

Senate of Pennsylvania

SENATE DEMOCRATIC WRAP-UP FOR THE 1983- 1984 LEGISLATIVE SESSION

The Pennsylvania Senate ended its 168th session Nov. 29, adjourning sine die the next day, after approving legislation with such diverse goals as rescuing the state's economy, cracking down on the growing problem of child abuse and providing workers the "right to know" what hazardous materials they might be handling at their jobs.

For the most part, the heart of the 1983-84 sessions concerned efforts to revive the state's comatose economy while balancing governmental expenditures with revenues.

The 1984-85 budget sailed through smoothly before the July 1 deadline once an agreement had been reached between senate and House leaders and the governor on the implementation of a \$190million bond-financed economic development package for Pennsylvania. The package had its origins with Democratic legislators who insisted that something had to be done about the commonwealth's high unemployment rate. Enactment of the package included such programs as creating small business incubators, refurbishing facilities at engineering and vocational-technical schools and employing youths in a conservation corps.

A glaring disappointment in the list of this session's accomplishments was the failure to enact a \$4 billion turnpike extension bill, an undertaking so huge in scope that it would have generated thousands of jobs, propelling the commonwealth into a new era of prosperity. Blame for this failure rests squarely with the governor.

Legislation to expand the state's toll road system to add missing links and new north-south, east-west highway shad been hammered out in a conference committee. The House concurred, but the Republican controlled Senate balked at the insistence of the governor, killing the plan for the session. The governor's problem was that he could not get the legislation amended to give him control of the turnpike commission and so he pressed to scrap the entire toll road building plan.

Democratic initiatives led to the establishment of a co-pay drug prescription program for the elderly in July, and an expansion of the program by April 1, 1985. senior citizen centers will also be in line for a \$10 million appropriation for renovations.

Another Democratic initiative responded to the plight of the unemployed who were in danger of losing their homes by setting up a home mortgage assistance program. Democrats insisted on full funding for this loan program before agreeing to the 1984-85 general fund budget.

The personal income tax dropped a tenth of a percent in 1984-85 because of an automatic reduction schedule insisted upon by Democrats when taxes were increased to plug a \$495million hole in the 1983-84budget. This revenue deficit was a legacy of the 1982 gubernatorial campaign when expenditures were rolled over to avoid tax increases during an election year.

Pennsylvania businesses were given a break with a cut in the net corporate income tax rate and a reduction in taxes for small businesses. Another segment of the commonwealth's economy might benefit from legislation that was passed to promote the conversion from oil to coal electric generators.

Legislation was also approved to replace the state's no-fault insurance law with a "freedom of choice" car insurance package intended to hold the line on soaring premiums. Consumers were also in mind when approval was given to a "lemon car" bill intended to protect them from unscrupulous dealers.

On law and order matters, legislation was passed to stiffen penalties against cocaine trafficking and child snatching. Another effort to protect children was made in legislation to guard against the hiring of child abusers in care centers and in permitting children to use videotapes when testifying on alleged abuses against them.

Also, bills were passed to keep career criminals locked up, expand the use of wiretaps in gathering evidence for criminal cases, and to give the Bureau of Corrections, which administers a growing prison population, the status of a department.

The adoption of children will be made easier through the establishment of an Adoption Cooperative Exchange, and related legislation would protect the privacy of natural parents who prefer to remain unknown to the children given up for adoption.

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Legislation is coded as follows:

- * *Senate Passage*
- ** *Senate and House Passage*
- *** *Became Law*
- V** *Vetoed by the Governor*

Budget and Finance

*** **1984-85 General Fund Budget** -A basically controversial general fund budget for 1984-85, contained in **SB 878**, was approved and signed into **Act 7A** on June 29, less than 48 hours before the July 1 deadline for enactment.

The general fund budget, which supports state governmental operations and subsidizes school districts and health and welfare programs, totaled \$8.07 billion for 1984-85. Another \$420 million in 41 separate non-preferred spending bills for state related colleges and health and cultural institutions brought total general fund expenditures for 1984-85 to nearly \$8.5 billion, or \$500 million more than the previous year's spending.

Senate Bill 878 also includes spending authorizations for federal money and state lottery funds, bringing the total to about \$10.7 billion.

The lack of any vehement controversy over this fiscal year's budget can be attributed to the absence of any tax increase to support it. The \$7.9 billion general fund budget for 1983-84 (**Act 7A**) by contrast required a \$495 million tax hike package around which controversy swirled until enactment of the budget three weeks beyond the fiscal year's July 1 deadline.

Apparently, revenues generated by the previous year's tax increases resulted in about a \$50 million surplus by the close of the 1983-84 fiscal year. This, combined with the governor's increased use of lottery funds for programs previously supported by general fund tax revenues led to enactment of a business tax cut for 1984-85 (see related story).

Senate Bill 878 taps into the lottery fund for about \$189 million to cover what previously were general fund expenditures. These are:

--\$140 million in lottery proceeds for long term care facilities or nursing homes. The precedent for shifting from tax revenues to the lottery to subsidize nursing home care was set in 1983-84 when \$100 million in lottery money was used;

--\$22 million for in-home care and other health care services;

--\$25 million for the state's share of the Supplemental Security Income program and Medicare payments;

--and \$1.5 million for Department of Aging administrative costs. Two years ago, some \$16 million of the department's program costs were transferred from the general fund to the lottery fund.

Senate Democrats, in exchange for their reluctant support to use lottery proceeds for some items previously paid for with tax money, succeeded in winning an expansion of the senior citizens co-pay drug prescription program. **Senate Bill 878** raises the income eligibility for co-pay for single people from \$9,000 to \$12,000 and for couples from \$12,000 to \$15,000 effective April 1, 1985 at a cost of \$15.6 million. The program, which began July 1, 1984, requires participants to pay \$4 for each prescription, with the state paying the balance from lottery proceeds. (Also, see story on **HB 1301** under Aging and Youth).

The \$76 million budget surplus accumulated by the end of June, 1984 was partly established by tax increases the previous year: the personal income tax had been increased from 2.2 to 2.45 percent, the six percent sales tax extended to cigarettes, and other taxes accelerated. The 2.45 percent personal income tax automatically dropped to 2.35 percent July 1, 1984.

Senate Bill 878 provided \$30 million for a new statewide student testing and remediation program. The governor had asked for \$48 million.

Under the new budget, school districts received a \$126 million increase in aid for basic instruction, with a total allocation of nearly \$1.9 billion.

Also, \$11.5 million in teacher pension increases were awarded. The state college system was given a \$15 million boost to \$250 million.

An emergency mortgage loan program totaling about \$26 million was included in the new budget at the insistence of Senate Democrats. The program is intended to assist unemployed homeowners who have fallen behind in their mortgage payments because of adverse economic conditions.

Philadelphia received an additional \$27 million through various program increases, money the mayor said was needed to balance the city's budget.

Initiatives begun two years ago at the insistence of Democratic legislators to improve the state's economy were continued in the 1984-85 budget.

For example, the so-called Ben Franklin Partnership - a consortium of government, business, education and labor groups to encourage the growth of advanced technology industries - was given \$8.3 million more in 1984-85, or an 80 percent boost, bringing its allocation up to \$18.6 million.

There was also a first time \$4 million Enterprise Development Area Program to encourage public-private partnerships designed to improve the business climate and create jobs in economically distressed neighborhoods.

Also, welfare recipients were given a five percent increase in their cash grants under the new budget.

*****Non-Preferred Appropriations** -About \$420 million was allocated to state related schools and charitable institutions in 41 non-preferred appropriations bills (**House Bills 2052 to 2092**) which the governor signed into law July 3 (**Acts 13A to 53A**). This part of the 1984-85 general fund budget was about \$34 million more than the previous year's \$386 million non-preferred expenditure.

Of the \$420 million total, more than \$350 million went to the state related universities: Penn State, \$162.7 million (\$149.4 million in 1983-84); University of Pittsburgh, \$87.2 million (\$81.4 million); Lincoln University, \$6.7 million (\$5.8 million); and Temple University, \$98.9 million (\$90.6 million).

The University of Pennsylvania received the largest share in the category of state-aided schools, with an appropriation of \$26.4 million, which compared with \$23.7 million in 1983-84.

Other major recipients of non-preferred funding, with 1983-84 funding in parenthesis, are: Hahnemann Medical College, \$4.1 million (\$3.8 million); Jefferson University Medical School, \$6.6 million (\$6.3 million); Western Psychiatric Institute, \$6.1 million (\$5.9 million); Medical College of Pennsylvania, \$2.6 million (\$2.4 million); Philadelphia College of Osteopathy, \$4.2 million (\$4 million); and Drexel University, \$4.4 million (\$4.2 million).

*****Bond Financed Economic Developmental Package** -- Intimately tied to the passage of the 1984-85 budget, was the approval by both chambers of an 11-bill package authorizing a \$190 million bond issue to launch an economic development program for the commonwealth.

This was the bargaining chip insisted upon by Democrats in exchange for accommodating many of the governor's budget requests.

The bills (**SBs 1432-34, 1436, 1438-39 and HBs 2291-93, 2295 and 2297**) authorize the bond sale approved by voters in the April, 1984 referendum and specify several programs to be financed by these bond proceeds. They were signed by the governor July 2 into **Acts 104-114**.

Senate Bill 1432 actually authorizes the \$190 million bond sale and establishes the Pennsylvania Economic Revitalization Fund through which the proceeds will be funneled to specific programs, with the approval of the General Assembly.

The remaining ten bills:

-provide \$30 million for the rehabilitation and development of recreational facilities. A total of \$12 million

will be appropriated from the revitalization fund to the Department of Environmental Resources for site development and other costs. The remaining \$18 million will go to the Department of Community Affairs for grants-in-aid to municipalities for land acquisition and rehabilitation;

- create a Pennsylvania Conservation Corps, a two-year program totaling \$15 million to employ economically disadvantaged youth between 18 and 21;
- establish a \$5 million program to promote the development of employee owned enterprises;
- appropriate \$27 million for vocational-technical secondary schools and community colleges to upgrade their equipment;
- appropriate \$16 million for so-called business infrastructure development. Private firms participating in the program would provide matching money to expand their businesses in return for state infrastructure development grants;
- appropriate \$3 million for schools to upgrade engineering equipment. There is a match requirement of \$3 for every \$1 provided by the fund;
- stimulate minority businesses with a \$1.7 million appropriation;
- establish a small business incubator program by appropriating \$5 million for loans and \$3 million for seed capital that would be matched on a three to one basis by recipients;
- appropriate \$5 million for a capital loan fund;
- and establish a \$10 million agricultural development program of guaranteed loans to farmers.

Some of the programs listed are for three years, but the expenditures noted are for one year.

*****Bond Referendum**--Approval for the \$190 million bond issue to stimulate the commonwealth's economy came from voters in the April, 1984 primary. This referendum was provided for in **SB 547**, which was signed into **Act 19** on Feb. 24, 1984.

*****Corporate Tax Cut** - The General Assembly passed and the governor signed into law a measure (**SB1310, Act 94/1984**) reducing the state's Corporate Net Income (CNI) tax from 10.5 percent to 9.5 percent effective January 1, 1985.

Billed as an attempt to promote business growth, the corporate tax cut was expected to result in an estimated \$16 million revenue loss to the state in fiscal 1984-85. Eventually, the reduction will result in a \$90 million annual loss.

Although the legislation won overwhelming support in the end, passing the Senate (47-0) and the House (192-7), unsuccessful attempts were made in the Senate to tie any cut in corporation taxes to investment in Pennsylvania and to give individuals an extra break on the personal income tax.

At one point prior to final passage of the tax bill in the Senate, an amendment was inserted to reduce the personal income tax rate for individuals to 2.325 percent which would have reduced citizen taxes an additional \$25 million when compared to a previously scheduled reduction from 2.45 percent to 2.35 percent that became effective July 1, 1984.

The 2.325 percent amendment was deleted on a voice vote and under pressure from the administration.

*****Motor License Fund Budget (1984-85)** -A \$1.3 billion highway budget for 1984-85 (**SB 1409**) was approved unanimously in both chambers and signed into **Act 8A** June 29, 1984. It provided for nearly a \$50 million boost in highway maintenance work.

This Motor License Fund budget was nearly \$100 million more than the 1983-84 budget, which had to be propped up with two tax increases. Taxes were not increased for 1984-85.

Essentially, the 1984-85 budget provided a total of \$567 million for maintenance of the state's roads and bridges. This compares with a \$518.6 million expenditure for 1983-84.

Highway and safety improvement programs received \$120 million, an increase of \$27 million over 1983-84.

In 1983, the state's per gallon tax at the pump was increased from 11 cents per gallon to 12 cents per gallon (**SB10, Act 32/1983**). Additionally, the state's 3.5 percent oil franchise tax on the wholesale price of gasoline was boosted to 6 percent. The combined tax increase generated about \$145 million in additional revenues.

*****Emergency Mortgage Assistance** -A supplemental appropriation for the 1984-85 general fund budget to provide funding for emergency mortgage assistance to homeowners who are unemployed or otherwise economically hurt by the recent recession was signed into **Act 73** May22.

The measure (**SB 1357**) appropriated \$25.8 million to the Pennsylvania Housing Finance Agency (PHFA) to make loans to homeowners who have fallen 60 or more days behind in their mortgage payments. The three-year loans carry a 9 percent annual interest charge.

A mortgage assistance program was established the previous year when **HB 500** was signed into **Act 92** Dec. 23, 1983. However, only \$5 million was appropriated from the 1983-84budget for the program, with additional funding expected to come from business tax credits that were taken from the Neighborhood Assistance Program and given to mortgage assistance. The funding never materialized.

Senate Bill 1357, which Democrats say now adequately finances the mortgage assistance program with general fund money, also restored the business tax credits to the Neighborhood Assistance Program.

*****Public Employee Pension Boost and Venture Capital**-School teachers and state employees with 30 years or more of service will have an opportunity to take an early retirement in 1985 because of legislation (**HB 2114**) approved and signed into **Act 95** June 29, 1984.

The measure also provided for a unique plan to invest a small percentage of teacher and state employee pension money in venture capital programs to stimulate new businesses in Pennsylvania. A third major provision granted a cost of living increase to retired teachers and state employees.

Under the early retirement provision, state employees and teachers who are 53 or older with 30 years of service will receive full pensions if they choose to retire between July 1, 1985 and June 30, 1986. Also, during this period, teachers and state employees between 50 and 53 with 30 years of service could also retire early, but with their pensions reduced by 0.25 percent for each month that retirement precedes their 53rd birthday.

Teachers and state employees who retired before July 1, 1982 became eligible for an increase of \$1 a month for each year of service and \$2 a month for each full year of retirement as of July 1, 1983. Retirees also received an additional two percent on their monthly annuity, not to exceed \$20.

Venture capital investments intended to create new businesses are limited to up to one percent of the value of the two pension funds. This would translate into an investment of about \$60 million from the State Employees' Retirement Fund, and about \$40 million from the School Employees Retirement Fund.

The use of pension money to stimulate the state's economy was part of the Democratic platform in the 1982 gubernatorial campaign.

*****Professional Affairs Funds**-A routine housekeeping appropriations bill (**HB 2110**) took on some significance with the governor's line item veto of money to finance the operations of the State Registration Board of Professional Engineers.

In signing the measure into **Act 11A** June 30, the governor vetoed a separate \$525,000 appropriation for the engineers' board for the 1984-85 fiscal year.

However, funding for the engineer's board was subsequently taken care of with the enactment of **HB 193** into **Act 55** Sept. 25. This bill amended the 1984-85 general fund budget to increase the Professional Licensure Augmentation Accountably \$1,025,000 from \$7,970,000 to \$8,995,000 and removed language prohibiting the account funds from being used for the operation of

the engineer's board.

*****PUC Budget, 1984-85** -- The Public Utility Commission received a \$22,733,000 budget for 1984-85 under legislation (**HB 1919**) approved by both chambers and signed by the governor into **Act 5A** June 28.

The PUC budget bill was approved after a Senate amendment to earmark \$1 million to combat water supply contamination was removed.

Several senators, concerned with the outbreak of giardiasis, a stomach disorder caused by micro-organisms in water supplies, had inserted the amendment to signal the PUC against granting rate increases to utility companies with polluted water reservoirs. The senators wanted the cleanups performed without inflicting rate increases on consumers, who were already penalized with stomach disorders.

With the PUC sufficiently alerted, the Senate then removed the \$1 million budget restriction.

The PUC budget, funded by assessments against the state's utilities, will be \$1.2 million higher than the 1983-84 level of \$21,543,000.

*****Consumer Advocate Budget, 1984-85** - A \$2,033,000 budget for the consumer advocate's office for 1984-85 was approved with the passage of **HB 1920** which was signed into **Act 5A** March 29.

The consumer advocate's budget is derived from assessments against the state's utilities. The funding approved for 1984-85 represents a 17 percent increase over the 1983-84 budget of \$1,732,000.

*****Supplement To 1983-84 Budget** -A supplemental appropriation bill for the 1983-84 general fund budget (**SB 952**) was signed into **Act 4A** May 25, after the governor line item vetoed some \$66 million from the \$80 million supplement.

Among the items deleted by the governor were \$7.8 million in state money and \$10 million in federal augmentation money for long-term medical care facilities.

The attempt to supply this funding stems from 1983 when the state Welfare Department announced federal regulations required a redefinition of "skilled nursing care." Patients were reclassified according to the new definition between skilled care and intermediate care, resulting in reduced reimbursements for 16,000 patients in the state's Medical Assistance Program.

Senate Democrats favored offsetting this reduction by raising the ceiling for governmental aid and approving supplemental state and federal money. The governor's line item veto means the reduction caused by reclassifying patients under intermediate care will continue.

Other line item vetoes included \$19.5 million for pupil transportation, \$4.6 million to the State System of Higher Education for maintenance, \$5.5 million for social security payments for public school employees, and \$28.4 million for the Public School Employees Retirement Fund.

*****Earlier Supplement To 1983-84 Budget** -The approval of a conference committee report on **SB 877** and its enactment Feb. 7, 1984 as **Act 1A** gave the commonwealth a \$97 million supplemental appropriation for the 1983-84 fiscal year.

The supplemental appropriation involved a total of \$35 million in state funds and \$62 million in federal funds.

Of the \$35 million in additional state money, \$2 million was earmarked for farmers and processors whose poultry flocks were destroyed in an effort to contain a deadly avian flu epidemic that ravaged southeastern Pennsylvania flocks late in 1983.

Other supplemental expenditures of state funds included: \$25.5 million for pupil transportation costs;

\$1.12 million for services to non-public schools; \$3.7 million for mental retardation residential services; \$944,000 for mental retardation community based services; and \$850,000 for the Crime Victim's Compensation Board.

Of the \$62 million in supplemental federal funds, \$22.2 million was for Medicare, cash grant assistance and food stamp programs. Additionally, \$10.9 million went for energy assistance for low income residents, and \$14 million for the Women and Infant Children Feeding Program (WIC).

*****Capital Budget 1984-85** - A \$302 million capital budget for 1984-85 (**SB 1424**) was signed into **Act 117** July 3. Of the bond-financed total, \$180 million was for the Department of General Services for construction and equipment, \$80 million for highway projects, and \$42 million for redevelopment assistance projects.

*****Supplement to 1984-85 Capital Budget** - The 1984-85 capital budget was expanded by legislative action to authorize \$85,724,000 in transportation assistance projects contained in **SB 905** which was signed Dec. 20 into **Act 228**.

The measure includes \$440,000 for SEPTA to reconstruct the Columbia Avenue bridge in Philadelphia.

A total of more than \$42 million is authorized for SEPTA's mass transit operations, and another \$31.9 million is earmarked for the Port Authority of Allegheny County's mass transit.

Other mass transit authorities throughout the commonwealth are slated to receive \$2.1 million. Another \$7.9 million raised from bond financing will be for rural and intercity rail projects.

*****Capital Budget 1983-84** - About half the spending authorizations were line item vetoed by the governor before signing a 1983-84 capital budget bill (**SB 985**) into **Act 62** May 18, 1984.

The authorization for bond-financed public improvement projects in the 1983-84 capital budget totals \$379,669,000. The General Assembly had sent the governor a capital budget totaling \$650 million.

Projects left intact include renovation and construction work at the state prisons, totaling about \$7C million. Also, a \$43.9 million expenditure is authorized for a new Philadelphia convention center, and \$22 million to renovate the old museum at the capitol complex in Harrisburg.

Penn State will spend \$5 million to renovate laboratory space at the University Park campus, and another \$9.5 million to renovate its mechanical and electrical engineering facilities at the main campus.

*****Rural Transit Reimbursements** - Rural transportation agencies will receive equitable state reimbursements for free transit services provided to the elderly under legislation (**SB 450**) signed by the governor Oct. 10 into **Act 163**.

Senate Bill 450 actually corrects technical difficulties contained in legislation enacted last spring (**Act 49**) that increased funding for mass transit authorities and increased reimbursements from the state Lottery to mass transit agencies providing free rides to senior citizens. Reimbursements were increased from 75 percent of the cost of free rides for senior citizens to 100 percent.

Rural transit agencies, however, are in danger of having their senior citizen service reimbursements diluted because average costs were based on a mix of bus, rail and urban transportation fares.

Senate Bill 450 stipulates that urban and rural assistance programs be considered separate operating divisions.

*****Falk Clinic Appropriation** -- An appropriation of \$2.5 million for fiscal 1984-85 to the University of Pittsburgh for the operation of the Falk Clinic is contained in **SB 1487** which was signed by the governor Oct. 12 into **Act 56A**. The clinic provides outpatient care to Pittsburgh and area residents, many of whom are indigent.

*****Appropriation for the Berean School** - The Senate approved (48-0) and the House concurred (187-7) in **SB 265**, which increases by \$23,000 to \$647,000 the appropriation to the Berean Training and Industrial School in Philadelphia for fiscal 1984-85. It was signed into **Act 58A** by the governor Dec. 18.

*****Small Corporation Tax Break** - The General Assembly passed and the governor signed a bill (**HB743, Act 90/1983**) granting tax relief to small corporations.

Under the legislation, corporations with fewer than 35 stock holders are no longer subject to the state's corporate net income tax rate. Instead, the company profits are distributed to shareholders and then taxed at the rate of the state's personal income tax.

The break, which was expected to lower the taxes of some small corporations by as much as 75 percent, was intended to provide incentive for business expansion and job creation. Revenue loss to the state was estimated at \$12million annually.

Additionally, the legislation exempted firewood used in residences from the state's 6 percent sales tax, imposed a new \$75 minimum capital stock and franchise tax, authorized an installment payment of state income tax on profits from installment sales contracts, and excluded dividend and interest income from the sales apportionment factor used in determining a corporation's taxes.

*****Capital stock Tax Revision** - Legislation (**SB 533, Act 89/1983**) revising Pennsylvania's 140-year-old corporate capital stock and franchise tax cleared the Senate (50-0) and the House(133-65) and was signed into law.

The legislation created a fixed formula for determining the value of a company's capital stock in an effort to eliminate a previously unpredictable method of valuation for tax purposes.

The new formula takes into account a company's income as well as assets so that the tax is based more on a company's ability to pay.

