations Committee when the session ended.

* **Sworn Fire Police** -- Legislation (SB 1707) that would require special fire police attached to local volunteer fire companies to be sworn into office before engaging in traffic control or exercising other police powers was unanimously approved on June 16, 1992.

The bill was on the table in the House when the session ended.

* **Municipal Liens** -- Legislation (SB 1807) that would extend the time frame of municipal liens placed against properties was approved (48-1) on June 16, 1992. The extension would apply to cases where installment payments are permitted to satisfy assessments for municipal improvements. The bill was on the table in the House when the session ended.

* **Court Transcripts** -- The Senate approved legislation (SB 1052) which would require that all records and/or transcripts necessary for the sentencing of a criminal offender be sent to the county seat within five working days. Failure to comply with the requirement could not be the basis for overturning an otherwise appropriate sentence.

The bill was in the House Local Government Committee when the session ended.

INTERGOVERNMENTAL AFFAIRS

*** **Pennsylvania Intergovernmental Cooperation Authority**

-- A "Philadelphia Rescue Plan," officially known as the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class, was signed into law as Act 6 on June 5, 1991.

House Bill 209 gave the city help in dealing with its ongoing financial crisis. The bill created a Pennsylvania Intergovernmental Cooperation Authority empowered to issue bonds, purchase tax anticipation notes and provide other financial assistance.

Philadelphia was authorized to levy a local sales tax of up to 1 percent to retire any bonded indebtedness incurred by the authority.

The five-member authority was appointed by the governor and legislative leaders. It will oversee Philadelphia's fiscal affairs and assure that the city develops and follows through with a viable five-year fiscal stability plan.

Authority members may not seek or hold public office or serve as an officer in a political party. Actions taken by the authority require a "qualified majority" of four of its five members. The Secretary of the Budget of the Commonwealth and Philadelphia's Director of Finance are ex-officio members without voting authority.

*** **Interstate Highway Compact** -- Legislation (HB 60) signed into law as Act 72 on July 1, 1992 authorizes Pennsylvania's Secretary of Transportation to negotiate an interstate compact agreement with Delaware, Maryland, New Jersey, New York, Ohio and West Virginia for the joint maintenance and repair of highways on or near Pennsylvania's borders with the other states. Any compact agreement must be ratified by the General Assembly.

*** **Delaware River Port Authority** -- Legislation (HB 2197), signed into law as Act 19 on April 3, 1992, set the stage for a cooperative economic development effort by the Delaware River Port Authority.

The law gave the authority (previously known as the Delaware River Joint Commission) far-reaching powers. The authority is now composed of 16 commissioners, eight from Pennsylvania and eight from New Jersey, all appointed by the governors.

*** **Port of Pittsburgh Commission** -- An independent Port of Pittsburgh Commission was created under legislation unanimously signed into law as Act 133 on December 14, 1992.

Senate Bill 1715 includes a procedure for the appointment of members to commission, outlines the commission's general purposes and powers and gives the commission authority to sell bonds.

*** **State General Hospitals Transferred** -- State general hospitals in Ashland and Coaldale were transferred to community ownership under legislation (SB 1040) signed into law as Act 22 on April 13, 1992.

The bill also lets the state give about one-half acre of land at the Monocacy Battlefield in Frederick County, Maryland, to the federal government. Pennsylvania will receive \$1 for the tract, which was deeded to the commonwealth in 1908.

MILITARY AND VETERANS AFFAIRS

*** **Persian Gulf Bonus** -- Enacted was legislation (SB 222, Act 106/1992) authorizing a bond issue referendum to provide funding for bonus payments to Pennsylvania veterans of the Persian Gulf War.

Contingent on voter approval of the \$25 million bond issue in the 1993 primary election, eligible veterans of the Persian Gulf conflict will receive \$75 for each month of active service in -- or in support of -- Persian Gulf operations, up to a maximum of \$525.

Prisoners of war and beneficiaries of veterans who died as a result of action in Persian Gulf service will be entitled to a benefit of \$4,000.

The legislation also authorizes \$1.5 million of the \$25 million bond issue to be used for the design and construction of a veterans' monument or memorial on the grounds of the Indiantown Gap National Cemetery. It also designates the fountain in the plaza of the East Wing of the state Capitol as the War Veterans' Memorial Fountain.

