

LEG REG REVIEW

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LEG REG REVIEW is a periodic newsletter produced by PHILLIPS ASSOCIATES, a professional lobbying and consultant firm located near the State Capitol. It contains news on Pennsylvania legislation and regulations impacting the Insurance and Business Communities. Subscriptions are \$100 per year and further information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 FAX 717/232-7005 or e-mail at xenobun@aol.com. Please email jtrout2792@aol.com supplying both your name and e-mail address if you wish to be removed from or added to this list. Whether you need help meeting your CE or have a particular problem/question, please go to our web site to explore how PHILLIPS ASSOCIATES may be of service to you, your employees, and your clients. www.vphillipsassoc.com

WORKER'S COMP BILLS MOVE THROUGH COMMITTEES

Worker's Compensation bills have advanced in both House and Senate. **Senate Bill 936** (White-R-Indiana) was approved by the House Labor & Industry Committee January 23. The vote was 15-11, a party-line vote with Democrats voting no. The second piece of legislation seeks to re-validate a system used to determine the severity of workers' injuries. Known as Impairment Rating Exam, enactment would counter a PA Supreme Court decision (*Protz*) which struck down the existing statute and resulted in a 6.06% increase in rates. **Senate Bill 963** (Ward-R-Westmoreland) was approved by the Senate Labor & Industry Committee by an 8-4 vote with Democrats voting no.

UPCOMING MEETINGS

- **Senate Bill 1031** (Laughlin-R-Erie) is being taken up by the Senate Banking & Insurance Committee January 30. It would require a written estimate of insurance company examination costs being given to the carrier along with an estimated timetable for exam completion. In addition, there would have to be a meeting held before the formal examination starts to explain to the carrier the scope of what is to be examined and discuss alternatives to reduce the cost and time the exam takes. This addresses a standing issue by both property/casualty companies (particularly Mutual Insurance Companies) and health insurers.
- Also on January 30, the Senate Banking & Insurance Committee will consider **Senate Bill 780** (Vogel-R-Beaver) regulating telemedicine, important to underserved rural areas, and requiring insurer coverage of telemedicine treatment.
- On January 31, the Senate Finance Committee looks at **House Bill 291** (Metzger-R-Somerset/Bedford). This would eliminate imposition of the Inheritance Tax of those 21 or younger. According to an Appropriations Committee fiscal note, lost tax revenue would be \$6.7 million.

SPECIAL ELECTION REPLACES GERGELEY

On January 23, Democrat Austin Davis defeated Republican Fawn Walker-Montgomery 3,200 to 1,129 votes in this traditionally Democratic Allegheny County district. Davis replaces former Rep. Marc Gergeley who resigned after his conviction on violation of PA gambling laws.

TREASURY HEARING CONSIDERS STATE-RUN PRIVATE PENSION SYSTEM

On January 25, the PA Treasury Department concluded the third of four hearings meant to point to the large numbers of businesses without a pension plan for their workers. At the January 25 hearing, Treasurer Joe Torsella stated that the absence of these pensions creates a retirement crisis with financial obligations from the state. He cited results of an Office of the Treasurer-commissioned study that says PA will have to pay out \$14.3 billion in state assistance by 2030 because of inadequate retirement savings. He has suggested that employers would be mandated to have a type of Individual Retirement Account (IRA) for employees where workers would be automatically enrolled. Employees would be able to opt out if they choose to. The last hearing will be February 14.

THE LIST GROWS LONGER

So far, Pennsylvania has seen significant indications of change both for the PA General Assembly and the PA Congressional Delegation due to retirements, forced retirements and seeking other offices. These changes mean new leadership and committee chairs in 2019. In the Congress, Rep. Bill Shuster's departure means that PA will no longer chair the powerful Transportation & Infrastructure Committee.

US CONGRESS

- Rep. Pat Meehan (R-7) retiring/sexual harassment allegation
- Rep. Lou Barletta (R-11) running for U.S. Senate
- Rep. Tim Murphy (R-18) resigned due to personal scandal
- Rep. Bill Shuster (R-9) retiring
- Rep. Charles Dent (R-15) retiring

PA SENATE

- John Eichelberger (R-Blair) running for Congress
- Chuck McIlhinney (R-Bucks) retiring
- Stewart Greenleaf (R- Montgomery) retiring; He has served since 1978.
- Scott Wagner (R-York) running for Governor

They are Chairs of Education, Law & Justice, Judiciary, and Local Government Committees, respectively.

PA HOUSE

- Bob Godshall (R-Montgomery) retiring; served in House since 1982
- Rep. Scott Petri (R-Bucks) took another position; special election May
- Rep. Brandon Neuman (D-Washington) elected to local judgeship; special election May
- Rep. Dan McNeill (D-Lehigh) died; succeeded by his wife Jeanne
- Rep. Marc Gergeley (D-Allegheny) resigned due to conviction; vacancy filled
- Majority Leader Rep. Dave Reed (R-Indiana) running for Congress
- Rep. Katherine Watson (R-Bucks) retiring
- Rep. Eli Evankovich (R-Westm./Allegheny) retiring
- Rep. Kristin Phillips-Hill (R-York) running for PA Senate
- Rep. Ron Marsico (R-Dauphin) retiring
- Rep. John Taylor (R-Phila.) retiring
- Rep. Will Tallman (Adams/Cumberland) retiring

Committee Chairs: Consumer Affairs (Godshall); Children & Youth (Watson); Gaming Oversight (Petri); Judiciary (Marsico); Transportation (Taylor).

UNCERTAIN

- **Speaker of the House Mike Turzai (R-Allegheny)** is running for Governor and has not indicated that he will not run for re-election as well.
- Media speculation re **Finance Committee Chair Rep. Dennis O'Brien (R-Phila.)** retirement.
- **Rep. Tina Davis (D-Bucks)** is running for the nomination to oppose incumbent Senator 'Tommy' Tomlinson (R-Bucks).
- **Rep. Ryan Mackenzie (R-Lehigh)** is running for Congress but has not said whether he will run for re-election as well.
- **Rep. Rick Saccone (R-Washington/Allegheny)** is running to fill the rest of former U.S. Rep. Tim Murphy's term in a special election. If he wins, he will resign his House seat.

POLITICS: With all these vacancies, there will be significant change as mentioned before. That does not include incumbents facing primary challenges. If you are considering running or will be campaigning, dates to remember now are that the period to circulate nominating petitions is February 13 - March 6.

<http://www.dos.pa.gov/VotingElections/CandidatesCommittees/RunningforOffice/Documents/2018%20important%20dates.pdf>