The previous complicated system provided for a series of optional methods for computation of the tax which resulted in controversy and led to numerous appeals and lawsuits. Some firms apparently were paying more and others less than their fair share depending on the outcome of individual negotiations with Revenue Department officials on which method of computation to use.

While still complex, the legislation provided for a set system. Capital stock valuation is now determined by multiplying one-half times the sum of the average net income over five years of the entity capitalized at 9 1/2 percent plus 75 percent of net worth.

The stock and franchise tax is a supplement to the state's Corporate Net Income tax and brings the state some\$350million annually.

Act 89 of 1983 also established a penalty of five percent per month on unpaid portions of gross receipts taxes charged out-of-state electric companies for Pennsylvania-generated power. Pending the disposition of a federal court case, West Virginia power companies were not paying the Pennsylvania gross receipts tax on electricity they purchased from Pennsylvania and the penalty for failure to pay was intended to encourage payment.

*****New Bank Tax** -- In a move to head off a potential fiscal crisis for the state, legislation (**SB 302, Act 66/1983**) was enacted to establish a new tax on banks in Pennsylvania.

The action was necessitated by a September, 1983 state Supreme Court ruling which declared the state's previous bank shares tax unconstitutional.

The court order placed the state in the precarious position of possibly having to refund as much as

\$430million to banks throughout the commonwealth.

The legislation not only provided for a replacement levy intended to meet court objections to the previous tax, but also contained provisions which would allow the state to recoup refunds to banks it might be forced to make as a result of the Supreme Court ruling.

The permanent bank tax created under the legislation allows banks to make a deduction for federal securities on a pro rata basis. The old bank tax, which was declared invalid, assessed banks on total net equity, including federal securities -- in violation of federal law. If for some reason the new permanent tax would be stricken by the courts, the state Revenue Department is authorized to impose an income tax on banks.

*****Business Tax -Reform**- -- Signed into law was a bill (**SB 1872, Act 172/1984**) intended to provide some measure of tax relief to high volume, but low net profit retailers.

The new law places limitations on local mercantile or business privileges taxes in recognition of the fact that flat taxes based solely on gross receipts are inequitable and unfair to high-gross-receipts low percentage-of-profit businesses.

The legislation also limits the base upon which an amusement tax is levied at ski facilities and golf courses.

And, it eliminates the payment of real estate transfer taxes when the transfer is between brothers and sisters or their spouses or from a sole proprietor family member to a family farm corporation.

*****Philadelphia Business Tax Change**- Enacted was a measure (**HB 1004, Act 69/1984**) giving the city of Philadelphia the authority to replace its mercantile and general business taxes with a more equitable business taxing structure - one that's based more on a company's real profit or "ability to pay" as opposed to the previous taxes which were based more on gross receipts or a company's "volume of business".

The new system, allowing businesses several options in determining the payment of their city tax obligations, was expected to generate \$105 million for the city annually.

The new tax was to place a 3.05 mill tax on gross receipts and a 3.7 percent tax on profits. The legislation also provided for a broadening of the business tax base in the city by allowing it to further tax regulated industries such as banks, utilities and insurance companies.

***Philadelphia Wage Tax** - A measure (**SB 88**) to reduce the Philadelphia wage tax imposed on suburban Pennsylvania residents who work in the city cleared the Senate (26-23), despite solid Democratic opposition, and died in the House.

The bill would have lowered the wage tax imposed on non-resident commuters who work in Philadelphia to 2.9 percent from a previous 4.31 percent. Additionally, it contained provisions that would have allowed Philadelphia to tax city residents on unearned income (net profits, gains, dividends, interest, etc.)

*****Tax Boost** - As part of the final agreement on a 1983-84 general fund budget, the Senate (29-21) joined the House (103-93) in passing a tax package (**HB 22, Act 29/1983**) to eliminate a budget deficit from the previous fiscal year and fund expenditures in fiscal 1983-84.

The legislation was to generate an additional \$495 million in revenue.

Most of that came from an increase in the state personal income tax from 2.2 percent to 2.45 percent, applied retroactively to January 1, 1983.

Language of the legislation, however, provided that the 2.45 percent rate was only in effect until July 1, 1984 when it declined, as stipulated, to 2.35 percent.

The legislation also extended the state's 6 percent sales tax to cigarettes to generate an estimated \$68.8 million; accelerated sales tax collection from businesses (45 days to 20 days) to generate an estimated \$9 million; required prepayment of public utility realty taxes to generate an estimated \$56.2 million; and required that state taxes on lottery winnings be paid for by the Lottery Fund instead of by lottery winners to generate an estimated \$11million.

Republicans in both the Senate and House put up most of the votes to pass the tax legislation. In the Senate, only six Democrats voted to support the bill.

*****Treasury Cash Flow** - A bill (**SB 1139**) to allow the state to borrow funds through the state treasurer's issuance of tax-exempt commercial paper was signed into law (**Act 83/1984**) after winning unanimous legislative approval.

The legislation allows the state to supplement the use of tax anticipation notes in an effort to provide greater flexibility in dealing with cash flow problems.

*****Vendor Registration** - A bill (**HB 92**) was enacted (**Act 82/1983**) to require so-called "gypsy" or' transient vendors to register annually with the state Department of Revenue and to post a \$500 bond to ensure compliance with the state's sales tax law.

The legislation was aimed primarily at discounters who sell merchandise out of trucks or hotel rooms without a permanent place of business in the commonwealth.

*****Pension Transfer** - A bill (**HB 1662**) that would permit certain former members of the Public School Employees' Retirement System (PSERS) to transfer the employer contributions and accumulated interest of their retirement plan to a third class county pension system became law (**Act 10/1984**).

The legislation applies only to former PSERS members who had their job positions transferred involuntarily from a public school system to a county of the third class. The measure was introduced to handle a particular situation in Erie County where school librarians were transferred to the county.

*****Race Track Taxes** - Legislation (**HB 1391, Act 93/1983**) lowering state taxes on race tracks and creating a single fund for the collection of track tax revenues was enacted with the governor's signature on December 30, 1983.

The Horse Racing Fund and the Harness Racing Fund were merged into one State Racing Fund. A 15 percent admission charge tax at thoroughbred tracks was reduced to 10 percent, retroactive to September, 1981, and to 5 percent, retroactive to September, 1982.

The Philadelphia School District which previously received a guaranteed percentage of the state track taxes lost that guarantee under the measure.

*****Retirement System Addition** - The General Assembly passed a bill (**SB 639, Act 42/1984**) to permit enrnp10yees of the federally funded Applied Research Laboratory at Pennsylvania State University to join the State Employees' Retirement System. The group was previously barred from participating in either the federal or state pension systems and belonged instead to a private pension program.

*****Allegheny County Pension** - Legislation (**SB 808, Act 6/1984**) amending the Second Class County Code to increase from eight to 15 years the amount of necessary service by employees of Allegheny County before they can qualify for retirement benefits was enacted. The change, requested by the county in an effort to ensure solvency of its pension fund, applied only to new workers hired after the effective date of the act.

*****Service Credit to County Employees** - Both houses passed and the governor signed into law a measure (**HB 7, Act 54/1983**) that allows county employees who previously worked in public school districts the ability to purchase service credit for the school employment in county pension systems.

*****School Tax Returns** - Enacted was legislation (**HB 219, Act 6/1983**) requiring residents of the Pittsburgh School District to file annual earned incorrect tax returns for school tax purposes. The school tax return was to be combined with the Pittsburgh city earned income tax return.

***Cancelled Debts** - Passed by the Senate was a bill (**SB 1306**) that would permit loan and transfer agents, under the authorization of the governor, Auditor General, or state Treasurer, to destroy bonds and other instruments of indebtedness which have been cancelled. Currently, such instruments are destroyed by the issuing officials. The House never took final action on the bill.

Education

*** **Basic Education Subsidies** -- As part of the state budget process for 1984-85, the General Assembly approved increases in subsidies for education.

House Bill 690 was signed into law as **Act 93** on June 29, 1984.

House Bill 690 calls for \$125 million more for the Equalized Subsidy for Basic Education (ESBE) and \$24million more for Excellence in Education.

The \$125million will be distributed through the existing program providing that no district receives an increase of less than two percent or more than 7.45 percent.

Of the \$24million for Excellence in Education, \$17million will be given to all school districts which participate in a statewide testing program for math and reading skills in 1984-85, and also offered remedial education programs for their students in the 1983-84year. \$7 million will be distributed to school districts which participate in the statewide math and reading program in 1984-85and submit an approved plan for providing remedial education for those students who fail the tests.

Non-public students would be eligible to receive these services through intermediate units. Funds would be distributed based on the number of students identified by the test as needing remediation.

House Bill 690 also establishes the program of testing and remediation in reading and mathematics for public and non-public school students to be administered by the Department of Education.

In addition, **House Bill 690** does several other things. It raises the threshold for ,competitive bidding for expenditures made from student activities from \$300to \$1,000. It also establishes \$10,000 as the threshold for required competitive bidding by districts for construction, reconstruction and repair work. Districts would also be enabled to have district personnel perform this type work for projects costing less than \$5,000.

There are other provisions for teacher grievance procedures and the clarification instruction days for students who are educated in private residential rehabilitative institutions and day treatment centers.

*** **Philadelphia School Subsidy - House Bill 947**, which will provide more money for Philadelphia and several other school districts, was signed into **Act 73** (1983) by the governor December 20.

The bill, whose original provision of retaining the current number of Pittsburgh school director districts remains, was amended to provide the Philadelphia School District with an additional subsidy of up to \$13 million by removing a cap on state aid imposed in 1981. An additional \$500,000 was divided among three financially-distressed school districts - one in Erie County and two in Beaver County.

The bill also corrected a problem created when the administration failed to include language in the 1983-84 budget to provide special education subsidies to private schools.

*** **School Subsidies and Pension Changes** - As part of the final compromise on the 1983-84 state

budget, the General Assembly devised a new state school subsidy formula and increased public employee contributions to two pension systems. The measure implementing the changes, **Senate Bill 385**, was signed into law as **Act 31** (1983) on July 22, 1983.

The bill replaced existing subsidy formulas with the Equalized Subsidy for Basic Education (continued with **House Bill 690**, mentioned above).

The bill also raises the employee contribution rate by 1 percent for members of the Public School Employees Retirement System and by 1.25 percent for members of the State Employees Retirement System. The higher contribution rate reduced school districts' contributions. This section was recently struck down by the state Supreme Court and reimbursements are scheduled to begin shortly for state employees. Those hired after July 22, 1983 are not affected by the court ruling.

*** **State Board of Education** - The General Assembly has moved to change the composition of the State Board of Education. Signed into law as **Act 14**, February 17, 1984, **House Bill 682** adds four legislative members to the board, specifically the minority and majority chairs of the standing committees on education.

The bill also expands the number of the slots allotted to members of the Higher Education Council from two to three and provides that at least one of these three be an administrator and one be a faculty member. Traditionally, one of those seats had been filled with a faculty member but the current administration has appointed college administrators to the positions. With this provision, the legislature clearly defines its preference.

The bill also contains language to require the Department of Environmental Resources to notify affected municipalities when various permits (Air Quality, Water Allocation, Water Obstruction, Water Quality, Solid Waste and Hazardous Waste) are filed.

In addition, **Act 14** creates a 20-member academic advisory board to the Ben Franklin Partnership.

*** **PHEAA Funds Deposited in Treasury** - The Pennsylvania Higher Education Assistance Agency (PHEAA) has independent control over its funds, which were not deposited in the state treasury. In order to win the governor's approval of a bill allowing PHEAA to sell tax exempt bonds to finance student loans, legislators agreed to bring PHEAA funds into the treasury.

Under **House Bill 520**, PHEAA monies will be deposited into a special account within the treasury with the PHEAA board directing investments. **House Bill 520** became **Act 5** (1983) on May 13.

*** **PHEAA Interest Rates - Act 77-1983 (Senate Bill 198)** gives PHEAA's Board of Directors authority to set the interest rate of student loans.

*** **Community College Reimbursement** - Pennsylvania's community colleges received an increase in the amount of state reimbursement for full-time students under **Act 44** (1983), signed by the governor October 10, 1983. **Act 44 (House Bill 177)** increases the reimbursement ceiling from \$600 to \$800, or one-third of the tuition costs per student. The total cost increase is estimated at \$14 million.

*** **School Closings** - Signed into law April 4, 1984, **Act 38 (House Bill 1397)** provides for notification to communities of school closings.

Whenever a public school board proposes to close a building or substantially curtail the programs within a building, a public hearing must be held, under provisions of this Act.

The intent is to insure public input into the process of determining if and how such closings shall occur. The language of the bill makes it clear this does not apply to emergency closings due to inclement weather.

The bill also provides authority for the state treasurer to collect necessary information to recover overpayments made in the years 1979, 1980 and 1981. During those years many school districts collected and

paid social security tax on sick leave pay.

The IRS since determined the income derived from sick leave pay is not subject to social security tax. Since the employee and the employer share an equal liability for social security costs, employees should receive half the recovered funds, while the state and local school districts will evenly split the remainder.

*** **Building Authorities for Education - Acts 26 and 27**, signed March 23, 1984 amend two education building financing acts.

Act 26 (House Bill 1616) amends the state Public School Building Authority Act so that the Authority can make secured loans to public school districts or the boards of trustees of community colleges.

Act 27 (House Bill 1617) amends the Pennsylvania Higher Education Facilities Act to permit greater flexibility in the type of financing it can offer.

*** **Library Support** - Signed as **Act 90** June 27, 1984, **Senate Bill 658** removes the cap on local tax support for public libraries.

Previously, the amount of local tax support for libraries could not exceed the equivalent of three mills of property tax. By removing the cap, local communities may now increase the level of their support.

In addition, **Act 90** keeps confidential library circulation records containing the names of borrowers. The measure prevents library records from being used for fundraising, harassment or investigations. In a criminal proceeding, however, records could be opened with a court order.

"V" Teacher Certification - The governor vetoed **Senate Bill 1346** December 20, 1984. The bill would have provided that the Secretary of Education should issue teacher certification, following regulations set up by the Board of Education.

In addition, the Department of Education would have been required to recommend its proposals for continuing education requirements for all professional school employees by April 1, 1985.

* **State Honors Program** - A special state honors program for high school students was unanimously approved by the Senate. **Senate Bill 1175**, apparently patterned on the New York Regents examination, recognizes students scoring a certain level without regard to financial need. The bill stalled in the House Appropriations Committee.

The Pennsylvania Department of Education would have been required to recommend an honors curriculum for high school students during the 1984-85 school year. In 1987-88, an honors test, based on this curriculum would be administered to high school seniors. Students who score at a certain level would receive a State Honors Diploma. The top one percent of all students taking the examination would receive a \$1,000 grant.

All seniors who are Pennsylvania residents, as well as students from other states attending Pennsylvania schools, would have been eligible for participation in the program.

The Pennsylvania Higher Education Assistance Agency would have administered the grant portion of the program. It was expected \$10 million would be necessary to implement the program during 1987-88.

*** **Sabbatical Leaves** - Legislation designed to reduce a backlog of sabbatical leaves at the 14 state universities has been approved by the Senate and the House. It was signed by the governor October 12, 1984 (**Act 180**).

Senate Bill 794 provides that the decision to grant or deny a sabbatical leave would reside with the campus president. It conforms with the State System of Higher Education Act.

*** **Service Credits for Teachers**- **Senate Bill 1341** has been signed by the governor as **Act 226**

following unanimous passage by the House and Senate this session. The bill grants service credit to school employees formerly employed as nurses by the county. Under the measure, the employee could purchase a year of service for retirement benefits for every three years credited to county service.

"C" Contract Bargaining for Administrators - Legislation enabling school administrators below the level of assistant superintendent to discuss compensation issues with their local school boards died in a conference committee for lack of action before the session ended.

Senate Bill 928 would have required local school boards to meet with these administrative employees if a majority of them requested the meeting.

Issues discussed could have included salary, fringe benefits, evaluation procedures and district-managed early retirement programs.

Supporters of the legislation maintained that principals and other related employees are in an ambiguous position. They are excluded from collective bargaining under **Act 195**, but they are not generally in the same category as the top administrators.

Objectors were concerned about whether middle management employees should be permitted to organize a quasi-bargaining unit.

*** **Short-Term "Revenue Anticipation"** - **Senate Bill 1445**, signed by the governor as **Act 185** October 12, 1984, provides the Pennsylvania Higher Educational Facilities Authority with the ability to float short term "revenue anticipation" notes on behalf of certain colleges and universities. It was approved unanimously by the House and Senate. It applies only to those colleges and universities which are entitled to participate in the authority.

* **Tuition For Emotionally Disturbed Students** - Special Education students enrolled in an approved private school, who reach the age of 21, could continue to be educated by the school, and the school would continue to receive reimbursement, under legislation approved 49-0 by the Senate this session.

Senate Bill 1382 would also provide that the parents of students under six who are socially and emotionally disturbed would not have to bear any of the costs of such treatment.

The cost of a pre-school special education program is approximately \$8,000 per pupil, which is now borne entirely by the parents.

Environmental Resources and Energy

*** **Safe Drinking Water** -- **Act 43-1984 (Senate Bill 201)** modernizes state laws affecting water supplies and adopts federal drinking water standards. The Department of Environmental Resources would enforce standards as they apply to public water systems. The DER would monitor, permit and inspect these systems.

Municipalities could consider the future demand for water and the source, location and availability of water supplies. Water supplies could also be a consideration in zoning and subdivision approval.

The legislation also authorizes DER to respond to emergency and other hazardous situations. The program is funded through a \$1.2 million federal appropriation.

*** **Storm Water Management** -- **Act 63-1984 (Senate Bill 447)** extends the availability of state grants for storm water management plans from counties to municipalities with particular storm water problems.

This bill increases the grants from 50 to 75 percent of eligible costs and allows payments for the cost of administration, enforcement and implementation.

*** **Coal and Clay Mine Subsidence** -- **Act 151-1984 (House Bill 1858)** broadens and increases mine subsidence insurance coverage. Owners of buildings under construction are eligible for protection against mine subsidence damage.

The insurance would extend for a maximum period of 18 months or until the project was 80 percent completed.

Coverage under the bill could not exceed \$100,000 and policyholders could purchase inflation protection.

Other provisions insure homeowners of prompt action on insurance requests, requiring the Mine Subsidence Insurance Board to act on a written request for insurance within 60 days.

*** **Transportation of Hazardous Wastes** -- The General Assembly repealed the Hazardous Transportation Act and created a new Vehicle Code chapter to be known as Hazardous Materials Transportation.

Under **Act 99-1984 (Senate Bill 1239)**, PennDOT has been made responsible for administering the program. An advisory committee was also created with the duty to advise PennDOT on all matters concerning the highway transportation of such materials.

The maximum penalty for violations of the law have been reduced from \$5,000 to \$1,000.

* **Hazardous Substance Emergencies** -- Under **Senate Bill 247**, the Pennsylvania Emergency Management Agency (PEMA) would have become the central coordinator in the event of a hazardous substance emergency in Pennsylvania.

Senate Bill 247, which died in the House Conservation Committee required PEMA to prepare a hazardous substance emergency response plan; to coordinate state, local and federal responses to hazardous substances and other incidents; and to operate a 24-hour state Emergency Operations Center to which all hazardous waste incidents must be reported.

*** **Coal Lands Reclamation**-- Two pieces of legislation which will specifically provide for the Clean-up of coal mine areas in Pennsylvania were approved by the General Assembly and signed by the governor this session.

Senate Bill 1078 (Act 181), signed by the governor October 12, 1984, will strengthen the regulation of surface mining.

Federal officials have been critical of the lack of surface reclamation in the state. Millions of federal dollars have been spent on underground mines where subsidence, fire and acid discharge can pose serious public health and safety standards.

Under this legislation, the general public would have more input into permit applications. Objections to a license would be allowed within thirty days of a published notice.

Senate Bill 1078 also includes a detailed reclamation plan and timetable for accomplishments within the plan and directions for spending reclamation funds.

On the other hand, **Senate Bill 1309**, signed as **Act 158** by the governor October 4, 1984, provides incentives for coal operators to re-mine previously affected areas which still have recoverable coal in them, but were abandoned by a previous owner. There are approximately 250,000 acres of abandoned mine lands in Pennsylvania.

The bill is the result of months of intensive public hearings and research by the Joint Legislative Air and Water Pollution Control and Conservation Committee.

The mine operator would have to show that a proposed pollution abatement plan would result in a

significant reduction of the baseline pollution load and the land could be reclaimed.

As an incentive to operators, DER is authorized to credit an operator with the amount of funds previously forfeited on the site.

The proposal also calls for a ground cover of living plants to be not less than can be supported by the best available topsoil or other suitable material in a re-affected area and at a minimum adequate to control erosion and safeguard water quality.

*** **Bond Rates** -- Under legislation approved this session, the Susquehanna River Basin Commission can determine interest rates on bonds. **Act 84-1984 (Senate Bill 1285)** provides flexibility needed to determine interest rates making the bonds attractive to potential investors. Previously, the commissions old bonds at an annual six percent interest rate.

*** **Limit on PEDA Bonds**-- **Act 26-1983 (House Bill 84)** limits the total amount of Pennsylvania Energy Development Authority bonds to \$200million. The new authority is to sell tax exempt bonds to make loans for energy projects based in the state.

* **Utility Conservation Efforts** -- **Senate Bill 641** would have allowed electric and gas utilities to implement conservation, load management and alternatives to energy programs and to include the cost of these programs in their rate bases or to recover the cost in other ways.

The amended bill was reported out of the House Consumer Affairs Committee and referred to the House Appropriations Committee, where it died.

* **Water Planning** -- Municipalities could consider the need for safe, reliable, adequate water supplies in their planning and in their comprehensive plan under **Senate Bill 200**, which failed to be reported out of the House Conservation Committee under **Senate Bill 200**, municipalities could have considered water supplies in zoning, set standards for water supplies in approving subdivisions, and stopped land development if the water supply was inadequate.

** **Gas-Oil Regulations** -- A conference committee report on **Senate Bill 402** would require the registration and bonding of all oil and gas wells.

The legislation spells out circumstances to be considered in reviewing the impact of well permits.

Surface landowners or water surveyors whose supply is within 1,000 feet of a well must be notified of drilling intent.

Also under the bill, a landowner or water purveyor experiencing pollution may request DER to investigate and make a determination within 30 days of the investigation. DER may order temporary replacement of the water supply if the pollution maybe of a limited duration.

According to the bill, unless the operator specifically rebuts the charges, under one of five defenses described in the legislation, it is presumed the operator is responsible for the pollution within 1,000 feet of the polluted well, if the pollution occurs within six months after drilling or alteration.

The bonding requirements were drafted to relieve smaller operators from a heavy financial burden and to recognize that many smaller producing wells had marginal profits.

Senate Bill 402 has been sent to the governor for his signature.

*** **Gas Well Spacing/Regulation** -- The Senate approved two pieces of legislation that would do the same thing. One of them, **House Bill 2100**, went to the governor, who signed it as **Act 214** December 18, 1984.

The intent of **House Bill 2100** is to coordinate the vertical and horizontal mining of oil, gas and coal which

lie in the same or adjoining tracts of land by requiring minimum distances between wells.