* **Persian Gulf Medal** -- Passed (47-0) in the Senate was a measure (SB 434) providing for the award of the Pennsylvania Freedom Defense Campaign Medal and Ribbon for military veterans of the Persian Gulf War. Final House action never materialized.

*** **Reserve Call-Up Protection** -- Enacted was legislation (HB 626, Act 29/1992) providing new safeguards for reserve and national guard members called to active duty for 30 or more days.

The measure seeks to prevent members called to active duty from cost or penalty payments if they terminate or cancel leases for apartments, places of business, motor vehicles, boats, appliances and other such property. Protection is also provided for termination of memberships in health clubs and other such organizations.

The law also permits activated personnel to defer vehicle insurance coverage if the vehicle is not operated during the period of military duty. Loan payments could be reduced to reflect any material reduction in income while on active duty.

*** **Student Lists for Recruiters** -- Armed forces recruiters are now entitled, upon request, to receive lists of the names, home addresses and telephone numbers of graduating seniors from school districts throughout the state under legislation (HB 10) which passed the House (163-34) and the Senate (31-14). With Governor Casey's signature it became Act 10/1991.

Prior to Senate approval, the bill was amended requiring armed forces recruiters to reimburse school districts for any costs incurred in complying with the requirement to provide such information.

Proponents of the legislation argued that armed forces recruiters need such information in order to have full access to potential recruits. Opponents suggested that the legislation infringes on an individual's right to privacy.

The law enables high school students -- if they submit a request in writing at the end of their junior year -- to keep their names off the lists.

*** **Veterans' Commission Extended** -- Enacted was legislation (SB 1709, Act 119/1992) extending the expiration date of the Pennsylvania Veteran's Memorial Commission from June 30, 1992 to June 30, 1995. As amended prior to final passage, the measure also authorized the display of the POW/MIA flag at the western entrance to the Fort Pitt Tunnel in Allegheny County.

* **Extend Disability Benefits** -- Senate Bill 868, sent to the House on a vote of 50 to 0, expanded the state's paralyzed veterans' pension program to allow military personnel who have lost the use of two or more extremities in "non-combat" peacetime service to qualify for a \$100 per-month benefit now paid to veterans who suffered similar disabilities during armed conflict. The House took no action.

*** **POW/MIA Recognition Day** -- The third Friday in September will be observed annually as "Pennsylvania POW/MIA Recognition Day" under legislation (HB 1309) passed by the Senate and signed into law, becoming Act 50 of 1992.

* **Veteran's Outreach Centers** -- Passing the Senate was a bill (SB 224) to appropriate \$350,000 in state funds for the previously federally-financed Veterans Outreach Assistance Centers throughout the commonwealth. The bill remained in the House Military and Veterans Affairs Committee at the end of session.

COMMUNITY & ECONOMIC DEVELOPMENT

*** **Boosting Pennsylvania Exports** -- The governor has signed legislation (SB 1371, Act 130/1992) creating a 13-member Pennsylvania Export Partnership Advisory Board to help state businesses secure foreign markets for Pennsylvania products. In addition, the law creates a grant program to aid small to medium-sized firms in the development of international marketing strategies and to attend international trade events. Grants of up to \$2,500 would be provided to qualifying businesses for participation in international trade shows.

The governor, meanwhile, vetoed a companion measure (SB 1370) which he said duplicated provisions of Senate Bill 1371.

*** **BID Program Extended** -- The governor signed legislation (HB 2508, Act 68/1992) extending the state's Business Infrastructure Development (BID) Act to June 30, 1995.

The BID program provides loans and grants for infrastructure improvements such as drainage systems, sewer systems, water supply systems, waste disposal facilities, energy generation and distribution systems as well as roads, bridges, sidewalks, and parking facilities.

*** **Industrial Communities Program Extended** -- A bill (HB 2791) was signed into law (Act 103/1992) extending the state's Industrial Communities Action Program Act to June 30, 1995.

In addition, the legislation adds two items to the list of projects eligible for state funding under the industrial communities program: the cleanup of hazardous waste materials and the construction or refurbishing of existing infrastructure or utilities.

