

## **LEG REG REVIEW 2006, Fourth Issue**

LEG REG REVIEW is a periodic newsletter produced by PHILLIPS ASSOCIATES, a professional lobbying and consultant firm based near the State Capitol. It contains news on the Legislative and Regulatory scene in Pennsylvania that may be of use to insurance producers, companies, and interested parties. It is a free Member Service if you belong to the Pennsylvania Association of Health Underwriters (PAHU) or the PA Surplus Lines Association (PSLA). Subscription information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217, Fax 717/728-1164 or E-mail to [xenobun@aol.com](mailto:xenobun@aol.com). Please email [jtrout2792@aol.com](mailto:jtrout2792@aol.com) supplying both your fax number and your desired email address to convert your receipt of this publication to email. If you do not wish to receive it, please let us know.

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### **SENATOR THOMPSON DIES**

Robert Thompson, Republican Senator from Chester County, passed away over the weekend at 68 years of age. He chaired the Senate Appropriations Committee. NOTE: He was a man of integrity and humility and a person who knew the value of appreciating solid staff work. He will be greatly missed. My sympathy to the family. *Vince Phillips*

### **HOUSE HEARING FOCUSES ON ASSOCIATION PLANS**

The House Insurance Committee convened a hearing January 26 to consider House Bill 2331 (Zug-R-Lebanon) governing experience rating for association group health plans. Testifying for the bill were the PA Farm Bureau and NFIB. Raising concerns were Highmark, Blue Cross of North East PA, Insurance Federation, and the PA Chamber of Commerce and Industry. Highmark's written statement expressed concern that experience rating these groups would fragment the insurance risk pool and create an even more chaotic rating structure for small business than exists now.

### **PAHU CONVENES UNIVERSAL HEALTH CARE BRIEFING**

The Pennsylvania Association of Health Underwriters (PAHU) convened its annual Staff Briefing in Harrisburg last week, focusing on other states' experiences in attempting to establish a system of universal health care. Jessica Waltman, NAHU's Legislative Director of Research, presented information on three different approaches taken in Tennessee, Maine, and California. TennCare was the result of Clinton Era reform efforts and now poses a serious strain on state resources even with eligibility cutbacks. Maine's experience resulted in pricing above the private sector. California's attempt to force employers to provide health insurance never went into effect because of a voter referendum last fall. It was a law passed during the waning days of former Governor Gray's Administration. This issue has special context because of the Rendell Administration's receipt of an HHS grant to study the feasibility of a universal coverage plan in PA. PAHU will make this issue a central focus of its February 15 Day on the Hill.

### **PRIVACY BILL ADVANCES THROUGH COMMITTEE**

Rep. McGeehan's (D-Phila.) House Bill 1918 was moved by the House Commerce Committee January 25. This bill targets custody of records held by the Commonwealth. The Department of State would be prohibited from sharing Social Security numbers and would have to delete them from the record before release. McGeehan acknowledged that the Department of State is already developing internal procedures to do that but feared that adherence to that policy could change in a subsequent Administration. HB 1918 is part of a package of bills introduced by the Representative on privacy protections.

## **HOUSE TRANSPORTATION HEARING FOCUSES ON TEEN SAFETY**

Last week, the House Transportation Committee held a hearing on teen driving safety. Despite near universal agreement that the state's Graduated Driver Licensing Law has saved lives, most witnesses concluded that more needs to be done principally because young drivers are easily distracted. Some suggestions were to prohibit teen drivers from having any passengers except for a family member for the first six months after getting driving privileges, prohibiting in-car cell phone use and requiring the use of seat belts at all times.

The PA Association for Safety Education (PASE) said that requiring mandatory Driver Education would complement the 50 hours of parent/guardian driving experience in present law to make young drivers better trained. PASE advocated increasing reimbursements to school districts with Driver Education up from \$35.00, an amount unchanged since 1954. Some other groups testifying on teen driver safety were AAA, PennDOT, state and local law enforcement and parents of teens killed in traffic accidents.

## **DEMOCRATS PRESENT ANOTHER PROPERTY TAX PLAN**

Given the chilly reaction in the Senate to House-passed property tax legislation (and by the fact that SB 854 was repeatedly attacked during two January hearings of the Senate Committee on Legislation), House Democratic leaders unveiled another plan designed to address differences in force a compromise. The Democrats' plan would increase the sales tax rate. The Senate reaction was moderate interest but with a caveat that school districts should still only be able to raise taxes by local referendum.

## **COMING UP...**

- Legislative consideration of joint and several liability reform ("comparative negligence")
- Lobbying disclosure legislation according to some media reports
- On January 31, the House Labor Relations Committee will hold a voting meeting to consider a number of bills:
  - HB 567 (Birmelin-R-Wayne) to create a freestanding act known as the 'Administration of Employee Records Act'
  - HB 1905 (DiGirolamo-R-Bucks) adding community response teams as covered under the Workers Compensation Act
  - HB 2192 (George-D-Clearfield) providing for an Uninsured Employers Guaranty Fund (WC)

## **THIS AND THAT**

- Additional retirements by legislators include:
  - Senator Joe Conti (R-Bucks)
  - Rep. Gaynor Cawley (D-Lackawanna)
  - Sen. Noah Wenger (R-Lancaster)
- In last week's Leg-Reg Review, an incomplete web address was given for the American Association for Long-Term Care Insurance in an article about a national study. The correct address is [www.aaltci.org](http://www.aaltci.org).
- National Flood Insurance Program (NFIP) is reported to have introduced an agents-only section within its web site. Details: [www.FloodSmart.gov](http://www.FloodSmart.gov).