House Bill 2100 was requested by the coal and gas and industry in response to the proliferation of gas wells which have sprung up, particularly in Indiana and Crawford counties. The administration falls under the jurisdiction of DER.

The other version, **Senate Bill 1386**, died in the House Conservation Committee.

*** **Block Grant Distribution** - The General Assembly has approved and the governor has signed **Senate Bill 1379 (Act 179)** which will allow the disbursement of \$44 million in federal block grant money to communities in 54 Pennsylvania counties which do not already receive direct federal block grants money.

The legislation includes information used to determine, by population and other established criteria, which communities receive the funds.

The grants -- used for housing rehabilitation, sewer improvements, water repairs and other projects -- had been distributed through a competitive bidding process. Under this bill, after 1985, qualifying communities with more than 4,000 people would receive guaranteed yearly entitlements.

Originally, **Senate Bill 1379** added "cirsium vulgarie," commonly known as bull thistle or spear thistle, to the list of the Noxious Weed Control law.

** **State Park and Forest Development- HB 615**, originally intended to serve as a blueprint for DER's participation in the economic development initiatives created by the \$190 million bond issue, was amended and passed by the Senate too late for House concurrence.

The legislation would have required DER to devise a plan for the development of state parks and forests. The basic intent was to provide jobs for Pennsylvania citizens as well as the needed construction of camps, cabins, environmental centers, boating areas and hiking and ski trails.

A Senate amendment would have allowed DER to grant a franchise or necessary license, right-of-way or lease for the construction, operation and maintenance of any hydroelectric facility on state properties. DER was prohibited from directly operating or developing those facilities.

* **Contaminated Water Relief Fund**-- Originally intended to create a relief fund to provide emergency assistance to a municipality whose public water supply was contaminated by a halogenated or aromatic hydrocarbon chemicals, **Senate Bill 38**, never got out of the House Conservation Committee.

While still in the Senate, the bill's \$1 million appropriation was increased to \$20, although there was some question about amending a fund that had been approved by the voters (the Water Facilities Loan Fund).

** **Chesapeake Bay Pollution Abatement- House Bill 2196**, was amended in the Senate, but never received concurrence by the House, ending for this session the possibility of creating a special account for the administration of the Chesapeake Bay Pollution Abatement program. The General Assembly had already approved \$1 million for the program in the FY84-85 budget. **House Bill 2196** would have insured money not spent by June 30, 1985, could have been carried over to the following year.

*** **Environmental Board Salaries/Hershey Medical Center - House Bill 552**, signed by the governor Decerrber21, 1984, gives the Executive Board the power to determine the salaries of the chairman and other members of the Environmental Hearing Board. Salaries are not to exceed \$45,000 for the chairman and \$42,500 for the other members.

In addition, an amendment on the Senate floor, later concurred by the House, would allow Hershey Medical Center to bypass a Certificate of Need for its planned \$32 million expansion project.

*** **State Conservation Commission-House Bill 2226 (Act 221)** defines the powers and duties of the State Conservation Commission in the Department of Environmental Resources, by reenacting and amending the Soil Conservation Law of 1945. The legislation also lists specific duties of conservation district directors. The governor signed the legislation December 19, 1984.

*** **Chain Dam Lease** - Signed as **Act 222**, December 19, 1984, **House Bill 2470** will allow the Department of Environmental Resources to develop and lease hydroelectric facilities located at Chain Dam. The dam is on the Lehigh River in Northampton County.

Although the state now holds an exemption from the Federal Energy Regulatory Commission, which permits DER to develop more than twenty dams around the state, that exemption runs out early in 1985. **House Bill 2470** insures the DER can proceed with this project.

State Government

"V" **Cross-Filing** - The governor has vetoed two pieces of legislation concerning cross-filing for candidates this session.

Senate Bill 421, vetoed October 28, 1983, would have eliminated the ability of candidates for district justice, judge and school director to cross-file petitions. It was originally proposed to help eliminate the confusion caused by the number of candidates seeking these offices, knowing names would appear at least twice on the primary ballot.

Senate Bill 421 also provided that district justices could participate in the political process by debating issues important to a particular campaign.

House Bill 1270, vetoed July 3, 1984, would have done the same thing.

This bill also contained language which would have provided for the duties of magistrate or district justices on primary and general election days.

* **Free Speech for Judicial Candidates** - Legislation aimed specifically at freeing judicial candidates to take part in the political process and to debate issues died in the House State Government Committee. **Senate Bill 175** addressed one of the provisions in **Senate Bill 421** (mentioned above).

Currently, the state Supreme Court's Code of Judicial Conduct, Canon 7, bars judicial candidates from discussing controversial issues and from attending certain political meetings. The bill would have prohibited any governmental authority from exercising such a ban.

Supporters say the Supreme Court's "gag order" helps to make judicial candidates the least visible of all major candidates. The court, however, maintains that the restrictions are necessary because judges must be impartial and non-political.

** **Absentee Ballots for County Employees - House Bill 902**, which became Joint Resolution 3 (filed with the Secretary of the Commonwealth, June 29, 1984), provides that county employees who cannot vote because of their election day duties may vote by absentee ballot. A floor amendment will also provide for absentee ballots for those whose religious holiday falls on an election day.

If approved in the 1985-86 session, this legislation would be placed on the statewide ballot for voter approval, amending the constitution if received.

* **Absentee Ballot Verification** - In order to help uncover voter fraud and to allow voters to verify that the county received their absentee ballots, **Senate Bill 97** would have required county election bureaus to compile

lists of voters who returned absentee ballots. A check could be made at polling places if a voter claimed he or she never received his or her absentee ballot. Some counties already voluntarily follow this procedure. The bill never left the House State Government Committee.

*** **Skin Color on Voter Registration Cards** - Current law requires voters to list his or her skin color on voter registration cards for identification purposes. **Senate Bill 173**, signed as **Act 70** May 31, 1984, allows voters to refuse to list their color when they register to vote.

*** **Voter Reinstatement** - Persons who have not voted in any election for two consecutive years can be removed from the voter registration polls after they are notified. Previous law allowed them 10 days to respond to the notice in order to reinstate their registration. **House Bill 61** gave inactive voters 30 days to request reinstatement. After that time, they must reregister. The bill was signed into law as **Act 7** on June 3, 1983.

** **Voter Assistance - Senate Bill 453** would have changed the language in the Election Code referring to assistance in voting. "By reason of blindness, disability or inability to read or write," would have replaced "because of illiteracy." The word "condition" would have replaced disability" in other sections. The bill also specified who may assist a voter.

Senate Bill 453 was returned to the Senate for concurrence on House amendments. It never left the table in the Senate.

*** **Petition Signature Requirements- Senate Bill 387**, signed as **Act 190** on December 12, 1984, increases the number of signers and filing fees required for certain nomination petitions of candidates at primaries. The legislation was prompted by the large number of candidates who file petitions in primaries. Proponents said the increases would eliminate "frivolous" candidates.

For instance, candidates running for governor, or other statewide offices, would be required to submit 2,000 signatures, including at least 100 from each of at least five counties, an increase of 1,000 signatures. In addition, such candidates would have to pay a \$200 filing fee, up from \$50.

It is the first major change in the petition law in almost 50 years.

* **Elections Code- Senate Bill 589** would have provided for a County Board of Elections to maintain an electors list, such as a computer print-out, rather than an electors file which has been criticized for the considerable time and expense in maintenance. Although Senate final Passage was 47-0, the bill never left the House State Government Committee.

*** **Protection for Boxers- Senate Bill 632** became **Act 62** when signed into law November 3, 1983.

This legislation will better protect against serious and permanent boxing injuries. It creates new safeguards recommended by the American Medical Association. While previous law required a doctor to be present at ringside, **Act 62** allows the doctor to stop a fight to examine a boxer and to end the contest if continuing it would result in severe injuries.

The bill requires heavier gloves for boxers. Boxers between 135 and 160 pounds would be required to wear gloves weighing at least six ounces. Boxers over 160 pounds would be required to wear gloves weighing at least ten ounces.

The state Athletic Commission would establish a register of all professional boxers licensed in Pennsylvania and would record results and injuries from each boxing contest. The commission would suspend boxers who sustain certain injuries.

Senate Bill 632 also outlaws so-called "tough man" contests involving amateurs fighting for prizes in an unregulated match with little or no safeguards.

*** **Buy American Cars** - Under **Senate Bill 437**, signed into law as **Act 40**, April 4, 1984, all state and

local agencies would be required to purchase or lease only motor vehicles assembled or manufactured in the United States.

Non-American vehicles could be chosen only if the head of any agency certified that American vehicles would be too expensive or their purchase inconsistent with public interests.

*** **Steel Procurement** - This legislation closes loopholes that had permitted state agencies to buy certain steel products that were foreign-made.

By amending the Steel Products Procurement Act, **House Bill 1636** provides that when unidentified steel products are supplied under contract, the person under contract must supply documentation, including but not limited to, invoices, bills of lading and mill certification, to prove compliance with the law.

A Senate floor amendment extended the act to Specifically include buses, railway cars, transit systems, terminals and other transportation-related items under the provisions of the Act.

The definition of steel products includes machinery and equipment made of, fabricated from or containing steel components. Products which contain both foreign and domestic steel shall be considered U.S. steel if at least 75 percent of the cost of the articles, materials and supplies have been mined, produced or manufactured in the United States.

In addition to facing withheld payments, any person who willfully violates any of the Act's provisions shall be banned from submitting any bids to any public agency for any contract for a period of five years from the date that the violation is determined to have occurred.

House Bill 1636 was signed as **Act 144** on July 9, 1984.

* **Buy American in Public Works** - Although the Senate approved a measure (**Senate Bill 517**) requiring American-produced or manufactured products to be used in all public works projects in the commonwealth 47-2, the bill never left the House State Government Committee.

Exemptions would have been provided when materials are not produced in the United States, are produced in limited quantities or are too expensive. If a contractor fails to use domestic materials, the company could have been barred for three years from receiving any governmental projects in Pennsylvania.

*** **Bid-Riggers** - **Senate Bill 199**, now **Act 45**, places tough Penalties on companies which rig their bids on government contracts. This is Pennsylvania's first anti-trust law. It provides stiff criminal penalties against any person or company which conspires with another to set bids to determine in advance which one will win a government contract.

A violation would be a third degree felony, with fines of up to \$50,000 for individuals and up to \$1 million for corporations. It could also mean imprisonment for individuals and corporate officers for up to three years.

*** **New Pay Schedule for State Employees** - **Act 103**, signed July 2, 1984, requires all Executive Branch employees to be paid on an after-the-fact basis. Under **Senate Bill 1102**, compensation due for a given pay period would be paid to the employee no later than two weeks after the end of the pay period.

Currently about half of these employees receive before-the-fact pay checks. In order to prevent a "missed" check, these employees will receive a conversion payment equal to their current salaries.

*** **Race Track Simulcasting**- Signed into law May 31, 1984, **Act 76** allows simulcasting at Commodore Downs in Erie County. **Act 76**, formerly **House Bill 922**, allowed the track to open to regular harness racing this season, but because the track was not able to provide a full ticket of races for each racing day, this legislation allows Commodore Downs to simulcast several races from the Meadows Tack in Washington County. As an experiment, this is only scheduled to run through Noverrber,1984.

In addition, **House Bill 922** provides for on-site video display of approximate odds or "will-pays" for each race or combination of races.

**** Simulcasting of Horse Races** - The Senate has approved legislation which clarifies the current provisions regarding interstate simulcasting of horse races. **House Bill 1177** provides that posted races must include a minimum of eight races, except at thoroughbred tracks, the one day designated as Breeders Cup Even Day, which maybe run with a minimum of five live races. Cross simulcasting is permitted as long as the particular race is available to all race tracks in Pennsylvania which are operating live races that day. **House Bill 1177** is awaiting the governor's signature.

***** Racing/Business Transactions - Senate Bill 56** places a five percent threshold limit on interests and transactions in horse and harness racing which are subject to reporting and regulation. Interests below five percent would not be subject to the various requirements already in the law.

The bill, signed into **Act 115** July 3, 1984, also prohibits a race track from receiving bets from persons who reside in the primary market area of another race track. A primary market area is a radius of 35 air miles from the track. Race tracks sharing a market area have equal rights to the area.

Senate Bill 56 originally provided for notice and comment on Auditor General reports. Those provisions were deleted by the House of Representatives.

* **Sunshine Law**- A measure designed to close a loop hole in the state's Sunshine Law that allowed governmental bodies to close rot the public from strategy sessions was passed by the Senate this session. The measure died in the House State Government Committee.

Essentially, the bill would have required that strategy discussions leading to final action votes be open to the public.

The 1974 Sunshine Law, as interpreted by a 1977 Commonwealth Court decision, required that only sessions involving an official vote be open to the public. Consideration leading to the vote could be done behind closed doors.

Senate Bill 932 allowed for closed door sessions on certain matters such as consideration of personnel, real estate transactions and labor negotiation. The bill also retained an exemption from open meetings for General Assembly caucuses.

This legislation specified what shall be included in the minutes of public meetings and required that in all meetings of agencies, the vote of each member who actually votes must be publicly cast, end in the case of roll call of votes, be recorded.

The bill also permitted agencies to develop rules for the purpose of electronic recording equipment use.

* **Patient Profiles** - By approving **Senate Bill 948**, the Senate approved several changes to the 1961 Pharmacy Act, the most controversial being the establishment of patient medical profiles by licensed pharmacies.

The intent behind this portion of the bill is to have some record of the types of drugs being prescribed to an individual with an effort toward avoiding potentially dangerous combinations of medication.

The confidential profile would include such information as the types of medication prescribed, description and length of prescription dispensed, refill information as well as the name and address of the patient and the name of the prescribing physician.

SB 948 authorizes the state Pharmacy Board to develop standards for such profiles within one year of the bill's passage. The legislation is to be implemented by licensed pharmacies within two years after the minimum standards are established.

By amending the 1961 Act, the bill revises standards for licensing of pharmacists with the language reflecting current practices in medicine and pharmacology.

The legislation also changes the make-up of the Pharmacy Board and how it is to be filled.

SB 948 died in the House Professional Licensure Committee.

**** Agency Shops**- The House amended **Senate Bill 308** to allow unions representing state employees to bargain for agency shops. Under agency shops, workers who are represented by a union, but do not belong to it, would be required to pay the union fees equivalent to the dues paid by union members.

Employees whose religion prohibits the financial support of labor organizations would not be required to pay the fees. They would be required, however, to pay an equal amount to a nonreligious charitable organization or fund. Also, unions would have to refund to non-members any share of their fees which would pay for political action or any other activities unrelated to collective bargaining.

When sent back to the Senate for concurrence, **Senate Bill 308** was referred to the Senate Appropriations Committee "for further study" on a 26-25 vote. The lieutenant governor cast the deciding vote. The bill died in the Appropriations Committee.

*** Securities Fees - Senate Bill 285** set limits on fees charged mutual funds to register securities for sale in Pennsylvania. Previous law established percentage-based fees but set no limit on the amount of the fees.

The new limits would have been a minimum of \$350 and a maximum of \$3,000. Also, the bill transferred authority to charge certain land records fees from the Community Affairs Department to the Historical and Museum Commission. The bill never left the House State Government Committee.

**** Centralia Relocation** - The Senate approved legislation this session which provides for the relocation of citizens displaced by the Centralia mine fire {Columbia County}. Basically, **Senate Bill 972**, signed by the governor as **Act 229** December 20, 1984, amends a land transfer. It specifies that the conveyed property shall be used for public purposes and for the relocation of citizens.

***** Board of Claims Extended - Senate Bill 108**, signed by the governor December 12, 1984 as **Act 189** extends the "Board of Claims" until December 31, 1987, previously mandated to end this December 31. The Board of Claims arbitrates claims against the state arising from contracts entered into by the state.

Military and Veterans Affairs

**** Exemptions for Spouses of Disabled Veterans** - As the first step necessary to amend the Pennsylvania Constitution, Joint Resolution 1 (**House Bill 1569**), passed its first session of the General Assembly and was filed with the Secretary of the Commonwealth May 16, 1984.

The legislation would extend to the surviving spouses of blind, paraplegic, double or triple amputees or 100 percent disabled veterans the exemption from payment of all real property taxes. Such exemptions would apply only to residences occupied by the individual spouse.

Under the legislation, only those people determined to be in need of the exemption by the State Veterans' Commission will be eligible.

This language must also be approved in the next session of the General Assembly and then placed on the ballot for statewide voter approval. If approved in a referendum, the constitution is amended.

*** Housing for Prisoners** - Authorized by **Senate Resolution 89**, a special five-member Senate committee is looked into the feasibility of using military and other federal and state installations in Pennsylvania

for the purpose of housing non-violent criminal offenders.

Hearings were held in the summer of 1984 and at this writing a report is expected within a few weeks on whether this proposal could reduce population in state and county prisons, reserving the facilities for hardened, violent offenders.

*** **Vietnam Herbicides Information Act Extension** - **Act 98** (1984), signed June 30, extends the Vietnam Herbicides Information Act until June 30, 1985.

The extension is believed necessary by Commission members and by veterans' groups if they are to effectively complete their report, make recommendations and provide a useful information/education service to veterans. Originally, the Commission was scheduled to go out of business in 1983.

Senate Bill 1159 also calls on the Commission to initiate a study into the health effects of exposure to herbicides, defoliants and other causative agents, including Agent Orange.

*** **Increase In National Guard Pay** - Legislation authorizing the increase in the daily pay of officers and enlisted personnel in active state service of the National Guard was signed into law May 31, 1984 (**Act 75**).

House Bill 547 raises the pay from a minimum of \$25 a day to a minimum of \$45 a day.

*** **Grave Markers** - **Senate Bill 280 (Act 41-1983)** strengthens the penalties for defacing grave markers and flag holders placed by counties on deceased veterans' grave sites. The dollar amount of damage would determine the degree of the offense for vandals. Previous law made damaging grave markers a misdemeanor.

* **Vietnam Memorial** - Pennsylvania's Vietnam veterans would have a memorial constructed in their honor, under provisions of **Senate Bill 98**, died in the House Military & Veterans Affairs Committee.

The legislation would have established a Vietnam Veteran's Memorial Commission to undertake the design, funding, site selection and construction of a memorial, within a three year period.

No tax dollars were to be spent; rather, a trust fund would have been created in the state treasury to accept contributions or grants on the project's behalf.

* **Possession of Equipment** - **Senate Bill 1010**, never reported out of the House Military & Veterans Affairs Committee, would have amended the Crimes Code to deal with the possession of military property or equipment by personnel already instructed to return the equipment. It would have made failure to return equipment a summary offense.

*** **Memorial Highways**- **House Bill 1711**, signed October 4, 1984 as **Act 155**, named several highways in Pennsylvania. Interstate 81 became the "American Legion Memorial Highway; "Interstate 80 became the "Z.H. Confair Memorial Highway;" and Interstate 83 the "Veterans of Foreign Wars of the United States Memorial Highway."

* **Tuition for Children of Veterans** - **Senate Bill 1236** was never reported out of the House Military & Veterans Affairs Committee; it would have provided for the payment of gratuities to children of certain veterans. It was to increase the amount of assistance children of veterans, who are totally and permanently disabled from war time service-connected disabilities, could receive for education expenses. Under the legislation, payments could not have exceeded \$500 a semester, up from \$200.

Aging and Youth

*****Pharmaceutical Assistance** - PACE, the state's co-payment prescription program, now has a mandated scheduled increase in income eligibility levels. The governor signed **Act 202 (HB 1301)** on Dec. 17,

1984, but the path to his desk wasn't smooth.

The Pharmaceutical Assistance Contract for the Elderly, which began July 1, 1984, will increase its senior citizen income eligibility levels to \$12,000 for single seniors and \$15,000 for senior couples, effective April 1, 1985.

The vehicle guaranteeing PACE's expansion in April was **House Bill 1301**, passed unanimously by the House and Senate in the final days of the legislative session.

Currently under PACE, senior citizens aged 65 or older who have annual incomes of \$9,000 for single persons or \$12,000 for couples, can purchase prescription drugs for only \$4 per prescription. The state pays the remaining cost of the prescriptions out of lottery funds.

The initial quarterly report of PACE, covering its first four months of operation, showed that over 287,900 persons, or about 51 percent of those eligible are enrolled in the program. Projections by the Department of Aging show that 70 percent of eligible senior citizens will be enrolled in PACE by 1985 and 80 percent will be enrolled by the end of the program's third year, assuming the increase of income levels on April 1, 1985.

Although the Department of Aging recommended making the penalties for misuse of the program more severe, the initial penalties mandated in **Act 63** (Nov. 4, 1984) still apply. Persons convicted of submitting fraudulent claims will be subject to imprisonment of up to one year and/or a \$2,500 fine.

Fraudulent providers will be suspended from program participation and fined three times the value of what was illegally gained.

The commitment to increase PACE's income eligibility levels was included in the 1984-85 Pennsylvania general budget. However, a Thornburgh administration aide was later quoted as saying that the Department of Aging might not be able to administratively implement the increased income levels by April, 1985, and that the levels could not be increased without additional legislation.

The Thornburgh administration contended that the budget bill PACE commitment was not legally binding. Even if new legislation providing for the increased eligibility levels was initiated, the Thornburgh administration said that it could not be approved by the General Assembly in time for the expansion of PACE in April.

Democratic senators protested that the Thornburgh administration's argument was "pure nonsense" since other programs have been implemented on budgetary language alone. The Thornburgh administration never replied to letters of inquiry about its position on the expansion of PACE income levels from Democratic senators.

To insure that the governor's administration would have no excuse for failing to expand the PACE income levels on April 1, 1985, senate Democrats amended **HB 1301** specifically mandating the income level increase. The House unanimously concurred in the Senate's amendments.

Democratic senators led the fight to ensure PACE's expansion in April and the governor's administration, in contrast to its' earlier position to the contrary, jumped on the bandwagon.

*****Senior Center Improvement-** An estimated 530 to 550 Senior Citizen Centers throughout the state will now be able to improve their physical facilities. **Act 201 (SB 629)** was signed by the governor Dec. 17, 1984.

Under the bill, \$8 million of the \$10.1 million in the grant program will be allocated to the 51 Area Agencies on Aging. Individual Senior Centers can apply for grants to:

- Upgrade facilities to comply with the Fire and Panic Act and other federal, state, or local safety standards;
- Make facilities accessible to and usable by the physically handicapped and,
- Purchase food service or other equipment for the facility assuring that it provides for the "health, welfare and safety of senior citizens," as prescribed by the state Department of Aging.

The Senate concurred in House amendments mandating that no less than 30 percent of the total 1984-85 program funding of the \$10,100,100 will go to Pittsburgh.

***Funding for Runaway and Homeless Youth-** A bill (**SB 748**) that would provide funding for county runaway and homeless youth shelters and programs was approved by the Senate. The bill is in the House Health and Welfare Committee.

The programs would be funded by the state Department of Public Welfare as part of its services to children payments. Counties would be eligible for a 75 to 90 percent reimbursement. Existing runaway or homeless shelters in the counties would be funded as well as new programs established according to the Department of Public Welfare regulations.

***Elderly Abuse-** A bill (**SB 250**) unanimously approved March 27, 1984 would protect Pennsylvania's elderly by establishing a statewide reporting network and investigation system to be organized through the 51 Area Agencies on Aging. The bill is currently in the House Health and Welfare Committee.