*** **Employee-Ownership Program Extended** -- Legislation (SB 1625) was enacted (Act 70/1992) extending the Employee-Ownership Assistance Program Act to June 30, 1995.

The state program provides technical and financial assistance to employees who seek to take over ownership of a failing business or industry which is experiencing layoffs or would otherwise close its operation.

*** **Apparel Loan Program Extended** -- Legislation (SB 1217) was signed into law (Act 31/1991) continuing indefinitely class three and apparel loans under the state's economic revitalization Capital Loan Fund Act.

Under SB 1217, loans can be made to apparel manufacturers to upgrade equipment or for technical assistance, ostensibly to keep them competitive with foreign manufacturers. Loans are capped at \$200,000 or 50 percent of the project cost, whichever is less.

*** **Industrial Site Development Program Extended** -- The governor signed into law a measure (HB 1105, Act 29/1991) that extends Pennsylvania's Site Development program until June 30, 1993.

The program assists municipalities in transforming blighted and dormant industrial sites into productive facilities designed to encourage new business and job opportunities in economically distressed communities.

*** **Block Grant Program Extension** -- Legislation (SB 1788) has been enacted (Act 122/1992) which extends the Community Services Block Grant Program an additional three years to December 31, 1995.

The new law clarifies eligibility for funding, program participation, and financial assistance. It also defines a "case management" approach, wherein the activities and needs covered under this program will be determined by the qualifying agency and low income families.

*** **PA Quality Awards Program** -- Legislation (HB 1136) has been signed (Act 111/1992) by the governor that's designed to recognize business and government agencies for providing quality products or work.

The bill would establish the Governor's "Quality" Award for outstanding manufactured goods or services or quality performance in government, education or health care.

The awards council would be comprised of state officials, the chairman of the newly created Pennsylvania Quality Leadership Foundation, and representatives from business, labor and the Pennsylvania Association of Colleges & Universities.

* **Economic Development Financing** -- The Senate passed but the House declined to act on legislation (SB 437) that would have broadened the scope of the Pennsylvania Economic Development Financing Authority (PEDFA).

The bill would have permitted the issuance of taxable and tax exempt bonds and would have expanded the types of projects eligible for financing. Projects that could have been financed included facilities relating to tourism, recreation, communications, sports, convention, public ports and health and special care.

URBAN AFFAIRS AND HOUSING

*** **HOME Program** -- Aimed at providing affordable housing for low and moderate-income families, the Legislature passed a bill (HB 30, Act 172/1992) providing for the state's administration of the newly created and federally-funded HOME program.

The law creates six regional advisory committees and a statewide committee to advise the Department of Community Affairs in developing a plan to prioritize housing needs and invest state and federal funds in housing for low-to-moderate income Pennsylvanians.

Pennsylvania received \$22.7 million from the federal HOME program in fiscal 1992-93 and expects to receive approximately \$14 million in the next fiscal year.

*** **Fees for Housing** -- The governor signed legislation (SB 962, Act 137/1992) that allows counties, with the exception of Philadelphia, to raise recording fees for deeds and mortgages to provide additional funding for housing for the poor.

At least 85 percent of any fee increase must be used to provide housing to persons with incomes less than the median income for the respective county.

*** **Emergency Mortgage Assistance** -- Enacted was a bill (HB 2344, Act 182/1992) making the state's Homeowner's Emergency Mortgage Assistance Program (HEMAP) a permanent program.

First established in 1983, HEMAP provides temporary financial assistance to people who are in danger of losing their homes to foreclosure because of economic conditions beyond their control. The program received three-year extensions in 1986 and 1989 and, without Act 182 of 1992, was scheduled to expire December 23, 1992. Since its inception, HEMAP has saved an estimated 14,000 Pennsylvania families from foreclosure.

*** **Philadelphia Tax Claims** -- Tax delinquent Philadelphia property owners will have a six month time limit to contest sheriff's sales of their property under legislation (SB 552) signed by the governor (Act 135/1992). Previously, there was no time limit for an interested party to contest a tax claim sale. The measure also gives Philadelphia's finance director the ability to preclude, on a case-by-case basis, property sales for back taxes that would create an "undue hardship" for owners or occupants.