Similar to the state's system for reporting child abuse, **SB 250** would mandate that professionals such as caseworkers, health care officials, law enforcement agents and attorneys to report suspected abuse of the elderly within five working days. Voluntary public reporting of suspected abuse is also included in the bill.

Professionals who report abuse would be provided immunity from any criminal or civil liability that may result from their cooperation. Currently in Pennsylvania, professionals who may want or choose to intervene in elderly abuse cases lack legal protection for themselves and the victims.

When alerted to suspected elderly abuse, abandonment, or harassment as defined in **SB 250**, AAAs would be required to investigate within the working days. When suspected abuse is substantiated, the case is to be turned over to local law enforcement authorities.

The bill would give AAAs access to all relevant elderly records by giving them the option to petition the court of common pleas when information is denied them.

The victim's confidential records, however, could only be given out if the elderly person or a guardian consented. Exceptions would be granted if the agency could prove to the court that the victim's refusal resulted from coercion, extortion or fear of future abuse.

AAAs would be required to close all cases and delete information if reports are unsubstantiated. The AAAs could, however, maintain records to identify possible patterns of abuse.

*****Child Abuse** - Paving the way for the elderly abuse bill, **Act 42** (Oct. 21, 1983) gives law enforcement officials access to children's records in suspected cases of homicide, sexual abuse, exploitation, or bodily harm.

The legislation (**SB 522**) corrects a loophole in the 1982 Child Protective Services Act prohibiting access to children's records if the suspected abuser is a paramour or other live-in household member. Welfare case workers were also previously prohibited under the state's confidentiality law from sharing the information with investigating police.

Act 42 gives law enforcement officials access to children's records regardless of the relationship between the child and suspected abuser.

Community and Economic Development

***Housing Project Grants** - Non-profit corporations would be able to receive capital grants if a bill (**SB 1419**), Passed unanimously, 45-0, by the Senate Oct. 1, 1984, is passed by the House. The bill has been referred to the House Business and Commerce Committee.

Non-profit corporations, as well as governmental redevelopment authorities, would be able to receive funds for housing projects designed to prevent or eliminate blight. The corporations would apply for grants to finance the acquisition of single family dwellings in a state of disrepair which would then be rehabilitated and sold to lower-income families.

***International Trade Council** -- If **Senate Bill 1057**, passed by the Senate Oct. 1, 1984, becomes law, Pennsylvania would have an International Trade Council. The bill is currently in the House Appropriations Committee.

The council would be organized by the state Department of Commerce and would coordinate international trade for businesses in Pennsylvania. There would be 19 members including 13 gubernatorial appointments, four from the General Assembly and the Lieutenant Governor and Secretary of Commerce.

Included in the governor's appointees would be 12 members representing various-sized businesses in the state and one member representing labor.

An initial appropriation of \$100,000 would establish the council which would meet quarterly and make annual reports.

*****Personal Care Boarding Home Renovation**- Legislation (**HB 537**) implementing a voter referendum authorizing up to \$50 million in bond sales for the renovation of personal care boarding homes was signed into law July 9, 1984 (**Act 141**). The bond issue was originally only for the repair and reconstruction of nursing homes.

House Bill 537 amends the Nursing Home Loan Agency (July 22, 1974) to include personal care boarding homes. These homes are defined as facilities subject to licensure or approval by either the Department of Public Welfare under the "Public Welfare Code," or the Department of Aging under the "Administrative Code of 1929."

Under **HB 537**, personal care boarding homes can apply for loans up to \$100,000 for repair, reconstruction, or rehabilitation work. Before personal care boarding home loans can be approved, the facilities must meet certain safety and loan security requirements.

The bill also adds the Secretary of Aging to the Nursing Home Loan Agency, increasing its membership to 10 persons.

***Self-Ownership Studies** - A bill (**SB 858**) which would provide funds for "feasibility studies" of self-ownership of businesses by employees was approved by the Senate Feb. 1, 1984. The measure is in the House Business and Commerce Committee.

Senate Bill 858 would allocate \$100,000 to provide financial assistance for union or non-union groups to conduct preliminary studies evaluating the profitability of an employee takeover.

The state's Milrite Council would be in charge of funding and setting guidelines for the studies. Created in 1978 by the General Assembly, the Milrite Council is to research and develop plans for the economic revitalization of commonwealth industries.

Prerequisites for feasibility study funding would include: an initial study by the employee group to determine if there is "a likelihood that the applicant could operate the company profitably," and a sum equivalent to \$200 per employee group member toward the cost of the study. The difference between the employee group member sum and the study cost is the amount that the Milrite Council would lend the employee group applicant.

***Closed Shop**-- Individual business owners and managers would be able to close shop one day a week if a bill (**SB 1170**) approved by the Senate becomes law. The bill is now in the House Business and Commerce Committee.

Individual business owners and managers would select the day. However, retail merchants' associations would be prohibited from choosing the weekly day of rest and recreation for its member businesses.

The bill would not prohibit businesses from operating seven days a week.

Persons, corporations, or associations who force owners or managers to violate the provisions of the bill would be charged with a third degree misdemeanor and fined up to \$500 for the first offense and up to \$2,000 for subsequent offenses.

Legal suits could be brought against those violating the provisions of the bill.

Senate Bill 1170 was amended so that prior contracts are not affected.

Game and Fisheries

*****Legal Methods for Killing Game and Wildlife** -- **Act 177 (SB 1154)**, signed by the governor Oct. 11, 1984, gives the state Game Commission authority to approve legal methods for killing game and wildlife.

Also specified in the new law are methods by which farmers or other persons cultivating lands for a livelihood can destroy game and wildlife When the animals are destructing crops, fruit trees, vegetables, livestock, poultry or beehives.

The animals must be observed in the act of material destruction before they can be destroyed, and every effort must first be made to trap and transfer the animals. Within 12 hours of the killing, all destroyed animals must be reported to a Game Commission officer, and all carcasses, excluding raccoons, must be given to the commission.

*****Non-licensed Hunting** - Farmers, family members, and employees can hunt and trap game and wildlife, without licenses, on their farms and specifically-named extensions of their property. The governor signed **Act 178 (SB 1155)** on Oct. 11, 1984.

Persons eligible for the hunting license exemption are those who engage in cultivating land for farm crops, commercial trucking growing, commercial orchards, or nurseries. Also eligible are the main grower's family or household members(12 years and older) and employees.

Besides their farmlands, persons eligible for license exemptions may also hunt game and wildlife on: woodlands connected to the cultivated property; detached lands with 10 miles of the main property owned and operated by the farmer, and privately-owned land adjacent to the main property, if the owner of the private land has granted written consent.

*****Animal Deterrent Fences** -- The Game Commission is now authorized to erect deterrent fences for elks, deer, and bears. The governor signed **Act 157 (SB 1153)** on Oct. 4, 1984.

The commission is authorized to spend up to \$35,000 annually to erect the fences. The revenue is to come from the commission's Game Fund.

***Boat Fees and Regulations** - The Senate has approved a measure (**SB 1027**) providing for optional boat titling fees and regulations. The bill is in the House Game and Fisheries Committee.

Titling of boats, to be under the direction of the Fish Commission, would be an option for owners or purchasers of new or used boats. Persons would purchase titles to assure legitimate boat ownership.

Authorized fees in the bill include: optional boat title - original, transfer, duplicate, or correction - \$10

each; owner registration - boats less than 16 feet, \$4 a year, over 16 feet, \$6 a year; duplicate owner registration, \$1 each; dealer registration, \$15 a year; additional dealer registration, \$5 each, passenger-carrying boat license, \$5 each; capacity plate, \$2 each, and special marine event permit, \$2 each. A \$5 fee would be charged for each service.

The Fish Commission would also be required to compile and release accident statistics on all registered boats.

*****Free Permits** - Groups displaying wildlife for educational purposes can get special free permits, as specified in **Act 64 (SB 279)**, signed Nov. 23, 1983.

Before sending the bill to the governor, the Senate agreed to several House amendments. One allows sportsmen's organizations, along with youth or civic organizations and schools, to seek the permit. Another change reduced the permit fee charge to run a menagerie for purposes other than educational from \$300 to \$100.

*****Ferrets and Fitches - Act 40 (SB 473)**, Oct. 4, 1983, eliminated all fees and permits previously required to raise and breed ferrets or fitches for their fur. A ferret or fitch is a small, domesticated breed of polecat often used in Europe to hunt and kill rodents.

*****Hunting Opponents** - Anti-hunting groups or individuals who interfere with hunting activities are now subject to fines up to \$500 and/or 30 days in jail, **Act 35 (HB 166)**, July 28, 1983. These penalties apply to anyone who harasses, drives or disturbs wildlife with the intent to disrupt legal hunting.

The law also allows landowners to remove traps set without their permission on their property.

*****Hunting Damagers - Act 37 (HB 686)**, April 4, 1983, sets penalties for hunters who damage personal property.

Any person who damages real or personal property, including crops, will be fined \$100 and the cost of the damages. The act also makes it illegal to hunt or trap, without permission, in un-harvested buckwheat, corn, sorghum, or soybean fields.

*****Private Game Commission Mailing List** - When **Act 15 (SB 780)** was signed Feb. 17, 1984 prohibiting the release of the Pennsylvania Game News mailing list, the bill's original intent was reversed.

The bill initially passed by the Senate allowed the Game Commission to release its mailing list to non-profit statewide sportsmen's groups. The House amended the bill - changing its intent - and the Senate concurred with the House changes.

It is now a summary offense to release the Game News Mailing list, punishable at the rate of \$100 per released address.

*****Hunting and Fishing Fees Up** - Both hunting and fishing license fees were increased to add to the licensing agents' profits when **Acts 27 and 28 (HBs 595 and 596)**, respectively were signed July 20, 1983.

Fishing license price increases, effective Jan. 1, 1984: resident, \$12; senior (65 years or older), \$2; non-resident, \$20, and tourist (good for seven consecutive days), \$15. All licenses have a service fee of 50 cents.

Effective from the signing date, yearly hunting licenses cost: resident, \$8.50; senior (65 years or older), \$5.50; junior (between 12 and 16 years), \$5.50; disabled veteran, free; non-resident, \$60.50; non-resident trapper, \$350.00, and three-day shooting permit (residents and non-residents), \$3.50. Issuing agents are permitted to keep 50 cents from each license service.

*****Fish Commission - Act 16 (SB 152)**, Feb. 24, 1984, adds a second at large member to the Fish Commission which represents both boating interests and geographical sections in the commonwealth. The two at-large members are required to own Pennsylvania-registered boats.

There are now 10 members on the commission. Each of them serves for eight years. The other eight members are bipartisan appointees, one from each of the eight geographic districts defined in the bill.

*****Change in Titles** -- The titles of waterways patrolmen and deputy patrolmen were changed to waterways conservation officers and deputy conservation officers when **HB 1395** became **Act 66** on May 24, 1984.

*****Fishing Days and Regulations** - On June 21, 1984, **Act 88 (HB 1887)** designating two "free" fishing days a year was signed. The act also gives Pennsylvania veterans who are 50 percent disabled free fishing licenses.

Up to two days (which may or may not be consecutive) each year will be designated by the Fish Commission Executive Director as "free" fishing days.

The commission may restrict "free" fishing to certain waters or categories of water. It is hoped that the "free" fishing will promote the sport in Pennsylvania.

Senate amendments to the bill gave Pennsylvania veterans, certified to be at least 50 percent disabled, free fishing licenses. Previously, only those veterans who are 100 percent disabled received free fishing licenses.

Public Health and Welfare

V"Thornfare" Override** -In one of its last actions before adjourning the 1984 session, the Senate overrode Gov. Thornburgh's veto of a bill (**SB 1324**) to restore temporarily year-round cash grants to some 6,000 welfare recipients.

The House, however, failed (111-69) to muster the necessary two-thirds vote to complete the veto override, thereby leaving for dead this session a move by some churches and charitable organizations to shore up the damage caused by two years of "Thornfare."

The legislation, if passed over the governor's veto, would have authorized an additional \$8.1 million general fund expenditure in 1984-85 for the state's General Assistance program. This would have meant that same victims of the state's 1982 welfare law such as pregnant women who do not qualify for federal welfare aid and victims of domestic violence would have been restored to year-round grants of about \$177 a month for this fiscal year.

It also would have authorized spending a \$3 million federal appropriation to shelter the homeless. This federal money was rescued on the next to the last day of the session when it was inserted as an amendment into **SB 1343** which passed both chambers and was signed Dec. 20, 1984 into **Act 230**.

The 1982 welfare law, dubbed "Thornfare," reduced cash assistance grants to so-called able bodied recipients to only three months out of the year.

The impact of removing recipients from the welfare rolls on the basis of age, regardless of individual circumstances, has been harsh, swelling the number of homeless people roaming the streets of the commonwealth's cities and towns. The facilities of churches and charitable organizations have become overburdened, prompting some religious and lay leaders to push for reforms in the 1982 law.

The result was **SB 1324** which would have appropriated \$6 million to restore cash assistance benefits for one year to pregnant women, the physically and mentally disabled, victims of domestic violence, displaced homemakers, caretakers of children and older citizens, parents with children in foster care, and veterans who cannot find work after receiving an honorable discharge.

Another \$1.1 million was to be provided to cover the costs of prescription drugs for recipients still limited to three months of cash assistance per year. The remaining \$1 million in the general fund appropriation was earmarked for the Welfare Department to hire people to determine which recipients should qualify for the additional aid.

The \$3 million in federal funds to shelter the homeless that was contained in **SB 1324** was successfully shifted to **SB 1343**, a bill which also appropriates \$75,000 for 1984-85 for transition costs at the Auditor General's office and \$25,000 for training programs at state prisons.

***Legal Aid Funding** - A legal aid program for the poor was restored with Senate concurrence (45-3) of **SB 1044**, which was signed by the governor Dec. 18, 1984 (**Act 57A**).

The measure appropriates \$1 million for 1984-85 to the Welfare Department for legal services aid. \b funding had been included for the program in this year's general fund budget.

*****Trauma Systems Foundation - Act 209 (HB 1627)**, Dec. 18, 1984, establishes the Pennsylvania Trauma Systems Foundation to regulate and accredit hospital trauma centers.

The non-profit foundation will be organized by the secretary of the Department of Health and will consist of physicians, registered professional nurses, and other emergency medical services organization representatives. Hospitals will have to apply to fill out applications which will be judged by the foundation to establish a trauma center. Already established trauma centers must apply for accreditation by the foundation.

Statistics on trauma center victims will also be compiled by the foundation. A report on the foundation's accreditation process must be submitted to the General Assembly in two years. The act is effective immediately.

*****Breast Cancer Treatment** - Physicians will be required to obtain written consent forms from patients for the treatment of breast cancer under **Act 213 (HB 1972)** signed by the governor Dec. 18, 1984.

Patient will have two options: either signing a form authorizing the physician to only do a biopsy or signing a form allowing the physician to remove the breast if a malignant tumor or other breast abnormality is found.

In signing the form allowing the physician to remove the breast if cancer is found, the patient is also acknowledging that she has been informed of all medically-accepted alternatives to a mastectomy.

The act will take effect in 60 days.

*****Athletic Trainer Certification** - Certification of athletic trainers in the commonwealth by the state Board of Physical Therapy Examiners began July 4, 1984 (**SB 525, Act 41**, April 4, 1984).

A three-member advisory committee of athletic trainers worked with the state board to establish certification requirements. An initial appropriation of \$10,000 was given to the Physical Therapy Examiners Board to begin the process.

*****Cancer Act Extension** - A bill (**HB 1850**, also introduced as **SB 1255**) continuing grants and contracts for cancer control, prevention, and research in the state was signed by the governor June 30, 1984 (**Act 102**).

The act extends the Pennsylvania Cancer Control, Prevention and Research Act through June 30, 1988, again subject to sunset provisions.

***Pets for Patients** - If **SB 1172** becomes law, state health care facilities would be able to keep pets to help the patients' well-being. The bill is in the House Health and Welfare Committee.

The rationale behind the bill is that domesticated pets such as dogs and cats are often used as part of therapy programs for sick and institutionalized persons.

***Legislative Representation** - A bill (**SB 1065**) approved by the Senate would add four legislators to the state Board of Public Welfare. The measure is currently in the House Health and Welfare Committee.

If the bill becomes law, the four legislators (two representatives, two senators) would join the 12 members appointed by the governor. The legislator board members would be able to appoint designees to act in their place.

***Hemodialysis Treatment**- Hemodialysis patients would be fully informed of their therapy, including the possibility of re-use of single-use hemodialysis if a bill (**SB 566**) passed by the Senate becomes law. The bill is in the House Health and Welfare Committee.

The state Department of Health would be responsible for setting up the regulations for hemodialysis services. Specifically, the department would regulate the sanitation and sterilization of single-use hemodialyzer filters.

Patients could choose whether or not to reuse single-use hemodialyzers, and could not be refused service if they choose new dialyzers for each treatment. If they choose to re-use dialyzers, patients would have to be informed of the number of times the dialyzer has been used.

Written consent forms for the re-use of hemodialyzers would be required.

Also included in the bill is the requirement of posted bonds in certain cases by those appealing a hearing board's decision to approve a certificate of need application for health care facility projects.

***Sulfite Identification** - All public eating and drinking places would be required to "conspicuously identify on their menus "any sulfite agents used to prepare or preserve food, if a bill (**SB 1107**) passed by the Senate becomes law. The bill is in the House Health and Welfare Committee.

The bill would give the state Department of Health responsibility for enforcing the additional cleanliness and sanitary requirements for food and drinking establishments.

No domestic pets or other animals would be permitted around places where food or drink is sold, and sleeping in eating and drinking places would also be prohibited.

Urban Affairs and Housing

C*Interest for Tenants** - Tenants required by their landlords to put money in an escrow account will receive interest on the escrowed funds as specified in **Act 203** (conference committee on **SB 165**) signed Dec. 18, 1984 by the governor.

Tenants will also receive a required monthly statement of the escrowed funds. The bill also says that participation by tenants in a tenants I organization or association cannot be used as a condition to terminate or not renew a tenant Is lease on residential property.

***Kerosene Heaters, Urban Homesteading- Senate Bill 60**, passed by the House of Representatives in the final days of the legislative provides the authority for urban homesteading. The bill was reported out of the Senate in 1983 as a measure allowing Philadelphia residents to use kerosene heaters in their hones, but was gutted in the House Urban Affairs Committee and used as a vehicle for urban homesteading.

The urban homesteading program helps city residents acquire existing dwellings at reduced prices and reconstruct or renovate them for living facilities. Homes must be rehabilitated to comply with existing municipality housing and safety codes. A governing board would be appointed by the municipality to administer the program.

Municipalities would be able to apply for low-interest state and federal loans to help eliminate slums or blighted and deteriorated areas, and provide financing for rehabilitation.

*****Allegheny Authority Extension** - **Act 65**, Nov. 23, 1983, (**HB 501**) extends the life of the Allegheny County Residential Finance Authority another 50 years from the date of June 30, 1984. The authority was created in 1982, subject to a three year sunset provision.

*****Proxy Voting** - Legislators or executive agency heads who serve on the Pennsylvania Minority Business Development Authority can vote by proxy, as mandated in **Act 68 (HB 327)**, Dec. 2, 1983. Proxies, however, cannot be used to constitute a quorum.

***Tenant Fees** - Landlords would be prohibited from requiring nonrefundable reconditioning fees from tenants if a Senate-approved measure (**SB 493**) becomes law.

The bill, in the House Business and Commerce committee, would not permit landlords to request reconditioning fees in addition to damage deposits. The measure does not affect the landlord's right to require a non-refundable security deposit, which is usually held against damages.

***Philadelphia Housing Board**- A measure which would add a tenant member to the Philadelphia Housing Authority was passed by the Senate but is still in the House Urban Affairs Committee.

The tenant board member would be elected by the authority tenant organization. The bill is an attempt to make housing authorities in first class cities more responsive to resident needs.

*** **Salary Increases** - **Senate Bill 270 (Act 39-1983)** authorized an increase in salaries for statewide elected officials, cabinet officers, legislators and judges for the first time in about five years.

The legislation raises the salary of a legislator from \$25,000 to \$35,000, effective December, 1984.

In addition to lawmakers, the bill raises the salary of most judges and cabinet officials following their respective elections.

They would include the governor, the lieutenant governor, attorney general, auditor general and treasurer. New appointees to head executive departments would receive \$10,000 increases.

*** **Municipal Pensions** - Signed by the governor December 18, 1984 as **Act 205, Senate Bill 713** is designed to reinforce plans facing under funding problems, placing them on sound actuarial footing, by providing \$35 million a year for 15 years, beginning in 1987. In addition, the proposal includes \$9 million in 1985.

The bill regulates pension plans by standardizing periodic actuarial reporting; initiating actuarial funding requirements based on results of standardized reporting; and modifies the basis for state aid allocations, including an increase in the total amount of aid based on the number of employees participating in the pension system.

The legislation also provides help for local police, firefighters and non-uniformed employees whose pension plans have an "unfunded liability."

In addition, **Senate Bill 713** calls for the establishment of a procedure to determine financial distress in municipal systems and the establishment of a recovery program which outlines a number of "self-help" remedies.

*** **Property Sales** - **House Bill 2039** provides that the sale of a property at an "upset," or forced, sale, would not divest liens, obligations, claims, estates and mortgages to which the property is subject.

Signed as **Act 70** May 31 1984, this legislation is the result of recent court decisions which held that the discharge of mortgages without notice to the mortgagee, is a deprivation of property without due process. Since the notice requirement is considered a heavy financial burden on local tax claim bureaus, this bill eliminates the need for notice by providing that no liens are discharged by the sale. This does not refer to judicial sales.

*** **Benefits for Firefighters** - **House Bill 1185** addresses a situation in which paid firefighters also serve as volunteer firefighters.

The state Auditor General's office had held that a paid firefighter serving as a volunteer firefighter is not eligible for benefits under the Volunteer Firemen's Relief Association Act by virtue of the full time employment.

This bill, which became **Act 86** on June 21, 1984, provides that on off duty hours, the firefighter would be eligible for volunteer benefits.

*** **Pennsylvania Municipal Retirement Board Expenses** - Legislation to provide for the payment of expenses of the retirement board was signed as **Act 1 (Senate Bill 474)** on February 1, 1984. The legislation calls for the board's secretary to submit annually a proposed budget for the following fiscal year to the local government committees of the House and the Senate. If no action is taken by these committees, the budget is considered approved.

*** **Age Discrimination In Pension Policies** - Legislation eliminating language, which could be construed as establishing an early retirement policy for employees aged 50 to 70 participating in the police pension funds for boroughs and cities, was signed as **Act 71** on May 31, 1984 (**Senate Bill 897**).

In related legislation, **Senate Bill 898**, signed as **Act 72** on May 31, 1984, prohibits age discrimination in the Borough Code as it relates to hiring. It also provides that if a reduction in force is necessary, people eligible for retirement may be required to retire if the person's age exceeds the maximum age prescribed in the Human Relations Act.

*** **Employee Contributions** - The General Assembly has authorized counties to "pick up" employee retirement plan contributions of county employees and have them treated as employer contributions for federal tax purposes at the time of payment. In order to implement **Act 131-1984 (House Bill 1451)**, county commissioner approval is necessary.

House Bill 1342 (Act 75, 1983) permits all county employee contributions' made to the county retirement system to be treated as a "pick up" contribution.

This means the contribution amount, as in **House Bill 1451**, is withdrawn directly from the employee's paycheck, reducing the gross amount taxed, and it is listed as a contribution by the employer. When the retired employee withdraws money from the system, the amount is then taxed. This procedure meets requirements of the Internal Revenue Code.

*** **Pension Board Membership- Act 87**, signed June 21, 1984, adds a member to the pension boards of third class cities. **House Bill 1436** permits a city council member to serve if council members participate in the plan. The boards are already made up of a mayor, controller, superintendent of finance and two employees.

"C" Group Insurance - Senate Bill 1385 was a response to court rulings which said township supervisors could not participate in the municipality's group insurance plan unless they paid their own premiums. The ruling was based on state law which prohibits public officials using their offices for personal financial gain.

Non-concurrence on House amendments by the Senate forced the measure into Conference Committee, where it died.

*** **Property Reassessments** - The legislature approved several pieces of legislation this session which deal with property assessments. **Act 53-1984 (Senate Bill 503)**, takes two steps. It amends the General County Assessment Law to allow for the consideration of a sewer connection ban on property assessments.

In addition, whenever the assessment board makes additions because the economy has appreciated, the changes must take place over a five year period.

This provision is retroactive to July 1, 1983 and applies to second through eighth class counties.

Act 51-1984 (House Bill 1242) requires that breaches of preferential assessments must be recorded in a

county recorder of deeds office. A recording fee was also imposed.

Act 18-1984 (Senate Bill 506) provides that the ratio of assessed value to market value is to be established by the Board of Property Assessment,

Appeals and Review, rather than by county commissioners in second class counties.

*** **County Institution District Law**- This bill provides that the treasurer in second class counties would receive an additional salary of \$2,500 for serving as an officer of an institution district, a separate entity set up to manage county institutions such as homes for the aged.

Act 80-1983 (Senate Bill 995) also removes commissioners from the list of those paid additional salaries for such services. In counties other than second class, the treasurer receives no additional compensation for these services.

*** **Mortgage Satisfaction Procedures - Act 51-1983 (House Bill 585)** allows a certified copy of the mortgage to be presented for recording the mortgage in second through eighth class counties.

Act 48-1983 (House Bill 368) requires a legal document known as a "satisfaction piece" to accompany the mortgage for recording.

"C" County Deputy Officers - Senate Bill 117 stipulated that all deputy county officers who fill the vacancy of a principal county officer for an interim period receive the salary provided by law for the principal county officer. If the deputy's salary is already higher, the deputy would retain his or her original salary.

Senate Bill 117 was referred to Conference Committee. No further action was taken.

*** **County Controller Reporting -- Act 3-1984 (Senate Bill 504)** requires second class county controllers to make an annual report to the Department of Community Affairs by the first Monday in May of each year following the close of the fiscal year.

*** **Police Chiefs Exempt--** Legislation exempting the chief of police in first class townships from workforce reduction provisions has been signed as **Act 20-1983 (House Bill 190)**.

*** **Sale of Personal Property - House Bills 270 and 372**, now **Acts 49 and 50-1983** respectively, allow first and second class townships to sell personal property valued at more than \$200 at public auction.

*** **Referendum Petitions - Act 36-1984 (House Bill 502)** sets the date prior to which no referendum petition could be signed or circulated -- the 20th Tuesday prior to the election.

** **Municipal Hydroelectric Facilities -- Senate Bill 705** clarifies the power of authorities to construct and operate hydroelectric generating facilities and electric facilities. The conference committee report on **Senate Bill 705** was approved 48 - 0 in the Senate, also approved in the House and has been sent to the governor's desk, where it waits for his signature.

According to the legislation, steam and/or electric power generated from such facilities is to be sold or distributed only on a "sale-or-resale" basis to one or more entities authorized to sell electric power to the public.

*** **Tax Relief --** The governor has signed into law legislation which will provide tax relief to people who lost their jobs during the "current or preceding" years. **Act 36-1983 (House Bill 189)** grants local governments authority to extend the redemption period on delinquent taxes up to twelve months. By establishing an extended payment period of delinquent taxes, the legislation spares unemployed property owners the threat of a tax sale.

The extensions would only be permitted in counties where unemployment exceeds eight percent and only in cases of owner-occupied properties. The bill will sunset January 1, 1985.

*** **Coroner Salary Increase** - **House Bill 1875**, signed by the governor December 18, 1984 (**Act 212**), permits county commissioners, at their option, to provide a greater percentage salary increase to the lowest paid county row officer, other than jury commissioner and auditor, until the salary is equal to that of other row officers. This row office is that of coroner. Coroners' salaries were set at a lower level by law; the law required that any increases be given on an equal percentage across the board, continuously giving coroners a smaller increase.

*** **Farm Equipment Assessments** - The governor has signed **House Bill 163 (Act 167)**. The bill provides that free-standing, detachable grain bins or corn cribs used exclusively for processing or storage of animal feed incidental to the operation of a farm on which it might be located, are excluded from the determination of the value of real estate used predominantly as a farm.

*** **Catastrophic Loss Procedures** - The governor has signed a series of bills which add provisions dealing with catastrophic loss procedures. Signed were the additions to the Second Class County (**House Bill 1156-Act 169**), the Third Class County (**House Bill 2183-Act 174**), the Eighth Class County (**House Bill 2194-Act 176**) and the General County (**House Bill 2184-Act 175**) Assessment Laws •

*** **Police Training Reimbursement** - Signed as **Act 168** on October 11, 1984, **House Bill 729** requires police agencies who hire a police officer that has already been through training in another municipality to pay the training costs to the municipality from he was hired. This would occur only if the officer is within two years of certification.

House Bill 729 originated because of smaller municipality complaints that they have been used as a training ground for municipal police officers around the state. They claim their young police officers are hired and trained at the cost of these small municipalities and after training immediately move on to higher paying positions in larger municipalities.

*** **Home Rule Taxation** - The governor signed **House Bill 1175** October 11, 1984 (**Act 170**), allowing home rule communities to set tax rates at any level they choose.

The legislation is a response to a Commonwealth Court ruling this summer that home rule governments could not exceed the tax limits set by state law for other municipalities.

Home rule committees, such as Pittsburgh, McKeesport, Chester and Wilkes-Barre, argued that the court decision could force them to cut their budgets by as much as 25 percent and to pay refunds totaling millions of dollars. The bill applies retroactively.

*** **Pittsburgh Treasurer's Sales** - **House Bill 1745** governs how the City of Pittsburgh conducts Treasurer's sales. Signed as **Act 171** October 11, 1984 by the governor, the legislation sets up broad guidelines for such sales and allows regulations written by the City Treasurer to reflect ever-changing court decisions concerning the procedure.

The bill also details the need to protect delinquent property and the area around it. The claim or charge against the property maybe held by the taxing body or an authority created by that taxing body.

*** **Assessment Refunds**- Legislation to provide for taxpayer refunds whenever a mathematical or clerical error causes a tax assessment to be greater than it should have been, was signed by the governor October 11, 1984 as **Act 166**.

House Bill 21 entitles refunds for up to six years from the date of refund application or error discovery.

* **Coverage for Volunteers**- **Senate Bill 781** would have amended the Workmen's Compensation Act to permit government councils to purchase compensation insurance coverage for volunteer fire departments, volunteer ambulance corps members and volunteer members of rescue and live saving squads.

Senate Bill 781 died in the House Local Government Committee.

* **Delaware River Port - Senate Bill 434** would have brought Pennsylvania into compliance with New Jersey's sunshine laws as they relate to the Delaware River Port Authority's meetings. It never left the House State Government Committee.

* **Rent Withholding**- Legislation extending provisions of the commonwealth's rent withholding law now in effect for cities to incorporated towns, boroughs and townships never left the House Local Government Committee. **Senate Bill 93** would have allowed tenants whose dwelling has been certified unfit for habitation to withhold rent in an escrow account until sufficient improvements have been made.

** **Government Bidding Privileges** - Originally intended to prohibit elected borough officials from serving as employees of that borough, **Senate Bill 1132** was gutted in the House and entirely new provisions were inserted. As sent to the governor, the bill now provides that in a boroughs sale of real or personal property, the provisions of the law requiring advertising for bids and sale to the highest bidder shall not apply where the property is sold to the Commonwealth or the Federal government. The legislation also prohibits a borough from taking or appropriating any real estate located outside of its borders, if that real estate is being used as a garbage dump or landfill.

*****County Row Office Succession**- The governor has signed legislation which stipulates successors for county row officers.

House Bill 1856 (Act 211) stipulates that when a successor is not elected to a county row office position, the chief deputy, first assistant, first deputy or principal deputy in office at the time the vacancy occurs will assume the row office until a successor has been appointed. It limits the term of the person appointed to fill the vacancy to the first Monday in January following the next municipal election.

The legislation came out of a case where an incumbent row officer was defeated for re-election, but the person winning the election died between election day and the day he or she would have been sworn in. The incumbent maintained the office saying he had not been replaced. The bill contains no restriction on the political part of the successor.

House Bill 1856 also increases the per diem allowance for county row officers attending annual meetings of their state associations from \$75 to \$90.

* **Emergency Relief for Water Contamination**- Originally intended to create a Contaminated Water Relief Fund to provide emergency assistance to a municipality whose public water supply was contaminated by halogenated or aromatic hydrocarbon chemicals, **Senate Bill 38** was gutted in committee.

Instead of the original \$1 million appropriation, the bill earmarks \$20 million for emergency assistance to municipalities with contaminated water supplies. Although there is some question about amending a fund which had been approved by the voters (the Water Facilities Loan Fund), **Senate Bill 38** was approved by a 46 - 0 Senate vote.

It was referred to the House Conservation Committee, where it remained at the end of session.

*****Gas utility Regulation**- A consumer-oriented measure (**HB 132**) that places new regulatory controls on Pennsylvania's major natural gas utilities became law (**Act 74/1984**).

A key provision is designed to prevent the state's 10 largest gas utilities from "automatically" charging customers for the cost of their fuel supplies.

Previous Public utility Commission procedure provided for only a limited 30 day review period that did not require hearings and effectively allowed gas utilities to "automatically" adjust rates for gas costs.

The legislation requires the PUC to hold public hearings on proposed gas cost rate adjustments and to take up to six months in deciding whether the cost adjustments are justified.

The legislation also seeks to encourage the affected gas utilities - those with gross intrastate annual operating revenues in excess of \$40 million - to purchase their supplies of gas from the cheapest source and not necessarily from their affiliated interests.

Also part of the review process in determining whether gas cost adjustments are justified, the utility would be required to prove that it is pursuing a least cost fuel procurement policy which also allows for safe and adequate service.

The legislation also stipulates that after a gas cost rate has been approved and has been in effect for 12 months, the utility would be required to refund to customers any amount that may have been charged over and above actual cost.

The elimination of the automatic gas cost rate and the required use of a least cost fuel procurement policy will become effective "no later than January 1, 1986" under provisions of the law.

Meanwhile, another feature of the legislation seeks to encourage electric utilities in Pennsylvania to upgrade their coal-fired generating plants. This provision enables utility shareholders as well as utility customers to share the benefits of "up-rating" Pennsylvania's 65 coal-fired electric generating plants.

*****Radiation Protection** - Legislation (**SB 987, Act 147/1984**) providing for the establishment of a comprehensive radiation monitoring and protection program in Pennsylvania received final legislative approval.

The measure directs the state Department of Environmental Resources to assume primary responsibility for the development and enforcement of a program to monitor and protect the public from all forms of radiation. DER would be required to establish and maintain a nuclear safety program for evaluation and monitoring of all nuclear power plants in the state.

Additionally, the legislation - while repealing the previous role of the state Department of Commerce in "promoting" the development of atomic energy facilities - gives DER the responsibility for administering "a program, funded by the General Assembly, to assist in the decontamination of damaged nuclear power reactors."

This latter provision specifically relates to cleanup at Pennsylvania's infamous Three Mile Island, site of the worst commercial nuclear power plant mishap in u.s. history. The provision will enable DER to channel state funds, allotted by the state budget and as described under the governor's so-called cost-sharing plan, to the WI decontamination effort.

As amended by the House prior to final passage, the legislation directs the Pennsylvania Emergency Management Agency to develop radiation emergency response and transportation programs. Any and all shipments of spent nuclear fuel would be required to have state police escorts.

The House amendments would also impose annual fees on nuclear power plants (up to \$350,000 per reactor initially), any nuclear waste dumps that might be sited here in the future (\$50,000 annually), any nuclear fuel fabrication facilities (\$50,000 annually), and shippers of spent nuclear fuel (\$1,000).

Fees collected would be deposited into a radiation protection fund, a radiation emergency response fund, and a radiation transportation emergency response fund.

*****Amusement Ride Inspection** - A proposal (**SB 298**) providing for the inspection of amusement rides and attractions in Pennsylvania was signed into law (**Act 81/1984**).

The legislation requires all amusement rides at established parks to be inspected on a monthly basis and any new or modified rides to be inspected prior to operation.

Fair and carnival rides would be inspected prior to operation at each new location.

The Department of Agriculture is made responsible for enforcement of the law. A nine member

Amusement Ride Safety Advisory Board is created.

Amusement ride operators are required to carry liability insurance for any injuries that may occur in an amount "not less than \$300,000 per occurrence, or \$1 million in the aggregate."

Other provisions require the immediate shutdown of a ride or the closing of an attraction when a death, serious injury, or fire occurs. The ride would not be permitted to reopen until declared safe by a qualified inspector.

The legislation also gives owners of amusement rides and attractions the statutory authority to refuse "any member of the public" admission to a ride or attraction "if, in the opinion of the operator, the passenger's bearing or conduct" will cause any danger or harm. Violations of the law would be subject to both criminal and civil penalties.

Criminal violations of the law that result in the death of a passenger on a ride or "false representations" by operators would be punishable by a jail sentence of up to six months and/or a fine up to \$2,500. Each violation would carry a civil penalty of up to \$2,000.

The effective date of the legislation is January 1, 1985.

***"**Lemon Protection**" -- Legislation (**HB 1405**) to protect the rights of new car buyers when they become the hapless purchasers of so-called "lemons" became law (**Act 28/1984**).

The legislation requires car manufacturers to replace defective cars with a "comparable" motor vehicle or refund a customer's money if a "nonconformity" to warranty has been:

--subject to repair three times and the nonconformity still exists; or

--the motor vehicle is out-of-service by reason of any nonconformity for a cumulative total of 30 or more calendar days.

The legislation also provides that consumers may bring civil actions to recover damages due to a vehicle's nonconformity with warranty and shall be entitled to recover "reasonable attorneys' fees" and all court costs.

Additionally, motor vehicles with defects that are returned and later repaired by the manufacturer could not be resold to a new customer unless accompanied with a separate written statement to the customer as follows: "Important: This vehicle was returned to the manufacturer because it did not conform to the manufacturer's express warranty and the nonconformity was not cured within a reasonable time as provided by Pennsylvania law."

Returned vehicles with problems relating to the complete failure of the braking or steering systems would be prohibited from being resold in Pennsylvania.

Motorcycles, motor homes, off-road vehicles, and vehicles not used primarily for personal, family or household purposes are excluded from provisions of the law.

****Reduced PUC Terms** - Two similar, but not identical, proposals to reduce the length of Public utility Commission member terms and alter the PUC nominating process crossed paths, traveling from one chamber of the General Assembly to the other. Neither house, however, took final action on the other chamber's measure and both bills died.

The Senate proposal (**SB 1081**), which passed the Senate on a vote of 48-2, would have reduced the term of a PUC commissioner from 10 years to 6 years and create a nine member PUC nominating board.

The House proposal (**HB 1837**), which cleared the House on a vote of 195-0, would have reduced the term of a PUC commissioner from 10 to 5 years and create an 11-member PUC nominating council.

*****Rate Increase Requests**- Legislation (**SB 1329, Act 153/1984**) to prevent utility companies from

seeking more than one general rate increase at a time easily cleared both houses of the General Assembly.

The new law will prevent multiple or additional rate filings by a utility until the Public utility Commission has issued a final decision on a pending request.

The measure was amended in the House to include provisions defining rate base, regulating the valuation of public utility property, and establishing guidelines for a sliding scale of rates by utilities.

*****Utility Construction Costs** - On a vote of 26-23, the Senate concurred in House amendments to a bill (**SB 58, Act 123/1984**) which originally proposed to eliminate armored vehicle carriers from regulation by the Public Utility Commission. As amended by the House, however, the bill places such carriers under regulation by the PI~ and also contains language relating to utility construction costs.

Specifically, the legislation requires public utilities to submit estimates on construction costs of new electric generating facilities prior to construction and limits a utility's ability to recover actual construction costs from ratepayers if the cost exceeds the original estimate. Cost overruns would only be charged ratepayers if the PUC determines the excess was "necessary and proper."

****Utility Audits; Plant Conversion; Construction**- Legislation (**SB 64**) requiring the state Public Utility Commission to conduct management audits of electric, gas, telephone and water companies cleared both houses of the General Assembly.

Such audits, to include an examination of management effectiveness and operating efficiency, would be required to be conducted every five to eight years on public utilities whose plant in service is valued at \$10 million or more.

Meanwhile, other provisions of the measure (also contained in **SB 1330**) would enable the PUC to issue orders providing for the conversion of oil or natural gas fueled electric generating units to coal when "economically and technologically feasible."

And, no utility would be permitted to start construction of new nuclear, oil, or natural gas electric generating facilities unless approved by the PUC.

In order to obtain such approval, the utility would have to prove that a site for a coal fueled plant was unavailable or that a coal fueled plant would be more expensive.

As of this writing, action by the governor was pending.

****Mobile Phones; Utility Plant Conversion; Construction** - Approved by both houses was a bill (**SB 1330**) to exclude mobile telephones from legislation by the Public utility Commission.

Other provisions of the bill, inserted as amendments (also contained in **SB 64**), seek to encourage the conversion of oil or natural gas fueled electric generating facilities to coal and to require PI~ approval of new nuclear, oil, or natural gas electric generating units.

As of this writing, action by the governor was pending.

"V" Fire Company Electric Rates - Without a single vote in opposition, the Senate and House passed but Governor Dick Thornburgh vetoed a measure (**HB 164**) designed to reduce the electric bills of volunteer fire companies by allowing them to be metered for electric service in the same manner as residential customers.

*****Utility Advertising** - Both houses passed (**HB 124**) and the governor signed (**Act 22/1984**) a proposal prohibiting gas and electric utilities from charging customers for "political" advertising.

"Political" advertising is defined as any advertising "influencing public opinion" on legislative and

administrative actions, candidate election, or "with respect to any controversial issue to be decided by public voting."

The term also applies to certain lobbying expenses. Such utility "political" advertising would be an expense borne by stockholders instead or ratepayers.

Additionally, the legislation stipulates that the maintenance of gas service lines from the gas utility main to a customer's meter shall be the responsibility of the customer.

****Plain Language** - Legislation (**SB 1196**) requiring utility companies to use "plain understandable language" in rate communications with customers passed the General Assembly.

Other provisions of the measure would:

- require the PUC to develop regulations providing for the upgrading or "up-rating" of Pennsylvania's 65 coal-fired electric generating plants;
- limit a gas company's filing of tariffs to one in a twelve month period; and
- require further consumer notification of rate filings- by gas companies and hearings in each service area when there is consumer interest.

As of this writing, action by the governor was pending.

"V" False Reports - The General Assembly passed a bill (**SB 1279**) establishing criminal penalties for public utility spokesmen who would lie or mislead government agencies during the course of a disaster emergency.

The measure, introduced in the wake of the Three Mile Island episode in 1979, would make falsification of information to federal or state agencies during such a crisis a misdemeanor of the first degree punishable by a jail sentence of up to five years, a fine of up to \$10,000, or both.

SB1279 was vetoed by the governor Dec. 21.

****Consumer Advocate**- Legislation (**SB128, Act 25/1983**) extending the life of the Office of Consumer Advocate through December 31, 1989 and providing for a change in the budget making process for the office won final approval.

Previously, the Consumer Advocate's annual budget - funded by an assessment on utilities was set at the lowest of recommendations made by the governor, the chairman of the House Appropriations Committee, and the chairman of the Senate Appropriations Committee.

The legislation changed the process to permit full legislative input and approval of the Consumer Advocate's budget. The change became effective in fiscal 1984-85.

*****Odometer Tampering**- The General Assembly passed (**SB 5**) and the governor signed into law (**Act 8/1983**) a measure designed to crack down on automobile odometer tampering in Pennsylvania.

The legislation requires that motor vehicle certificates of title include odometer readings and that new odometer readings be recorded each time a vehicle is sold or the certificate of title is transferred

Acts of illegal odometer tampering are punishable by a criminal penalty of up to one year in jail and/or a \$2,500 fine for a first offense and up to five years in jail and/or a \$10,000 fine for subsequent offenses.

Violations not only include changing an odometer reading, but operating a motor vehicle with a disconnected or nonfunctioning odometer. When a malfunctioning or broken odometer is replaced, a notice of the reading from the replaced odometer must be attached to the door frame of the vehicle.

*****Precious Metals** - After being caught up in the legislative process for more than three years, a

proposal (**SB 288**) marking an attempt to make it more difficult for precious metal thieves to fence stolen coins, jewelry and other items of gold, silver and platinum became law (**Act 17/1984**).

Such legislation was first introduced when the price of precious metals, particularly gold, soared to record levels in 1980 and concern mounted over an increasing number of home burglaries of jewelry and other items of gold and silver.

Specifically, the legislation imposes certain requirements on businesses dealing in the purchase of precious metals in an effort to identify items that may be stolen and aid law enforcement authorities in their hunt for theft and burglary suspects.

Among other things, the measure requires that:

- dealers in precious metals be licensed and keep records of all precious metal purchases;
- each item of precious metal purchase be retained by the dealer for at least five days and be available for inspection by law enforcement authorities; and
- minors seeking to sell precious metals produce written authority of a parent or guardian in order to sell the precious metal and that they wait three days for payment.

*****Fireworks** - Legislation (**SB 562, Act 4/1984**) to guard against the unauthorized transport of fireworks by common carriers or contract carriers in Pennsylvania won enactment. The new law requires business entities "which perform, provide or supervise fireworks displays or exhibitions for profit" to register annually with the state attorney general.

***Physician Malpractice**- Passed by the Senate (47-0) was a bill (**SB 1523**) that would have required health care facilities to report incidents of physician misconduct or malpractice to the state medical and osteopathic boards. The measure, which failed to secure final consideration in the House, would have required that such reports be made in cases of dismissal or curtailment of employment for misconduct or malpractice.

***License Suspension** -- A bill (**SB 1524**) that would have given the state Board of Medical Education and Licensure new authority to suspend the licenses of unscrupulous physicians cleared the Senate (49-0) but failed to receive final action in the House.

The bill would have directed the Board to at least temporarily suspend a physician's license, without a hearing, when it is determined that the physician is "acting in such a manner as to present an immediate and clear danger to the public health and safety."