*** **Real Estate Cooperatives** -- Both houses approved legislation (HB 1293, Act 176/1992) establishing provisions for the creation, operation and termination of real estate cooperative agreements. The measure creates protection and warranties for the purchaser and tenant.

*** **Landlord Notice** -- Enacted was legislation (HB 996, Act 175/1992) requiring third class cities which provide water and sewer service to rented properties to provide notice of unpaid sewer and water bills to the landlord.

* **Excess Cable TV Costs** -- The Senate unanimously passed a bill (SB 778) to prohibit landlords from charging more than the actual cost for delivery of cable television service to rental units. Violators would be fined \$100. The House failed to act on the bill.

* **Sale Requirements for Mobile Homes** -- Legislation

(SB 364) was unanimously passed by the Senate that would require mobile home owners/sellers to provide purchasers with a tax certification and notarized statement describing any mortgages, judgments or liens against the mobile home before transfer of the property. The measure died in the House.

* **Condominiums** -- The Senate unanimously passed legislation (SBs 862, 863) that would amend current state laws related to condominium ownership.

Senate Bill 862 permits condominium associations to be flexible in the allocation of voting rights, revises current regulations related to activities of a condo's executive board and establishes requirements for notifying unit owners when their financial obligations may change. Senate Bill 863 offers a legal definition of a real estate cooperative and establishes a variety of provisions aimed at protecting purchasers of cooperative units. Where conversion cooperatives are involved, the bill protects the rights of existing tenants. The legislation died in the House Urban Affairs Committee.

* **Open Space/Affordable Housing** -- Passed by the Senate was legislation (SB 1699) that would have allowed Pennsylvania's 70 second class townships, with local voter approval, to use their share of the state's Realty Transfer tax for the purposes of establishing land banks to preserve open space and/or for affordable housing programs. No House action was taken on the measure.

AGRICULTURE & RURAL AFFAIRS

*** **Food For The Needy** -- The governor signed legislation

(HB 1146, Act 129/1992) providing for the permanent establishment of the State Food Purchase Program, informally in operation since 1983.

The program, administered by the Department of Agriculture, provides funds to county governments so they can assist regional food banks, soup kitchens and homeless shelters in the purchase, transportation, storage and distribution of food to the needy.

The fiscal 1992-93 state budget contains \$10.5 million for the program.

*** **Egg Refrigeration Law** -- The governor signed legislation (HB 1735, Act 32/1991) that requires Pennsylvania egg producers, distributors and sellers to store eggs at a temperature that doesn't exceed 55 degrees Fahrenheit and, after being washed and packed, at a temperature not to exceed 45 degrees.

The intent of the law is to discourage an embargo on Pennsylvania eggs should there be a salmonella outbreak.

Exceptions to the law are producers maintaining a flock of less than 3,200 hens, producers selling or marketing eggs within a 100-mile radius of their farms, those selling or marketing eggs within five days of the date they're laid, and those storing eggs at a temperature of 60 degrees or less prior to their sale.

The law provides for civil and criminal penalties for violators, including a maximum fine of \$5,000 per violation.

*** **Plant Pest Act** -- Legislation (HB 1781) updating the Plant Pest Act of 1937 and authorizing the Department of Agriculture to collect fees for the inspection, certification and testing of plants for pest problems that might be brought into the state was enacted (Act 162/1992). The bill affects nurseries, greenhouses, garden centers, landscape contractors and chain stores involved in the sale of nursery stock.

*** **Agriculture and Rural Youth Grants** -- The governor signed legislation (HB 1344, Act 33/1991) establishing a program of grants to assist agricultural and rural youth organizations, such as Pennsylvania Future Farmers of America, Future Homemakers of America and 4-H clubs, with the costs of special projects and educational programs, seminars and field trips.

Grants could not exceed \$2,500 with the exception of matching fund grants for capital projects which, depending on a private fund match, could total up to \$15,000.

*** **Milk Marketing Funds** -- The governor signed legislation (HB 872, Act 48/1991) that requires appropriations from the state's Milk Marketing Fund to be approved by the General Assembly. Previously, Milk Marketing Board expenditures from the fund were made via executive authorization by the governor.