The measure was in response to situations where a physician may have been convicted of a serious crime, such as a drug offense, in a court of law, but has been able to maintain his license to practice medicine because a separate investigation by the state Board of Medical Education and Licensure has not reached a conclusion.

*****Container Warning** - Becoming **Act 1** of the 1983 session was a proposal (**SB 4**) to require "permanently embossed" content labels on any mixture or preparation of solidified alcohol, such as Sterno. Each individual container is now required to have a warning against internal use. Violation of the labeling requirement is a misdemeanor of the first degree which is punishable by a jail sentence of up to five years and/or a fine of up to \$10,000.

*****Real Estate Commission Continued** - Legislation (**HB 1448, Act 7; 1984**) was passed providing for the continuance of the state Real Estate Commission which had been the subject of a "sunset" review.

Among its provisions, the legislation reauthorized and expanded the Real Estate Commission and gave the commission new powers to regulate real estate brokers. It provided for new consumer protections in the area of "promotional" real estate sales and disclosure of certain information to buyers and sellers at the time of initial interviews with real estate agents.

*****Architects, Accountants** - As a result of a "sunset" review, legislation (**HB 1565, HB1445**) that would

continue the existence of the state Board of Landscape Architects and the state Board of Accountancy was enacted (**Act 23, Act 24/1984**).

*****Barbers, Cosmetologists** - A two-bill package (**HBs1848, 1851**) providing for structural changes in the state boards of Cosmetology and Barber Examiners and providing for new regulatory requirements for those two professions became law (**Acts 100, 101/1984**)

Along with numerous provisions, the legislation allows cosmetologists and barbers to work together in so-called "shared shops." Cosmetologists are now required to be licensed. Previously, only a certificate of registration was necessary to practice cosmetology.

*****More Regulatory Board Extensions** - Legislation was enacted continuing the existence of five licensing and regulatory boards that otherwise would have terminated December 31, 1983 under the state's "sunset" law.

The Measures provided for the continuation of the Board of Motor Vehicle Manufacturers, Dealers and salesmen (**HB 1454, Act 84/1983**), the Board of Auctioneer Examiners (**SB 763, Act 85/1983**), the Architect's Licensure Board (**SB 950, Act 86/1983**), the Registration Board for Professional Engineers (**SB 966, Act 87/1983**), and the Board of Funeral Directors (**SB 967, Act 88/1983**).

The legislation extending the life of the Board of Auctioneer Examiners also changed the makeup of the board, imposed new duties on the board, and provided for new regulation of auctioneers, apprentice auctioneers, auction houses and auction companies.

Under the "sunset" statute, numerous state agencies are required to justify their existence every six years.

"**V**" **Geologist Certification** - Receiving final legislative approval was a bill (**HB 1317**) regulating the practice of geology and requiring the certification of geologists by mid-1987. The Department of Environmental Resources would be responsible for carrying out provisions of the act and setting fees for geologist certification.

The governor vetoed **HB 1317** on Dec. 21.

*****Speech Language Pathologists** - The General Assembly took final action on a measure (**SB 1112**) to create a state Board of Examiners in Speech/Language and Hearing for the licensing and regulation of speech/language pathologists, audiologists, and teachers of the hearing impaired.

The bill was signed into law by the governor Dec. 21.

*****Osteopaths**-- Legislation (**SB 1384**) which seeks to ensure that only the state Board of Osteopathic Medical Examiners, and not the state Board of Medical Education and Licensure, has authority to regulate osteopathic physicians cleared both houses of the General Assembly and was signed into law (**Act 207**). It was designed to clarify one element of the Abortion Control Act which left the impression that the state Board of Medical Education and Licensure had authority over all physicians.

***Launderers**-- A bill (**SB 981**) which would enable dry cleaners or launderers to dispose of garments not redeemed within one year passed the Senate (48-0). It died for a lack of action by the House.

Judiciary

*****Marital Rape**-- In the wake of the governor's veto of an earlier version (**HB 1137**) and the failure of the House to override the veto, the General Assembly passed a revised "marital rape" bill (**HB281**) in the closing hours of the legislative session and it was signed into law.

The new version, which passed the Senate on a vote of 47-0 and the House on a vote of 176-21, was designed as an attempt to meet most of the objections raised by the governor in his veto of the prior measure.

Unlike the original bill, which would have made the crime of "spousal sexual assault" a first degree felony punishable by a prison term of 10 to 20 years, **House Bill 281** would make the crime of rape within a marriage a second degree felony which is punishable by a prison term of up to 10 years.

Also, unlike the original bill, the revised measure would require that the crime be reported to law enforcement authorities by the accusing spouse within 90 days of its occurrence.

Meanwhile, **House Bill 281** contained numerous other provisions which would:

- make it easier for cable television companies to prosecute individuals engaged in theft of service;
- strengthen Pennsylvania's anti-cruelty to animals statute by making "neglect" of an animal a summary offense and adding other language (also contained in **SB 1190** which passed the Senate but died in the House);
- add an additional and mandatory 5 year prison term to the sentence of any individual found to use or possess, in the commission of a crime of violence, a "KTW Teflon-coated bullet"- commonly referred to as "cop killers" because of their ability to penetrate bullet proof vests; and
- make fraud in the certification of minority and women's business enterprises a third degree felony which is punishable by a prison sentence of up to 7 years and/or a \$15,000 fine.

****Department Status for Corrections Bureau--** On a vote of 48-0 in the Senate and 186-10 in the House, the General Assembly passed a bill (**SB 1313**) to elevate the state Bureau of Corrections to department or cabinet-level status.

The proposal to create a Department of Corrections has been advanced in the General Assembly over the past decade but never before mustered sufficient support to win final legislative approval.

The legislation transforming the bureau to a department does not change any of the duties, powers or functions of the agency. However, a fiscal note on the bureau's elevation to a full-scale Department of Corrections points to some additional costs.

Increased cost for salaries and benefits has been estimated at \$200,000 annually and there would be a one-time expense, estimated at \$100,000, associated with creating a new department.

As of this writing, the governor's signature on the **SB 1313** was expected but still pending.

*****Adoption: Natural Parent Privacy** - In an effort to protect the privacy of parents who place their children up for adoption, the General Assembly passed and the governor signed into law (**Act 195/1984**) a measure (**HB 278**) which only permits the identity of the natural parents to be revealed when the natural parents consent to have their identity revealed upon the request of an adopted child or his or her adopting parents.

Previously, an adopted child or the adopting parents were able to learn the identity of the natural parents simply by obtaining a copy of the child's birth certificate.

Whether or not the natural parents consent to have their identity revealed, an adopted child or the adopting parents do have the right under the new law to petition the court to obtain non-identifying information about the natural parents, such as medical or other background information.

****Background Checks** - In an effort to guard against the hiring of child abusers as teachers or day care employees, the General Assembly passed a bill (**SB 1505**) to require background checks on applicants for teaching positions, persons interested in becoming foster parents, and on those seeking employment in the field of child care.

Under the proposal, school districts and employers in child care would be required, as of July 1, 1985, to conduct a criminal history record check on job applicants with the state police and verify - through the use of child

abuse registry records maintained by the Department of Public Welfare - the existence or nonexistence of reports of child abuse pertaining to applicants.

An employer's failure to conduct the background check on job applicants would be a criminal offense punishable by a fine of up to \$2,500.

The legislation was drafted in response to nationwide alarm over incidents of sexual abuse of children committed by day care workers and other child care employees in several states.

As of this writing, action by the governor was pending.

****Child Testimony- Assorted Judiciary Measures** - In a further attempt to protect children, the Senate voted (49-0) to concur in House amendments to a heavily amended bill (**SB 1361**) which, among other things, provides for the videotaping of a young victim's testimony about a sexual or other assault so that the child won't have to undergo repetitious and sometimes "torturous" court appearances. The legislation also allows for the use of dolls or mannequins to help a child victim of sexual abuse describe the nature of the crime committed and provides for court appointment of child advocates to assist children in coping with the criminal justice system.

Other provisions of the legislation would:

- stipulate treatment and the development of rehabilitative programs for sex offenders;
- add robbery to the list of crimes committed against persons 60 years of age or older which are subject to a mandatory jail term of at least five years (also contained in **SB 634** which passed the senate but died in the House);
- eliminate a district justice's authority to set bail in murder and voluntary manslaughter cases (also contained in **HB 353; SB 1173** which died in the House);
- provide for an unlimited statute of limitations for the prosecution of certain offenses (also contained in **SB 680** which was signed into law as **Act 199/1984**); and
- provide for the process of service of a subpoena or other order in misdemeanor cases on Sundays (also contained in **HB 353; SB 1174** which died in the House).

As of this writing, the governor's action on **SB 1361** was pending.

***Sexual Exploitation of Children** -- A bill (**SB 1185**) that would have made the sexual exploitation of children a first degree felony in Pennsylvania punishable by a jail sentence of up to 20 years and/or a fine of up to \$25,000 cleared the Senate (46-0) but failed to, receive final consideration by the House in the closing days of the legislative session.

***Missing Children** -- The Senate passed (49-0) a bill (**SB 1369**) that would have required police departments to promptly investigate reports of missing children.

The intent of the legislation, which failed to receive final consideration by the House, was to eliminate any artificial or arbitrary "waiting period" that might be imposed in the investigation and/or search for a missing child. It would also have established, under the jurisdiction of the state police, a computerized central register of missing children from throughout the state.

*****New Drug Trafficking Penalties- Seizure of Profits** -- A measure (**SB 924**) stiffening criminal penalties for the sale or manufacture of cocaine and large quantities of marijuana was enacted (**Act 200/1984**).

Under the new law, persons convicted of manufacturing or selling cocaine or more than 1,000 pounds of marijuana would be guilty of a felony punishable by up to 10 years in jail and a \$100,000 fine or an amount equal to the profits and value of assets used in the crime.

A key feature of the measure also provides for law enforcement seizure of property and money used in connection with a drug offense for the purposes of drug law enforcement.

And, it imposes a mandatory minimum jail term of two years for anyone convicted of manufacturing amphetamine.

*****Unlimited Time to Prosecute** - The General Assembly passed a bill (**SB 680**) providing for an unlimited statute of limitations for the prosecution of conspiracy and solicitation to commit murder when a murder results from conspiracy or solicitation. It was signed into law as **Act 199/1984**.

Previously, an unlimited statute of limitations applied only to the prosecution of an individual who actually committed a murder and not to an individual who may have conspired or solicited to have the murder committed.

The legislation also stipulates that any felony allegedly committed in connection with a first or second degree murder enjoy unlimited statute of limitation status.

Additionally, solicitation to commit crimes with a five year statute of limitations would now be granted the same five year statute of limitations if the solicitation actually resulted in the crime.

The provisions of **SB 680** were also attached to other measures sent to the governor's desk (**SB 1361; HB 353**).

*****Multi-County Grand Jury Trial Costs** - Clearing both Houses of the General Assembly and signed by the governor was a measure (**SB 910; Act 225/1984**) requiring the state to pay trial costs for individuals indicted by multi-county investigating grand juries.

The measure was sparked, in particular, by a \$70,000 cost incurred by Dauphin County in 1983 for the murder trial of William Bradfield. In the past, the state has paid all multi-county grand jury costs, but not the trial costs.

The legislation appropriates \$100,000 to the state Attorney General's office for the payment of such trial costs resulting from multi-county grand jury presentments.

*****Bail Setting; Warrants; More**- Sent to the governor and signed into law (**Act 218/1984**) was a bill (**HB 353**) containing the provisions of numerous measures" which would:

- prevent district justices from setting bail in cases involving murder and voluntary manslaughter (also contained in **SB 1361; SB 1173** which died in the House);
 - allow arrest warrants or summonses in misdemeanor cases to be served on Sundays (also contained in **SB 1361; SB 1174** which died in the House);
 - provide for the temporary assignment and compensation of district justices outside of their home districts;
- and
- provide for an unlimited statute of limitations for the prosecution of certain offenses (also contained in **SB 680** which was signed into law as **Act 199/1984**).

*****Crime Victims Rights/Compensation** - A comprehensive package of legislation (**SB 853**) providing for an expansion of crime victims compensation and establishing a victims' "Bill of Rights" passed the General Assembly without opposition and was signed into law (**Act 96/1984**).

Under the so-called "Bill of Rights", crime victims now have the right to:

- a "victim impact statement" detailing the effect of the crime on the victim prior to sentencing of the offender;
- restitution ordered as a condition of probation whenever feasible; and
- be informed by the district attorney, upon request, whenever a dangerous felon is to be released from prison.

In the area of compensation, the maximum allowable award to a victim of crime was boosted from \$25,000 to \$35,000. The maximum benefit for loss of earnings or support as a result of a crime was increased from \$10,000 to \$15,000.

Additionally, the legislation - for the first time - enables the victims of domestic violence to be compensated and allows senior citizens who are robbed of cash from Social Security payments to be reimbursed.

Funding will come from a \$15 cost imposed on all convicted criminals in Pennsylvania.

"V" "Wrongful Birth, Wrongful Life" -- Legislation (**SB 750**) prohibiting so-called "wrongful birth" and "wrongful life" lawsuits in Pennsylvania cleared the House (50-50) and the Senate (32-15) but was vetoed by the governor.

Under the proposal, parents and others would have been barred from initiating suits and seeking damages from doctors because of a failure on the part of doctors to recommend abortions in instances where a child is born with a handicap.

*****Civil Immunity for Teachers** -- The General Assembly passed (**SB 672**) and the governor signed into law (**Act 67/1984**) a measure granting civil immunity to teachers and other school personnel who report suspected cases of student drug and alcohol abuse.

The legislation marks an attempt to encourage school personnel to report suspected cases of student drug and alcohol abuse by reducing the incidence of retaliatory lawsuits by affected students and their parents.

The immunity from civil liability pertains to "good faith" reporting.

School employees would remain liable if acting in a grossly negligent manner or intending to cause harm to the student.

The legislation also contains a provision enabling un-emancipated minors to initiate a civil action, regardless of any statute of limitations, when they reach the age of 18.

*****Drunken Boaters** -- Legislation (**SB 994, Act 68/1984**) imposing stiff penalties on drunk operators of motorboats and other watercraft won final approval.

Patterned after a law enacted last session to crack down on drunk drivers on Pennsylvania's highways, operators of motor boats and other watercraft are now, in effect, automatically considered guilty of operating while "under the influence" if blood alcohol content is .10 percent or higher.

The penalty for "boating under the influence" is a misdemeanor of the second degree which carries a maximum sentence of two years in jail and/or a \$5,000 fine.

Persons convicted of homicide by watercraft while under the influence could face up to seven years in jail and a \$15,000 fine. The measure also provided for a mandatory "minimum" jail term of three years for homicide by watercraft while under the influence.

In addition to the criminal penalties contained in the legislation, persons convicted of drunk boating and those who refuse to take a Breathalyzer test are prohibited from operating a watercraft for one year.

***Child Snatching** - The General Assembly passed legislation (**SB 1083, Act 138/1984**) upgrading the crime of "interference with custody of children" from a misdemeanor to a felony of the second degree which is punishable by a jail term of up to 10 years. Under previous law, the misdemeanor category of the offense provided for only a two year maximum prison sentence.

The legislation is aimed at situations where a non-custodial parent of a child "kidnaps" the child and transports the child out-of-state and away from the parent with legal custody. The upgrading of the crime to a felony also triggers in the Federal Fugitive Felon Act and enables the FBI and other federal agencies to assist in interstate "child snatching" cases that originate in Pennsylvania.

*****More Judges** - Legislation (**HB 88, Act 150/1984**) providing for the creation of 20 additional common pleas judgeships in 18 judicial districts cleared the House (141-59) and the Senate (48-0).

The measure created two additional judgeships in Allegheny and Erie counties and one additional judgeship in the following judicial districts: Lancaster, Bucks, Cumberland, Westmoreland, Chester, Snyder-Union, York, Berks, Blair, Lehigh, Delaware, Monroe-Pike, Clearfield, Cambria, Adams, and Lawrence.

The legislation also provided for additional compensation to district justices who are assigned to perform additional part-time duties outside of the district they were elected to serve. And, it provides for the temporary assignment of senior judges for the Philadelphia Municipal Court.

***Child Estates** - The General Assembly passed a measure (**HB 629, Act 21/1984**) that eliminates a parent's right to his or her minor or dependent child's estate when the parent is found to have neglected, deserted, or failed to support the child for more than a year.

The legislation was in response to a true-to-life tale where a young boy was killed in a traffic accident and his estate was claimed by the father even though the father had abandoned his responsibilities as a parent by walking out on the boy and the boy's mother 10 years before the fatal mishap.

*****Common Law Marriage** - Legislation (**HB 8, Act 140/1984**) invalidating or voiding so-called common law marriages entered into by minors (individuals under 18 years of age) passed the Senate (41-7) and the House (195-3).

A common law marriage is one where two people live together and exist as husband and wife without a marriage license or legal contract.

In particular, the legislation was aimed at adults who have entered into marriage with minors by common law and therefore have been able to escape charges of corrupting the morals of a minor and similar offenses.

****Suppressed Voluntary Confessions** - A bill (**SB 299**) representing the General Assembly's second session effort to pass a proposed constitutional amendment to allow the admission - at a defendant's court trial - of suppressed voluntary confessions cleared both houses.

The proposed constitutional change later won the approval of the voters in the November, 1984 general election.

The reasoning for limiting a defendant's rights in this instance was based on a 1971 U.S. Supreme Court ruling. Until that ruling, such suppressed voluntary confessions (i.e. an admission of guilt by the defendant obtained illegally by police or prosecutors at the time of the defendant's arrest) were normally inadmissible as evidence at the defendant's trial.

However, the 1971 ruling suggested that such a suppressed voluntary confession could be used at a defendant's trial to impeach a defendant's credibility if the defendant took to the stand in his own defense.

Following the U.S. Supreme Court decision, the courts of some 30 states adopted similar doctrines. Pennsylvania's state Supreme Court, however, refused to follow suit in a case in 1975.

The constitutional change approved by the voters in 1984, in effect, overrules the 1975 decision of the Pennsylvania Supreme Court.

***Judicial Reform**- The Senate passed two measures (**SB 1100; HB 846**) containing proposed constitutional amendments intended to provide for certain reforms in the judicial branch of state government. Both bills died in the House.

Although significantly different in several respects, **Senate Bill 1100 and House Bill 846**, as amended by the Senate, would have established a new panel for the discipline of judicial misconduct, require judges and

justices to disclose their finances, and give the General Assembly "oversight" responsibilities with respect to court spending.

The two bills cleared the Senate minus the governor's proposal to allow for the gubernatorial appointment, rather than the election, of statewide judges and justices. The so-called "merit" selection concept was rejected by the Senate on at least two occasions based on a belief that it merely marked an attempt to provide for "an elitist selection" that would "disenfranchise the people" of Pennsylvania.

*****Deputy Sheriff Training** - A bill (**SB 403**) calling for the creation of a nine-member advisory board to the Pennsylvania Commission on Crime and Delinquency for the purpose of initiating a basic and continuing training and education program for county deputy sheriffs became law (**Act 2/1984**).

Funding for the program was to be derived, in part, from a \$2 surcharge added to the fees collected by county sheriffs for the serving of complaints, summonses, writs or other legal papers.

All deputy sheriffs with less than five years experience are required to complete a continuing education program every two years.

*****Human Organ Sales Prohibited** - Passed by the General Assembly and signed into law (**Act 210/1984**) by the governor was a bill (**HB 1661**) designed to prevent the sale of human organs or "non-regenerative tissue" for profit.

The legislation makes it a first degree misdemeanor- punishable by a jail term of up to 5 years and/or a fine of up to \$50,000- to knowingly acquire, receive or transfer any vital human organ or non-regenerative tissue for valuable consideration. Non-regenerative tissue includes eyes, bones and other tissue not normally renewable by the body.

*****Peace Officers, -Bad Checks, Weapons-** Legislation (**HB 1799, Act 134/1984**) extending the definition of "peace officer" to include third class county park police passed both houses.

By being included as "peace officers", members of park police departments of counties of the third class are now permitted to use force, including deadly force in certain instances, to effect an arrest or prevent the commission of a crime.

The legislation also contained language making it a crime to pass or issue a bad check regardless of whether or not the check was issued within or outside of Pennsylvania so long as the bank or other "drawee" is located in Pennsylvania.

Additionally, the legislation permits citizens to possess or deal in certain offensive weapons- with the exception of bombs, grenades, or incendiary devices - when the National Firearms Act is complied with.

Previously, offensive weapons such as machineguns, sawed-off shotguns, and switchblades were generally prohibited in Pennsylvania.

****Statute of Limitations Exceptions** - The Senate passed (47-0), and returned to the House for concurrence, a bill (**HB 1888**) that would have allowed PennDOT to restore the license of a driver whose operating privileges were suspended for failure to respond to a citation in cases where the driver brings the action more than two years after the offense.

Currently, PennDOT will not restore licenses in such cases and the courts cannot dispose of these cases because the statute of limitations has expired.

Additionally, the bill contained a Senate amendment dealing with a provision of a recent law (**SB 672, Act 67/1984**) and pertaining to un-emancipated minors and their ability to initiate a civil action, regardless of any statute of limitations, when they reach the age of 18. The amendment contained in the bill was to guarantee that the provision was not to be applied on a retroactive basis, but rather on

a prospective basis from the time of **Act 67**'s effective date.

House Bill 1888, however, never made it to the governor's desk because the House failed to take final action on the measure as amended by the Senate.

*****Computer Crimes/Wiretap Law Extended**- Passed by the General Assembly and signed into law was a bill (**HB 258, Act 67/1983**) making computer theft a crime and extending Pennsylvania's 1978 wiretap and electronic surveillance statute for another five years.

Under the computer crimes provisions, persons who use or damage a computer with the intent of defrauding, deceiving, controlling property or services, or interrupting an organization's function would be guilty of a third degree felony, punishable by a jail term of up to seven years and/or a fine of up to \$15,000.

Regardless of intent, persons who use or damage a computer without authorization would be guilty of a first degree misdemeanor, punishable by a jail term of up to five years and/or a fine of up to \$10,000.

Meanwhile, law enforcement authorities will continue with the power to use wiretaps and other electronic surveillance in their investigations until the law under its "sunset" provisions comes up for legislative review again, prior to December 4, 1988.

***Wiretap Expansion** - The Senate passed (47-0) but the House failed to take final action on a measure (**SB 976**) that would have expanded the scope of Pennsylvania's crime-fighting wiretap and electronic surveillance statute.

The measure would have added four new crimes to the list of dozens of offenses in which law enforcement authorities, with court approval, are empowered to make wiretaps or intercept confidential communications in the course of their investigations.

The four new crimes listed in the bill related to corrupt organizations, lotteries, intimidation of witnesses or victims of crime, or retaliation against witnesses or victims of crime.

Additionally, the measure would have enabled state law enforcement authorities to share wiretap or other electronic surveillance information with local investigators, law enforcement personnel in other states with similar wiretap statutes, and federal investigators.

The measure also would have required the information-gathering Pennsylvania Crime Commission to first obtain the approval of the state Attorney General before making application to the courts for permission to wiretap.