*** **Agriculture Commodity Board** -- The governor signed a bill (HB 401, Act 3/1992) that changes the vote needed by the Agriculture Commodity Board from two thirds to a simple majority when deciding whether or not to continue a marketing program. The bill also authorizes sales agents of agricultural commodities to collect producer charges.

*** **Repeal of Obsolete Laws** -- The governor signed legislation (HB 1627, Act 60/1992) that repeals laws dating back to 1729, 1763, 1807, 1821 and 1858 that dealt with such issues as swine running at large; cattle, horses and sheep trespassing within a province; livery stable keepers; horse stealing; and stray animals.

In a related matter, legislation (HB 1628/Act 61/1992) that repeals an 1842 act dealing with line fences between properties of improved land also was signed by the governor.

*** **R.U.L.E.** -- The governor signed legislation

(HB 1492, Act 65/1992) that establishes a Rural Leadership Training Program (RULE). It creates a program of leadership training for citizens of rural areas and their local elected officials.

* **Dangerous Dogs** -- Dogs that attack humans would be subject to immediate confiscation by a state dog warden or local police officer under legislation (SB 1097) passed (42-6) by the Senate. The bill died in the House.

* **Puppy Mill Bill** -- The Senate passed (46-2) legislation (SB 28) that would require kennels, pet shops and individuals who sell dogs to provide buyers with a health record of the dog and a veterinarian's certificate assuring the dog is free of a fatal disease. The bill died in the House.

* **Organic Foods** -- The Senate unanimously passed a bill (SB 1069) that would require certain standards and certification for food products which are marketed, labeled and advertised as organically grown. The House failed to act on the bill.

CONSUMER PROTECTION & PROFESSIONAL LICENSURE

*** **Amusement Ride Safety** -- Senate Bill 515, which became Act 107 of 1992, gave the Department of Agriculture clear authority to regulate bungee jumping and authorized the department to issue and enforce stop-use orders for amusement rides that do not meet safety standards.

The law reinstated a 10-member Amusement Ride Safety Advisory Board to provide guidance to the Secretary of Agriculture on the inspection and safety of amusement rides in Pennsylvania.

*** **Water Companies; Gas Pipeline Safety; Clean Air** -- A measure (SB 1331) granting the Public Utility Commission the authority to order "capable" public utilities to acquire small water and sewer utilities that are in violation of state standards became law (Act 27/1992). The legislation also increased penalties for gas pipeline safety violations from \$1,000 to \$10,000 per day. The maximum civil penalty for such violations, in conformance with federal law, was boosted from \$200,000 to \$500,000. The legislation also requires electric utilities with coal burning units to submit plans for compliance with the federal Clean Air Act.

* **Service Station "Service"** -- The Senate passed (45-3) legislation (SB 1375) requiring certain minimum services at gasoline stations. Minimum service at a station or pump identified as "full service" would include, upon the customer's request, checking oil and transmission fluid and cleaning windshields. Stations that operate both full-service and self-service pumps would have been required, between 8 a.m. and 5 p.m., to provide full service to handicapped persons at a self-service pump. The measure, which died in the House, also required that all stations be equipped with a power-driven air pump to inflate tires.

* **Dating Service Regulation** -- The Senate passed (48-0) a bill to regulate dating service contracts by requiring that such contracts contain clear disclosure of prices and services.

Senate Bill 629 also would have provided a three day period to rescind signed contracts and would have limited dating service contracts to a minimum of two years. The House failed to take action on the measure.

* **Gypsy Limo Operators** -- The Senate passed (48-0) legislation (SB 424) aimed at cracking down on illegal "gypsy" limousine services. The measure would have required limousine operators to show proof of state certification and provide customers with a copy of a trip manifest, which would detail the date, destination and cost of the service provided. Operators who violated the proposed legislation's provisions would have been subjected to stiff fines and, with repeated violations, the loss of their vehicles. The bill died in the House.

* **Computer Phone Calls** -- In a move to control abuse of automatic dialing announcing devices (ADAD), the Senate passed (50-0) legislation (SB 496) to require the registration of "computer calls" to people. It would have prohibited such calls to car phones, hospital rooms, unlisted numbers, toll-free numbers and direct-inward-dial numbers. The bill died in the House.