*****Preventing Corporate "Coups"** - Quick passage was given to a bill (**SB 1144, Act 92/1983**) intended to prevent so-called "hostile takeovers" of certain publicly-owned Pennsylvania based corporations.

Among other things, the legislation limited the voting rights of shareholders involved in a takeover bid. The votes of such interested shareholders would not be counted toward any majority needed to approve a transaction between the corporation and the interested shareholder.

Additionally, the legislation required stockholders who gain control of 30 percent or more of a corporation's stock without approval of the company's board to offer to buy the remaining shares of the corporation. However, as amended prior to final passage, stockholders who already effectively control 50 percent or more of the company's shares would be exempt from the requirement.

Said to be the first of its kind in the nation, the measure was passed by the Senate and House less than a month after its introduction.

Two major Pennsylvania corporations - Gulf Oil and Scott Paper - were involved in trying to thwart takeover bids at the time of the General Assembly's action.

****Theft of Timber** - Legislation (**HB 1980**) requiring that persons convicted of theft of "standing" timber make double restitution cleared both houses of the General Assembly and was signed into **Act 173** of 1984 by the governor.

*****Blackjacks** - A measure (**SB 206**) was enacted (**Act 78/1983**) to allow law enforcement officers with the proper training to possess and use "blackjacks" in the course of their duties.

Although some police officers had carried blackjacks - a hand weapon consisting of heavy metal with a leather cover - such authority was unclear since blackjacks were generally prohibited for use by anyone in Pennsylvania.

Additionally, the legislation authorized "forensic firearms experts" to repair, sell, use and possess offensive weapons; prohibited former convicts from owning antique firearms, reproductions or replicas if they are suitable for use; added juvenile detention centers to a list of institutions covered by a law enacted last session to crack down on vandalism; and required non-police firearms experts and labs to notify local police annually concerning the possession, type and use of any offensive weapons they handle.

***Career Criminals** - The Senate passed but the House failed to take final action on a bill (**SB 977**) that would have resulted in longer jail terms for so-called career criminals and a mandatory jail sentence of at least five years for drug pushers.

***Doubled Penalty** - Maximum penalties for the crime of aggravated assault would have been doubled under legislation (**SB 161**) passed by the Senate. The bill, however, failed to receive final action by the House.

***Part-Time or Full-Time District Attorneys** - The Senate voted (42-0) to pass a bill (**SB 939**) that would have given county commissioners in all counties the complete authority to provide for either full-time or part-time district attorneys. Current law prohibits the employment of full-time district attorneys in sixth, seventh and eighth class counties. Additionally, current law does not allow counties with full-time district attorneys to change back to part-time unless by voter referendum. This bill, which failed to receive final consideration by the House, would have given county commissioners total discretion regarding the status of a district attorney's position.

***DA Pay** - A bill (**SB 1446**) that would have allowed county commissioners to increase the salary of district attorneys by a percentage greater than the increase for other county officials cleared the Senate (46-0). It died in the House.

***Prison Boards**- The Senate passed a bill (**SB 717**) to eliminate the requirement that judges or district attorneys serve as members of county prison boards. The bill died for a lack of action by the House.

*****Interpreters for the Deaf** - Enacted was a measure (**HB 1579, Act 187/1984**) containing language empowering courts to appoint interpreters for deaf parties in civil proceedings and including various provisions relating to the jurisdiction and authority of the Philadelphia Municipal Court. Among other things, the new law removes the Philadelphia Municipal Court from the definition of "minor judiciary" in the Judicial Code and expands the court's authority in civil, real estate and school tax cases. The court is also now empowered to appoint six bail commissioners at the same salaries as judges of the Philadelphia Traffic Court.

***Lien Recording**- A bill (**SB 606**) to clarify existing law to require that a judgment or court order of a lien on real estate be both recorded and indexed in the office of clerk of county court passed the Senate (47-0) but died in the House. The measure would have made such recording and indexing necessary in order to constitute a notice to a third party.

***Inheritance** - The Senate passed (43-0) a bill (**SB 1318**) providing for certain amendments to the state's inheritance and estate tax act. The measure, which never received final action in the House, stipulated that lineal descendants, who are taxed at a lower rate than other descendants, include step descendants and natural children adopted out to others and their descendants.

*****Financing Statements** - Legislation (**SB 740**) was signed as **Act 17/1983** that provides for a clarification of financing statements under the state's Commercial Code. The law stipulates that a copy of a financing statement is sufficient proof of the existence of a security interest in property if the original is filed in the commonwealth.

***Open Hearings** - A bill (**SB 590**) requiring that court hearings on the competency or mental health of certain individuals be open to the news media and general public cleared the Senate (48-1) but never received final action in the House.

Under the proposal, such hearings would have been required to be open when a judge is considering whether or not a person found guilty of a violent crime by reason of insanity is to be released from a mental institution.

Proponents of the measure contended that the public has a right to know what evidence supports a judge's decision to release previously violent offenders who escaped criminal conviction and imprisonment solely because they were determined to be insane at the time of the crime.

***Rape Law Addition** - A bill (**SB 1103**) that would have extended provisions of Pennsylvania's rape law to cover cases where the offender penetrates the victim with any object or device passed the Senate (50-0) but died in the House. Existing law requires sexual intercourse for a rape to have been committed.

*****Non-Profit Corporation Elections** - Passed by the General Assembly was a measure (**SB1191, Act 193/1984**) dealing with the election of directors and officers in not-for-profit corporations. The legislation allows nomination of directors and officers of non-profit corporations from the floor unless the bylaws say otherwise.

***Insulators** - A bill (**SB 1160**) making it illegal to shoot insulating equipment from electric power polls cleared the senate (47-0). The bill, making the crime a summary offense, never received action by the House.

Agriculture and Rural Affairs

***Task Force Establishment- House Bill 1698**, signed into law July 6, 1984, as **Act 133**, creates a 12-member Task Force on Rural Issues. The panel is to identify areas of need in rural regions, serve as a repository of data on rural issues and problems, and develop recommendations on ways to improve governmental services in rural areas of the state. The measure has a "sunset" provision that terminates the Task Force on Dec. 31, 1987. There is a \$500,000 appropriation to fund administrative costs and other expenses.

*****Dairy Marketing Program**-Voluntary contributions from farmers will provide the funding for the Pennsylvania Dairy Products Promotion Program established by **Senate Bill 1414**. An amendment to the Pennsylvania Agricultural Commodities Marketing Act, the measure was signed into law July 6, 1984, as **Act 130**. It provides legislative support of a program initiated in May, 1984, by the state Secretary of Agriculture. Farmers pay the federal government a 50-cent assessment for every 100 pounds of milk produced by their herds and also have been paying a 15-cent assessment per hundred weight for "dairy promotion"

Senate Bill 1414 provides for the state to retain two-thirds of the 15-cent assessment if a dairy farmer voluntarily "enrolls" in the state program.

*****Protection for Farmers**-Pennsylvania dairy farmers are given added protection against dealer bankruptcies under provisions of **House Bill 1969**, which became **Act 136** when signed by the governor on July 6, 1984. The legislation was drafted after it was determined that the 1980 Milk Producers and Cooperative Security Act did not provide farmers adequate protection when dealers defaulted on milk payments. The bill provides for prompt payment to producers (within 50 days) and establishes a security fund to reimburse farmers who don't get paid for milk.

HB 1969 repeals the 1980 act and creates the Milk Producers Security Act. One of its provisions denies a milk dealer's license to any convicted felon if the conviction occurred during the five years prior to application.

The provision also applies to license renewal or reinstatement.

*****Dividend 'Cap' Lifted**-Legislation (**Senate Bill 471**) lifting the eight percent dividend limit on stock issued by farm "co-ops" was signed into law July 7, 1983, as **Act 22**. Cooperative associations sought removal of the "cap" as a way of attracting new capital from members who were receiving a better return in money market accounts and other investments.

*****Farm Products Sales Okayed**-**Senate Bill 380**, signed into law as **Act 4** on May 13, 1983, offers farmers who are enrolled in the state's "Clean and Green" program a one-time opportunity to use up to two acres of their land for direct commercial sales of agricultural products without losing a special property assessment status. The "Clean and Green" program was established by the Pennsylvania Farm Land and Forest Land Assessment Act of 1974. It offered farmers preferential assessment of farm land for tax purposes, with the aim of preserving land for agricultural use. However, there were complaints that traditional farming limited income capabilities, stirring introduction of **SB 380**. The bill prohibits any commercial activity not operated by the farmer or his beneficiaries.

*****Bill Targets Poachers**-Provisions of **House Bill 256** are aimed at the heart of an illegal business in Pennsylvania--the sale of stolen Christmas trees. The legislation was sought by the Yule tree growers who were losing substantial sums of money to poachers--people harvesting someone else's trees and selling them for a tidy profit. As **Act 71** of Dec. 20, 1983, the bill requires a person who cuts, digs, removes and transports pine, spruce or fir trees to produce, upon request, proof of ownership, such as a bill of sale.

The new law authorizes authorities to stop a Christmas tree-laden truck and request the driver to produce proof of ownership of the trees. Violators can be charged with a misdemeanor punishable by a fine of up to \$2,500 and/or one year in jail.

****Commission Passes 'Review'**-**Senate Bill 1476**, awaiting the governor's signature to become law, represents the legislature's "sunset" review of the State Farm Products Show Commission. The measure assures continuance of the Panel and increases its membership from nine to 10 persons. It also provides language directing the commission to develop a long-range plan for improvements at the Farm Show complex in Harrisburg. The bill Passed the Senate Sept. 25, 1984. A House amendment, in which the Senate concurred, added language prohibiting the Environmental Quality Board from charging fees for parking or general admission to state parks unless the charges were imposed prior to Jan. 1, 1984.

****Fertilizer Law Amended**-Senate and House approval have cleared the way for **House Bill 1983** to become law. The measure provides for an increase in the registration fee for each brand and grade of fertilizer used in the commonwealth. It also requires anyone owning or operating a facility producing fertilizers, soil conditioners or plant growth substances to be licensed annually. Penalty sections of the Fertilizer, soil Conditioner and Plant Growth Substance Act have been amended to increase fines and/or jail terms for violations of the law.

****Milk Board Continued**-The state's Milk Marketing Board survived the legislature's "sunset" review with the passage of **Senate Bill 1527**. The measure is expected to be signed into law by the governor. The board is the agency charged with setting milk prices in the commonwealth. House amendments call for establishing a 15-member joint study committee and a three-member advisory panel.

Labor and Industry

*****Right to Know Bill Passes**-When **House Bill 1236** was signed into law as **Act 159** on October 5, 1984, Pennsylvania could lay claim to having one of the toughest laws in the nation aimed at protecting workers from hazardous chemicals.

Democrats strongly supported passage of legislation to require the labeling of some 2,500 hazardous or potentially hazardous substances.

The bill that eventually passed the Senate and House, and signed by the governor, was fashioned by leaders of the state AFL-CIO and the Pennsylvania Chamber of Commerce.

The final draft prompted one Democratic senator to comment, "Not everyone will be satisfied, but it's the best we can get."

The December, 1984, disaster at a Union Carbide facility in India served to support the contentions of those who pushed for **HB 1236** that adequate precautions had to be taken in the workplace to protect not only the health and safety of employees, but also citizens of communities where factories are stocked with hazardous substances.

In addition to requiring hazardous substances to be labeled, **HB 1236** calls for workers to be instructed in the safe handling of such materials and calls on manufacturers to warn workers of the negative effects they may encounter and outline emergency steps in the event of disaster.

The bill received overwhelming approval in the Senate and House.

*****UC Fund Rescued** Again-Senate Bill 706**, which became **Act 30** on July 21, 1983, is intended to salvage the commonwealth's debt-ridden Unemployment Compensation Fund.

Drained by double-digit unemployment that continued well into 1983, the fund was being replenished with money borrowed from the federal government and by mid-1983 the debt had increased to \$3 billion, with interest soaring each day.

The UC "rescue" plan (**SB 706**) was developed by a committee of labor and business representatives and, as a conference committee report, cleared the Senate and House in mid-July of 1983.

One phase of the UC "recovery" plan called for working men and women to help restore the ailing fund to solvency. Beginning Jan. 1, 1984, the state imposed a one-tenth of one percent tax on wages and salaries.

As developed in the bill, the UC salvage effort is to take three years, during which time benefit payments are to be reduced by \$700 million while employers pay an additional \$1.4 billion in UC taxes. The reduced benefits and tax on salaries and wages (estimated to raise \$254 million) mean that working men and women will pay nearly \$1 billion of the nearly \$3 billion UC debt.

The bill provides for a one-week waiting period before benefits are paid; reduces by 5 percent benefit checks that were more than \$75 a week, and reduces the maximum benefit period from 30 weeks to 26 weeks.

NOTE: **SB 706** also provided for a State Advisory Council of 13 persons to monitor the stability of the UC fund. Eight members were to be appointed by the governor--four from a list supplied by labor and four from a list of prospects submitted by the state Chamber of Commerce.

The committee never got down to business because the governor refused to approve any of the names submitted to him, lamenting that neither list included a minority or female nominee.

On June 18, 1984, the state Senate amended an unrelated House-passed bill (**House Bill 314**) to provide for a 19-member Advisory Council, with the six additional appointments to be made by the governor. Additionally, the amendment designates the state Secretary of Labor and Industry as chairman of the council (**SB 706** had provided for a chairman who was not a member of the panel and who would have had no vote). The House took no action on **HB 314** prior to the end of the two-year session.

As of October 31, 1984, the U. S. Labor Department said, Pennsylvania still owed \$2 billion on its unemployment compensation debt to the Federal Government, the highest of any state.

***Extension of Death Benefits**--Legislation (**Senate Bill 419**) that would have extended a \$25,000 death benefit to families of law enforcement officers, firefighters or emergency personnel who die as a direct result of stress or strain associated with the job failed to receive House approval. The bill, passed by the Senate on October 2, 1984, would have made claims retroactive to January 1, 1976.

***Minimum Age Bill**--Legislation that would reduce the minimum age requirements of minors who sell or deliver newspapers was never brought to a vote on the House floor. **Senate Bill 25** was passed by the Senate on Nov. 18, 1983. The House amended the measure and re-committed it to the Labor Relations Committee where it died. The bill would have reduced the age limit for carriers from 12 to 11 years.

*****Checks by Mail**--**House Bill 630** provides for wages and earnings of a railroad employee to be mailed to the employee's residence upon request and at the employee's expense. The bill cleared both the Senate and House and was signed into law July 9, 1984, as **Act 143**.

*****New Life for MILRITE**--House concurrence in Senate amendments cleared the way for **House Bill 1608** to become law. The bill extends the life of the Pennsylvania MILRITE Council until June 30, 1990, and provides for the establishment of Area Labor Management Committees that will be funded by the council.

In addition, the bill directs the council to report annually to the Senate and House Appropriations and Labor and Industry committees on the achievements and expenditures of each committee it funds.

MILRITE (for Make Industry and Labor Fight for Today's Economy) was created in 1979 as a vehicle to plan an economic development system for the state. The state's 1983-84 budget had provided \$500,000 to fund the area committees but the MILRITE Council lacked authority to disburse any of the money. **HB1608** provides for funding those committees that "best meet the standards and criteria established by the council".

The bill became **Act 77** when signed by the governor on May 31, 1984.

*****Pay Boost for Chiefs**--**Senate Bill 530**, passed by the Senate on June 26, 1984, and by the House on Oct. 19 provides for chiefs of police, or those holding comparable rank, to receive the same salary increase granted to the highest ranking officer of a bargaining unit. The increase would not be based on a percentage factor, but in dollar units. Provisions of the bill do not apply to chiefs in first and second class cities. The bill was signed into law Dec. 18, 1984, as **Act 204**.

****Work Permits for Minors**--Legislation (**Senate Bill 582**) passed by the Senate on Feb. 29, 1984, and by the House on Sept. 18 authorizes school authorities to grant transferable work permits to minors between 16 and 18 years of age. Under previous law, a minor in this age group had to obtain a separate work certificate each time he or she took a new job. This bill will require employers to notify a school district when a minor leaves a job. **SB 582** became **Act 152** on Sept. 27.

Law and Justice

*****Sales Period Extended** -Legislation signed into law May 9, 1984, permits Sunday sales of liquor and beer (by those establishments holding Sunday sales permits) to begin at 11 a.m. instead of 1 p.m. The measure, a conference committee report on **Senate Bill 730**, became **Act 54** when signed by the governor.

The bill does not change the closing time for Sunday sales which remains at 2 a.m. Monday. It does, however, amend other sections of the Liquor Code.

For example, **SB 730** permits alcoholic beverages to be sold in bowling alleys if minors who are present are properly supervised. It also authorizes one restaurant license to be issued in a third class city for the sale of alcoholic beverages in an establishment located not more than 1,000 feet from a stadium having a capacity of at least 5,000 persons.

Additionally, the bill allows liquor and beer to be served in "other recreational areas" such as hotel game rooms and video arcade areas and authorizes a licensee to stage contests such as billiards and dart ball tournaments without having to secure a special license. In addition, **SB 730** increases point of sale advertising limits from \$20 to \$70, with a \$35 limit on a single advertised item.

This measure also includes a section on "cooperative" advertising that protects a distributor from being forced to share advertising costs with a manufacturer.

C'Nuisance Bar' Bill Fails**-A 23-26 Senate vote killed a conference committee report on **House Bill 224**, legislation aimed at cracking down on so called "nuisance bars," establishments repeatedly cited for Liquor Code violations.

This bill would have permitted local and state police to issue citations for violations and increased to \$5,000 the maximum penalty against licensees who committed "major" violations, such as permitting prostitution and drug trafficking.

The bill also contained language that would have made it tougher for bars to remain open while a license suspension or revocation was being appealed.

The conference report cleared the House on Nov. 27, 1984, but was rejected by the Senate two days later.

*****'Special Occasion Permits-Senate Bill 1034** became **Act 137** when signed into law July 9, 1984. The bill authorizes the Liquor Control Board to issue special occasion liquor permits in third class cities for periods longer than is now permitted in the Liquor Code.

Hospitals, churches, fire companies, etc., can obtain a special occasion permit good for five consecutive days (the previous limit was three days). In addition, museums and non-profit performing arts organizations can obtain a permit for six non-consecutive days, or one for use on 10 consecutive days, providing that such a permit is issued only between Aug. 17-26, 1984.

******'Collection' Sale Okayed**-A deceased person's private liquor collection can be sold by the deceased's estate under provisions of **House Bill 529**. The measure was signed into law as **Act 8** on Feb. 9, 1984. Previously, a private liquor collection could not be given away or sold by decedent's estate. The sale of a private collection will enable the commonwealth to recover taxes.

***'Citizen Action on Bars-Senate Bill 610** would grant private citizens the right to seek court injunctions against establishments alleged to be "nuisance bars". Under present law, such action can be initiated only by a district attorney or the state attorney general. The Senate passed this bill July 12, 1983. It was never considered by the House Liquor Control panel.

***'License Suspension Notice -Senate Bill 615** would eliminate the 20-day waiting period for a liquor license suspension or revocation to become effective. The bill, passed by the Senate on June 29, 1983, died in the House Liquor Control Committee; It provides for a suspension or revocation to be effective as of the date a notice is issued by the LCB. The bill also would affect the appeal process in the event of a suspension or revocation, allowing a court to consider a licensee's prior history of fines and citations.

***'Immunity Question**-The House Liquor Control Committee failed to take action on **Senate Bill 661**, a measure that would prohibit an **ICE** agent from invoking the Fifth Amendment if he or she is granted immunity. An agent taking the "Fifth" would be subject to suspension and the LCB would be required to investigate whether the agent engaged in illegal conduct in the performance of his duties. This bill passed the Senate June 29, 1983.

***'Bill Aims at Scofflaws--Senate Bill 608** would deny a person a liquor license if the applicant has not paid his state taxes or agreed to a deferred payment plan. This bill would apply to one seeking a license for the first time or to a person attempting to renew a license or secure one through transfer. It was passed by the Senate June 28, 1983. No House action was taken.

***Fine Hike Proposed**-Legislation passed by the Senate on June 20, 1983, would increase the maximum fine imposed on liquor licensees and beer distributorships for violations of the Liquor Code. **Senate Bill 611** would boost the maximum fine from \$1,000 to \$5,000. The House Liquor Control Committee did not act on the measure.

***Liquor Code Wording Change-Senate Bill 306** would remove sexually biased terms from the liquor Code. Specifically, it would eliminate reference to the word "female" in a section of the code that prohibits the employment of persons for the purpose of enticing customers or encouraging them to drink.

The word "person" would be substituted for "female". This bill cleared the Senate June 21, 1983. It was not considered by the House.

***Opening LCB Meetings-Senate Bill 660** would require the Liquor Control Board to permit meetings of the board to be televised or recorded. The LCB presently bans cameras and recording devices from its public meetings. Passed by the Senate on May 25, 1983, the bill died in the House Liquor Control Committee.

***Inspection of Bars, Clubs**-The House did not act on **Senate Bill 707**, legislation that would authorize certain law enforcement officers to inspect a licensed premise. The bill passed the senate Dec. 14, 1983. Sponsors say it was aimed primarily at clubs which permit or overlook illegal activities.

***Special Sales-Senate Bill 281**, would have ended the LCB's uniform pricing system. It would give the board the right to adjust prices anywhere in the state. Price adjustments are viewed as helping the LCB 'move' certain products which, though popular in one part of the state, are not in demand elsewhere. The bill passed the Senate Oct. 25, 1983 but died in the House.

Banking and Insurance

*****New Automobile Insurance**-It took two bills to do the trick, but the General Assembly moved quickly at the beginning of 1984 to repeal the controversial "no fault" auto insurance law and replace it with the Motor Vehicle Financial Responsibility Act.

First, the senate and House passed **Senate Bill 942** (which became **Act 11** on Feb. 12) and completed the package by sending a "trailer" bill-**Senate Bill 300**-to the governor for his signature. **SB 300** also was signed on Feb. 12, becoming **Act 12** of 1984.

SB 300 supposedly corrected weak points that were detected in the first measure (**SB 942**).

No-fault's successor legislation went into effect Oct. 1, 1984, offering what proponents say is "more affordable" insurance through "freedom of choice" features. By year's end, however, automobile owners were complaining that insurance premium costs were increasing rather than dropping as proponents of the new program had predicted.

SB 942 first cleared the Senate as a no-fault repealer measure but became the vehicle for a new insurance plan in the House of Representatives. The amended bill cleared the Senate in January but was not signed into law until the legislature hurriedly pushed ahead with **SB 300**. A conference committee report, the measure boosted to \$10,000 (from \$5,000) the minimum coverage motorists would have to buy for their own medical bills and also added a \$5,000 income loss benefit and a \$1,500 funeral benefit.

The Motor Vehicle Financial Responsibility Act scraps the \$750 "threshold" provision of no-fault, probably the most controversial area of the previous law. The new law will permit unrestricted lawsuits whereas, under no-fault, medical bills had to exceed \$750 before court action could be initiated in the wake of an auto accident.

Under the "freedom of choice" provision of the new insurance law, automobile owners will be responsible for medical bills ranging between \$10,000 (the minimum they are required to provide) and the \$100,000 level at which time another feature of -the Catastrophic Loss Trust Fund-will be triggered. The "trust" is to be funded by a

\$5 fee collected for each insured vehicle.