* **Obscene Commercial Calls** -- Sent to the House was a bill (SB 1580) prohibiting obscene commercial telephone communications unless previously requested in writing by an adult. Persons under the age of 18 would have been barred from requesting or receiving such communications. Operators who violated provisions of the measure would have been guilty of a third degree misdemeanor, punishable by a jail term of up to one year and/or a fine of up to \$2,500.

** **PUC Status** -- While the state Public Utility Commission continued in operation, its statutory existence was somewhat clouded. The confusion was caused by legislative failure to finally pass legislation (HB 2000) reauthorizing the PUC beyond its December 31, 1991 "sunset" termination date. Senate amendments to House Bill 2000 were never concurred in by the House. Lawyers for the PUC and the governor, however, issued an opinion contending that the PUC did not need to be reauthorized because the state's Sunset Law itself went out of existence at the end of 1991.

* **PUC Pay Raise** -- Passed (36-13) by the Senate but rejected (54-138) by the House was a bill (HB 157) that would have increased the salaries of members of the Public Utility Commission for the first time in seven years. PUC commissioners' salaries would have been boosted from \$55,000 to \$78,500, while the PUC chairman's salary would have been increased from \$57,500 to \$80,000. PUC operations are paid by assessments on utilities.

* **Fireworks Safety** -- Senate Bill 1189, passed (45-1) by the Senate, provided for stricter control on the sale and distribution of fireworks to municipalities for supervised and legal fireworks' displays.

The bill also stiffened penalties for illegal fireworks' distribution, possession and use. Unlawful sale or distribution of fireworks or possession of more than \$250 worth of fireworks would have been a misdemeanor of the third degree, punishable by a fine of up to \$2,500 and/or a jail term of up to one year. The existing penalty is a \$100 fine and/or a jail term of up to 90 days. Illegal possession or use of even a small quantity of fireworks could have resulted in a fine of up to \$300 and/or a jail term of up to 90 days. The bill died in the House.

* **Lemon Law Update** -- Failing to receive House action was a Senate-passed proposal (SB 399) to update Pennsylvania's 1984 automobile "lemon law" with a brand new statute.

Among other provisions, the measure would have extended lemon law protection to leased vehicles.

* **Seeing is Believing** -- The Senate passed (49-0) a bill (SB 466) requiring auto dealerships and service stations to retain motor vehicle parts that were replaced during repair services.

Upon the request of a vehicle owner, the repair facility would have been required to return the replaced part to the customer. The bill died in the House.

*** **Temporary Barbers' Licenses** -- Enacted was legislation (HB 29, Act 4/1991) establishing temporary barbers' licenses for individuals eligible to take the barbers' examination.

Eligible individuals are required to work under supervision of licensed barbers.

*** **Barbers & Cosmetologists United** -- A two-bill package (HBs 52; 53/Acts 7; 8/1991) was passed to permit barbers and cosmetologists to work at the same location, in shared shops. The legislation also permits non-licensed people to shampoo hair under proper supervision.

*** **Geologist Licensing** -- Enacted was legislation (SB 963, Act 151/1992) to require the licensure of geologists and the regulation of the practice of geology. The State Registration Board for professional engineers and professional land surveyors is responsible for the geologist licensure requirements.

*** **Dentist Training** -- Enacted was a measure (HB 1402, Act 160/1992) to allow foreign-trained or out-of-state licensed dentists to teach in Pennsylvania dental schools without a Pennsylvania license. The measure also allows for the practice of dentistry by supervised students and interns in clinical departments, laboratories and not-for-profit clinics.

*** **Mobile Home Sales** -- Under Senate Bill 263, real estate agents are permitted to sell owner-occupied mobile homes without having to obtain an additional license under the Mobile Home Park Rights Act.

The measure, which passed the Senate unanimously, was amended in the House to define the relevant market area for vehicle dealerships and to prevent vehicle manufacturers from unfairly cancelling the franchise of vehicle

dealers. The Senate concurred unanimously and the bill was signed on December 20, 1991, becoming Act 41/1991.

*** **"One Call" System** -- Enacted was a measure (HB 722, Act 38/1991) reestablishing the state's Underground Utility Line Protection Law. The legislation provides for a "one call" system for work crews and contractors to obtain information on the location of underground utilities before they proceed with excavation or demolition work.

* **Electric Rates for Agriculture Fairs** -- A bill to require electric utilities to charge only residential rates for service to agriculture fairs was passed by the Senate (38-9).

Senate Bill 323 was referred to the House Consumer Affairs Committee where it remained at the end of session.

* **Electrical Contractor Licensing** -- A new licensing board to examine and license electrical contractors would have been created under Senate Bill 348. The bill died in the House.

* **Regulation of Respiratory Care** -- The Senate passed (48-0) two bills (SB 1031, SB 1032) to provide for certification and regulation of respiratory care providers. Both bills died in the House.

-- LAW AND JUSTICE --

*** **Liquor Code Changes** -- After significant amendment, the Senate passed (32-16) and the House concurred (142-54) in legislation (HB 1620) that, among other things, retained five of 13 Liquor Control Board (LCB) hearing examiner positions that were scheduled to be eliminated on June 30, 1992. The governor signed the bill as Act 66/1992.

Other provisions of the legislation expanded opportunities for Pennsylvania brewers to use their facilities to store and distribute malt or brewed beverages produced outside of the state and clarified that state brewers do not have to obtain a distiller's license to manufacture non-alcoholic beer.

The measure also exempted airport restaurants with liquor licenses from seating requirements, authorized licensing of veterans groups of 100 members after one year of existence and provided authorization for issuance of a liquor license to a recreation facility near Scranton.

* **Recycle Liquor Bottles** -- The Senate passed (49-0) a bill (SB 1543) that would have allowed liquor licensees to participate in community recycling programs. In communities where recycling is in force, the measure would have eliminated the requirement that empty liquor bottles be broken before disposal. The House Liquor Control Committee did not report the bill.

GAME AND FISHERIES

*** **Senior Hunting & Fishing Licenses** -- Enacted were bills (HB 89, Act 24/1991; SB 819, Act 7/1992) allowing older hunters and fishermen the opportunity to obtain discounted hunting and fishing licenses in the year they turn 65, rather than waiting until they actually reach their 65th birthday.

Senior hunting licenses cost \$10.75 a year, or \$2 less than the regular adult license of \$12.75 for Pennsylvania residents. Senior citizens are also eligible to purchase a senior lifetime hunting license for \$50.75.

The reduced rate for a senior fishing license is \$2.50. A senior lifetime fishing license can be obtained for \$10.50, plus \$5.50 for a trout stamp.

Senate Bill 819, meanwhile, also increased the fee for a non-resident fishing license from \$20 to \$25. The tourist fishing license was boosted from \$15 to \$20 and its duration decreased from seven to five consecutive days.

*** **Lawful Taking of Wildlife Protected** -- Persons who deliberately block, impede or harass an individual engaged in the lawful taking of wildlife would be guilty of a summary offense under legislation (HB 961) passed by the House (192-0), the Senate (48-0) and signed into law (Act 45/1992) by the governor.

The new law also allows trappers to use tag numbers issued by the Game Commission to identify traps. Previously, traps were required to contain tags bearing the name and address of the person who set the trap.

*** **Boat Fee Increase** -- A measure (HB 1107) boosting motorboat registration fees in Pennsylvania and changing the name of the Pennsylvania Fish Commission to the Pennsylvania Fish and Boat Commission was signed into law (Act 39/1991).

The bill, passed by the Senate on a vote of 37 to 13, increases the annual registration fee for a motorboat of under 16 feet from \$4 to \$10 while the fee for a motorboat of more than 20 increased from \$6 to \$20.

* **Stiffened Penalties for Fish & Boat Law Violators** -- The Senate passed (50-0) a measure (SB 1199) increasing penalties for repeat violators of fish and boating regulations in Pennsylvania. Under the measure, a repeat offender who commits two or more summary offenses would have been subjected to an additional fine of \$100.

Moreover, a repeat offender of two or more offenses, one of which was a misdemeanor or felony, would have been subjected to an additional fine of \$1,000. The bill died in the House.

*** **Dog Training Areas** -- Enacted was legislation (HB 960, Act 79/1992) exempting dog training areas licensed by the Pennsylvania Game Commission from nuisance suits or newly enacted local ordinances involving noise pollution.

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