The law also requires other minimum coverage's: \$15,000 bodily injury liability per person and \$30,000 per accident, and \$5,000 for property damage.

One other provision of the law "excuses" an automobile owner from purchasing insurance--if he or she can meet "financial responsibility" standards by being able to pay for at least \$35,000 in damages.

*****Refusal of Services**-Complaints that property or services were being denied to a party because he or she did not possess a credit card stirred legislation that makes such an action illegal. **House Bill 1551** provides that violators can be fined up to \$100, or three times actual damages. Supporters of the legislation said an example of the "refusal of services" was denying a customer a rental automobile if the customer did not have "reasonable security", such as a credit card. **HB 1551** cleared the House on May 15, 1984, and was passed by the Senate on June 29. The governor signed the bill into law as **Act 132** on July 6, 1984.

*****Life Care Protection**-In the past, Pennsylvania has not monitored or regulated continuing care (or life care) facilities in the commonwealth. These are institutions to which older citizens make sizeable payments in exchange for a place to live and where their health, hospital and nursing care needs can be met.

Legislation designed to protect a senior citizen's investment and assure the financial stability of the life care facility itself has emerged as the Continuing Care Provider and Disclosure Act, having been signed into law June 18, 1984, as **Act 82**. The bill establishing the law (**Senate Bill 455**) cleared the Senate July 11, 1983, and was passed by the House May 15, 1984.

SB 455 regulates persons or businesses contracting with senior citizens for long term care. Features of the law include:

- The state Insurance Department is responsible for monitoring the facilities and regulating certain financial practices;
- Current residents and new applicants must be given a financial disclosure statement of the life care facility at the time of, or prior to, entering into a contract;
- All life care facilities will be required to maintain adequate reserves equal to 12 months of debt service or 10 percent of annual operating expenses.

Approximately 50 life care homes are operating in the state today. The institutions will pay fees to offset regulation costs.

*** **'Fraternal' Bill Signed**-Some of the restrictions on the state's fraternal benefit societies have been eased by the signing of **Senate Bill 788**, now Act 5, on Feb. 9, 1984. One provision of this legislation authorizes societies to purchase land to operate camps or recreational areas for members. The bill limits the purchase cost to 5 percent of the organization's admitted assets.

SB 788 also lifts a provision restricting fraternal group meetings to certain locations. Previously, a fraternal governing body could meet only in a state where it had at least five branches. Now, these groups can meet anywhere on the North American continent. Additionally, fraternal societies may defer loans on insurance certificates for up to six months (previous deferral period was 60 days).

*****Banking Law Changed**-Legislation signed into law on July 6, 1984, gives banks chartered by the state essentially the same broad powers enjoyed since 1982 by federally chartered banks.

Senate Bills 1304 and **1305** became **Acts 128** and **129** when signed by the governor.

SB 1304 loosens restrictions on state banks in a number of ways. For example, it authorizes them to increase from 10 percent to 15 percent of capital the limit on how much money can be loaned to a customer

without collateral. It also removes limits on the amount of real estate loans a state bank can carry and authorizes a bank to increase the amount of money it can lend an officer to \$100,000 (previous limit: \$10,000).

The second bill of the package (**SB 1304**) authorizes the Banking Department to examine banks once every two years, rather than annually. This change was sought by the department, which suggested it could spend more time with "problem" institutions and less on banks considered to be in good financial condition. The bill also exempts Banking Department employees holding clerical and non-policy making positions from certain borrowing restrictions.

*****'Campaign' Oversight Tightened**--Life insurance companies aiming promotional campaigns at persons 50 and over will come under tighter scrutiny of the commonwealth under provisions of **Senate Bill 784**. The measure became **Act 124** when signed into law on July 6, 1984. **SB 784** amends the Unfair Insurance Practices Act and focuses on "unfair or deceptive acts or practices". Essentially, the bill requires an insurance company doing business in Pennsylvania and offering permanent life insurance to persons 50 and over to disclose in an advertisement or announcement the amount payable under the policy and the period of time the policy covers.

*****Credit Union Bill**--**House Bill 1939** became **Act 133** after being signed into law July 6, 1984. The measure permits credit unions to be insured by private share insurance companies.

*****CU Act Amendment**--Senate concurrence in House amendments set the stage for **Senate Bill 1085** to be signed into law on Oct. 12, 1984, as **Act 183**.

This bill was passed by the Senate March 27, 1984, and amended in the House prior to passage on June 26. Senate concurrence in House amendments came on Oct. 2. The measure amends the Credit Union Act to permit state-chartered credit unions to operate more like full-service financial institutions. Credit unions will be able to make loans to members jointly with other credit unions and banks provided they retain at least 10 percent of the loan balance. The bill also requires members of a credit union board of directors to be members of the organization.

*****Central Credit Union**--Creation of a Central Credit Union is provided for in **Senate Bill 1084**, signed into law July 6, 1984, as **Act 126**. A Central Credit Union would be created when 15 or more credit unions chartered by the federal government or state agree to purchase shares in the new organization.

The new unit may accumulate or invest money, borrow funds and perform any other financial services approved by the Banking Department.

****Outpatient Treatment**--An insurance company would have been required to reimburse policyholders for outpatient cancer chemotherapy treatment and hormone treatment if **Senate Bill 1093** had become law. The measure passed the Senate June 26, 1984, and was amended and passed by the House on Nov. 28. The Senate took no action on the amended measure prior to adjournment.

*****Higher Interest Rates**--Legislation permitting state-chartered savings and loan associations to continue offering higher rates of interest was signed into law as **Act 13** on June 15, 1983. **House Bill 575** is an amendment to the Pennsylvania Savings Association Insurance Corporation Act. Without amendatory action, the 72 state-chartered S&L's would have had to reduce earnings paid to depositors as of July 11, 1983.

***Cost-Sharing Proposal**--**Senate Bill 218** would permit two or more municipalities served by the same volunteer fire company to share the cost of workmen's compensation insurance, with the cost pro-rated according to population. This bill passed the Senate June 13, 1983. The House did not consider it prior to adjournment.

*****Adjusters Licenses**--**House Bill 379**, a conference committee report, became **Act 72** when signed by the governor Dec. 20, 1983. The bill strengthens the licensing and regulation of public adjusters and public adjuster solicitors. An adjuster is one who represents an insured in his claim for loss or damages; the adjuster solicitor is an individual or corporation assisting an adjuster in securing a contract.

HB 379 provides for adjusters to be licensed and bonded, prohibits an adjuster or solicitor from contacting a client within 24 hours of a fire or other catastrophe and also prohibits them from acting in behalf of claims for personal injury or automobile property damage.

*****Boost for Credit Unions-Senate Bill 1085**, signed into law as **Act 183** of 1984, permits state-chartered credit unions to function more like full service financial institutions.

A House amendment to the measure permits public funds to be invested in credit union share certificates and share draft accounts. The Senate concurred in the House-amended bill on Oct. 2 and the measure was signed by the governor Oct. 12.

***Penalty Provided for Fraud**-Legislation (**Senate Bill 1464**) that passed the Senate by unanimous vote provides for a person who intentionally defrauds an insurance company to be charged with a third degree felony. Conviction could bring a fine of up to \$15,000 and/or a prison term of up to seven years.

The bill, which died in the House Insurance Committee, also authorized an insurance company to take action to recover damages, plus expenses.

****Premium Firms Regulated- Senate Bill 901**, awaiting the governor's signature, will regulate the operation of premium finance companies in the commonwealth. It also will require them to be licensed. This bill cleared the Senate June 11, 1984, and was passed by the House, with amendments, on Oct. 2.

Premium finance companies are those involved in financing large insurance premiums. Under **SB 901**, they will be required to pay an annual fee of \$200 and also post a bond in order to do business in the state. Unlicensed firms would be charged with a misdemeanor of the third class. A firm violating provisions of the bill could lose its license and be fined \$1,000 for each violation.

*****Insurance Law Amended-Senate Bill 814** represents legislation intended to bring the commonwealths' group life insurance program into conformity with federal law. It was signed into law Dec. 12, 1984, as **Act 192**.

SB 814, which creates the State Employees Group Life Insurance Act, provides that only permanent state workers are eligible for insurance coverage. The measure further provides that employees will have their insurance reduced by one-half upon reaching the age of 70, although coverage will continue for those who become permanently and totally disabled.

Transportation

C*Expanded Turnpike System-An expanded toll road system for Pennsylvania is on the back burner--but, proponents of the plan say, just for the time being.

Legislation that took many months to develop went down the drain just before the General Assembly adjourned sine die when the Republican-controlled Senate rejected a conference committee report that had received overwhelming approval in the House.

A 23-26 vote along party lines killed the proposed \$4.2 billion program.

Republicans contended the bill (**Senate Bill 850**) would have been vetoed by the governor because it failed to contain language expanding the Turnpike Commission to nine members, effectively giving the governor control of the Panel.

Undeterred, Democrats in the Senate and House have vowed to review the expansion plan after the legislature convenes in January, 1985. Democrats condemned both the governor and Senate Republicans for scuttling the program which they say would have given the state a hefty economic shot in the arm by creating

thousands of construction and permanent jobs.

And, commented one Democrat, Senate rejection of the conference report "wasted" a half-million dollars spent by the Governor's Toll Road Task Force to study the toll road concept.

The \$4.2 billion turnpike expansion plan was incorporated in separate Senate and House bills. **Senate Bill 1326** proposed that Interstate 80 and parts of Interstate 70 be incorporated into the toll road system. When the House considered the Senate measure in mid-year, it amended the bill to keep the interstates toll free. The bill was referred to a conference committee when the Senate non-concurred in the House amendment.

As the two-year session was drawing to a close, the conference committee was deadlocked over the issue of restructuring the Turnpike Commission. When the Republican chairman refused to reconvene the panel, five members met in Pittsburgh and reported out a bill that ignored the governor's demand for a nine-member commission.

The legislation was amended into a previously-passed Senate bill (**SB 850**) and passed the House (187-13) on Nov. 27, 1984. Two days later, the Senate, in a procedural vote, refused to consider it.

The turnpike plan, had it been implemented, would have completed several "missing links" in the commonwealth's highway network, notably the Beaver Valley Expressway, the Greensburg Bypass and the MonValley Expressway. In addition, the plan called for widening the turnpike to six lanes north of Philadelphia, constructing an interchange on the Northeast Extension and eliminating the Lehigh Tunnel bottleneck.

Democrats in the Senate and House already are laying the groundwork to reintroduce new toll road bills at the outset of the 1985-86 session.

*****Auto Emissions Inspection**-A federal judge's order freezing highway funds for Pennsylvania forced an automobile emissions inspection program onto motorists living in the Philadelphia, Pittsburgh and Allentown metropolitan areas.

The program, which went into effect June 1, 1984, evolved in the form of **Senate Bill 1**, a measure that was signed into law May 4, 1983, as **Act 3**.

Pressure to approve the program began building in 1982 when the federal judge ruled Pennsylvania was not complying with a 1978 consent decree with the Environmental Protection Agency. He ordered federal highway funds frozen to force the state into compliance.

The fund freeze prompted the legislature to act on the inspection program and as of mid-1984, the commonwealth expressed confidence it would be able to comply with the judge's order to have 3,000 inspection stations certified by Aug. 1.

An estimated 3.1 million motorists are affected by **Senate Bill 1**. Under a compromise reached in conference committee, affected car owners having household incomes of less than \$9,000 will receive a \$19 credit for two years on their \$24 car registration fee.

The bill limits maximum repair costs to \$50 for all 1974 and later model cars and \$25 for older autos. If costs exceed these limits, owners will only be required to have "low emission tune ups" for their vehicles. There is a \$5 maximum charge for the emissions inspection.

*****Bigger Trucks Cleared**-Twin trailer trucks now are commonplace on Pennsylvania highways since the General Assembly passed House Bill legislation bringing the commonwealth into compliance with federal law. Until 1983, Pennsylvania and 11 other states had prohibited the "double bottoms", a ban nullified by passage of the Federal Surface Transportation Act.

With the longer trucks came wider trucks-six inches wider than previously permitted by state law. **HB 5**, signed into law July 7, 1983, as **Act 19**, also extended the length of automobile carriers from 60 to 65 feet.

HB 5 was a conference committee report that also included language directing that special markers be attached to trucks for which the state's \$36 axle tax has been paid. This tax was imposed in 1982 to finance a \$1 billion bridge repair and replacement program.

*****Vehicle Code Amended**-A series of amendments to the state's Vehicle Code are included in **Senate Bill 6**, a conference committee report that became **Act 146** when signed by the governor July 10, 1984.

Original provision of the bill remains intact. It provides that a person who leaves the scene of an accident involving an unattended vehicle or property could, upon conviction, be ordered to pay a fine of between \$50 and \$300, or imprisoned for up to 90 days, or both. This offense formerly was punishable by a fine of \$25.

SB 6 also changes the Vehicle Code by:

- Amending the definition of a bus to exclude a vehicle used in a ridesharing arrangement or one that is used solely for a non-commercial purpose;
- Extending from April 1 to April 15 the period during which studded tires maybe used.
- Authorizing special registration plates for certain vehicle dealers, such as those selling small trailers or motorcycles;
- Permitting urban mass transit systems to equip buses that are used to transport school children with flashing red and amber lights;
- Prohibiting the installation of sun screening devices which prevent a person from viewing the inside of a vehicle (hearses and ambulances and vehicles so equipped by the manufacturer are excluded);
- Reducing from 10 days to five days the period during which a newly purchased vehicle can be operated without a current inspection certificate;
- Excluding a pedacycle from the definition of a "motor-driven cycle", exempting the vehicle from inspection, helmet and eye shield requirements;
- Exempting trucks and combinations up to 17,000 pounds from paying a penalty of twice the registration fee if the vehicle is operated without a registration tag.

C All-Terrain Registration and Seat Belts - House Bill 1921, which would have required the use of seat belts by Pennsylvania motorists with learners' permits or junior licenses, died when the House rejected a conference committee report on Nov. 21, 1984.

Originally the measure dealt only with the registration and regulation of all-terrain vehicles(ATVs). It was amended on the Senate floor to include the seat belt usage requirement for teenage motor vehicle operators.

The bill was referred to the conference committee after the Senate insisted on its amendments.

*****Rail Freight Act**-The Rail Freight Preservation and Improvement Act authorizes the Department of Transportation to preserve and improve rail freight services and empowers the agency to provide grants to public and private rail freight firms for operating subsidies, capital projects and maintenance.

The bill creating the act-**House Bill 865**-was signed into law July 5, 1984, as **Act 119**. Its language is similar to **Senate Bill 1245** which was passed by the Senate June 5, 1984. **HB 865** creates an 11-member Rail Freight Policy Committee and authorizes PennDOT to acquire and sell railroad properties.

*****Public Transit Aid-Senate Bill 666** (signed July 28, 1983, as **Act 38**) provides \$68.2 million for mass transit capital improvements. Southeastern Pennsylvania Transportation Authority and Port Authority of Allegheny County each received \$28million, with the remaining money going to 19 other public transit agencies.

SB 666 also appropriated \$4.6 million to the Game Commission for land acquisition and \$38.8 million for highway and bridge improvements. In its original form, this bill had appropriated money only for the Game Commission.

It was in the House that it became the financing vehicle for mass transit aid and highway bridge improvements.

*****Vegetation Control**-Senate concurrence in House amendments paved the way for **Senate Bill 603** to be signed into law before the end of 1983. The measure became **Act 79** on Dec. 20. It authorizes the owner of an outdoor advertising sign on an interstate or federal primary aid highway to remove brush or other vegetation obstructing the sign. A clearing permit costing \$90 and must be obtained by the sign's owner. Provisions of the bill do not apply to the Pennsylvania Turnpike or to any roads operated or under the control of the Turnpike Commission.

*****More Transit Funding**-The state's financially troubled mass transit systems received a helping hand from the legislature in the form of **Senate Bill 1200**, legislation that became **Act 49** on May 1, 1984.

Lion's share of the additional funding went to the Southeastern Pennsylvania Transit Authority which received \$23million, money SEPTA leaders said was needed to keep the system running. Another \$2 million was allocated to the Port Authority of Allegheny County while additional grants totaling \$2.3 million are earmarked for other transit systems.

SB 1200 also contains language to increase reimbursements to mass transit agencies for services to senior citizens. The state had been reimbursing agencies for up to 75 percent of the cost of free rides for senior citizens during non-peak hours. The bill increases the payout (from the Lottery Fund) to 100 percent at an added annual cost of some \$20 million.

*****Rail Commission Gets Aid - House Bill 1832 (Act 3A** of May1, 1984), provides for an additional \$1.6 million in funding for the High Speed Intercity Rail Passenger Commission.

*****Abandoned Vehicles-House Bill 946** amends the Vehicle Code, adding language that "identifies" an abandoned vehicle. The measure, which became **Act 33** on April 3, 1984, provides that a vehicle is considered abandoned if it is inoperable and left unattended on a highway or public property for more than 48 hours. A vehicle also is considered abandoned if it is left unattended for more than 48 hours and does not have a valid registration plate, inspection certificate and an ascertainable vehicle identification number. There is language in the bill that permits an owner to request a hearing upon being advised that the vehicle will be removed.

*****Child Safety Seats-Senate Bill 21** requires children to be restrained in safety seats while traveling in a motor vehicles. This measure became law (**Act 53**) when signed by the governor Nov. 1, 1985. There is a provision in the bill, effective Jan. 1, 1985, that provides for a maximum fine of \$25 for parents or guardians who transport a child under four years of age without having the child in a restraint device.

Fines paid by violators will be deposited in a special state fund and will be used to purchase safety seats that will be made available statewide on a loaner basis. The bill makes provision for a charge to be dismissed if a defendant proves that he or she has purchased or rented a safety seat after the violation has occurred.

*****Suspension Period Hiked**-An additional 30 days' license suspension is in store for motorists who fail to stop for a school bus whose red lights are activated. The provision is included in **House Bill 793** which became **Act 30** on March 29, 1984.

The new law doubles the suspension period to 60 days, and retains the five-point assessment penalty. **HB 793** also establishes guidelines for a school bus driver to follow in reporting violations and authorizes use of flashing red lights if a school bus is transporting disabled persons. Motorists are required to stop when these buses are picking up or discharging passengers. Violators can be fined up to \$100.

*****Regulations for Cyclists**-Legislation (**House Bill 1209**) clearing the way for motorcyclists to use headphones or earphones while riding their bikes became law (**Act 31**) on March 29, 1984. The use of this equipment, however, is contingent on the operator complying with state law that requires use of a protective helmet.

This bill also contains language that provides for motorcycles bearing a registration plate indicating that the operator or passenger is a handicapped person or disabled veteran be accorded the same parking privileges available to owners of automobiles.

There also is language in the bill that requires motorcycle owners to pay an additional \$2 fee for an operator's license, annual renewal, learner's permit and replacement license. This money is to be deposited in a special account to help finance motorcycle safety education programs.

*****Natural Gas Conversion-House Bill 128** authorizes the state to convert any of its vehicles so they can be fueled with natural gas. This bill became **Act 129** when signed March 29, 1984.

*****Oil Franchise Tax -Senate Bill 1217** became **Act 148** when signed into law July 10, 1984. This bill authorizes municipalities to use funds they receive from the oil franchise tax in the same manner as liquid fuels tax revenue is used.

****A Work Release Highway Aid-Senate Bill 1217** was signed into law July 10, 1984, as **Act 148**. One provision of the bill establishes a work release program for persons convicted of driving while drunk or under the influence of a controlled substance. Under this program, a person could be sentenced to collect litter from public or private property.

This bill also authorizes maintenance payments for highways transferred by the state to local municipalities.

V Oil Divorcement- Senate Bill 11 which would have made it mandatory for school buses to stop at all railroad crossings became the vehicle for what became known as the 'Oil Divorcement' bill.

Although the rail crossing provision remained in the measure, the controversial nature of "oil divorcement"-limiting expansion of oil companies in the retail gasoline business-sent the measure to a conference committee whose report was adopted in October, 1984, by the senate and House. However, the measure was vetoed by the governor on Oct. 12.

One of the aims of the **SB 11** conference report was to "arm" the owner of an independent gasoline station with the right to sue an oil company for price discrimination if a company-owned station was selling fuel at retail below what the company was offering the independent dealer at wholesale.

Independents supporting this legislation had argued that oil companies were overcharging them in order to force them out of business.

In his veto message, the governor claimed the legislation would lead to increased gasoline costs for consumers.

***Immunity Limitation-Senate Bill 1380** was not considered by the House Transportation Committee prior to the end of the two-year legislative session.

The bill would have limited immunity granted physicians, nurses, hospitals or other qualified parties who take blood or urine samples from one suspected of drunk driving or driving while under the influence of a controlled substance.

***New Board Proposed-Senate Bill 1387** would have created a State Transportation Board to replace the State Transportation Commission and the State Transportation Advisory Committee. The panel's main function would have been to plan and coordinate long-range transportation options. The measure died in the House Transportation Committee.

***License Seizure-Senate Bill 1293** was a legislative move designed to speed the "surrender" of an operator's license if the license was suspended. Motorists notified of a suspension are required by law to surrender the license. In too many cases, say PennDOT officials, the motorist is "slow" in returning it or doesn't return it at all.

PennDOT does have the authority to delegate any employee, or a police officer, to seize a suspended license or registration plate. **SB 1293** added language to two sections of the Consolidated Statutes that would

specifically grant PennDOT authority to request the State Police or local police departments to assist with license "pickups".

The measure was not considered by the House Transportation Committee.

*****Aviation Loan Program**-Legislation (**Senate Bill 785**) amending Title 74 (Transportation) of the Consolidated Statutes was signed into law Oct. 10, 1984, as **Act 164**. The bill originally contained legislation providing for certain parking fines to be paid to an airport authority if the municipality in which the violation occurred did not have a police force. This language was deleted from the bill which then became the vehicle for the Title 74 amendments. Among other things, the amended measure establishes an aviation development loan program-to be financed with a bond issue.

***Personalized Plates**-Legislation (**Senate Bill 1291**) which would have provided for more personalized license plates passed the Senate in September but was not considered by the House prior to adjournment. This bill would have permitted active members of an ambulance corps or rescue squad, or a paramedic to purchase a special red and white license plate.

*****Capital Budget Bills - Senate Bills 1630 and 1631**, signed into law as **Act 160 and Act 161**, respectively, on Oct. 10, 1984, authorize the state to spend more than \$300million on highway and bridge projects. Approximately \$237million is provided for highway improvements and another \$96million is added to a program initiated in 1982 after the legislature approved an axle tax on trucks to finance the rehabilitation and replacement of bridges.

*****New Bridge Okayed -Senate Bill 1046**, which became **Act 206** on Dec. 18, 1984, provides for construction of a new bridge across the Delaware River in the vicinity of Easton, Pa., and Philipsburg, N. J. When completed, the span will be operated and maintained by the Delaware River Joint Toll Bridge Commission.

*****Police Jurisdiction-House Bill 2244** was signed into law Dec. 18, 1984, as **Act 215**. The measure amends the Delaware River Port Authority Act to permit officers employed by the agency to issue citations for violations committed within the authority's jurisdiction.

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