

LEG REG REVIEW 2007, Second 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 business parties. It is a free Member Service if you belong to the Pennsylvania Association of Health Underwriters. Subscription information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 FAX 717/728-1164 or e-mail xenobun@aol.com. Please email jtrout2792@aol.com supplying both your e-mail and fax numbers in order to convert this publication to e-mail. If you wish to no longer receive it, please tell us.

PA LEGISLATIVE SESSION BEGINS

On January 2, the 2007-2008 legislative session of the PA General Assembly began with receptions, fanfare, and swearing-ins. In the Senate, the occasion was marked with decorum and predictability given the Republicans' 29-21 advantage. President Pro Tempore is Senator Joe Scarnati (R-Warren). Majority Leader is Sen. Dominic Pileggi (R-Chester). Bob Mellow (D-Lackawanna) continues as Senate Democratic leader.

The House session was anything but tidy given the surprise vote for Rep. Dennis O'Brien (R-Phila.) to succeed fellow Philadelphian John Perzel. Following a weekend announcement by veteran Democratic lawmaker Tom Caltagirone (Berks) that he would vote for John Perzel as Speaker, Democratic leader Bill DeWeese (Greene) nominated O'Brien, thinking to pry some GOP votes away from Perzel.

There were two other nominations for Speaker, Rep. Tom Tangretti (D-Westmoreland) and Rep. Mike Sturla (D-Lancaster), both made by Republicans. These nominations were declined, keeping the field to Perzel v. O'Brien.

After parliamentary maneuvering and two votes to successfully overrule rulings from the Chair re whether Perzel could second his own nomination with remarks, DeWeese was able to get a clear shot at the vote. Final vote was 105-97 in favor of O'Brien. Caltagirone held true to his word by voting for Perzel. Except for two, the rest of the Democratic caucus held firm for O'Brien. On the GOP side, there were conservative/reform Republicans such as Rep. Sam Rohrer (R-Berks) and Kerry Benninghoff (R-Centre) voting to defeat Perzel. Others were David Steil (R-Bucks), Curt Schroder (R-Chester) and two freshmen Republicans, Jim Cox (Berks) and Brad Roae (Crawford). Rep. O'Brien did not vote.

The session was not without rhetorical flourish:

DeWeese: "We are mired in the smarmy status quo...", Dwight Evans (D-Phila.): "Change needs to happen. We all came here for a purpose. We have to function differently...", Katie True (R-Lancaster): "The present leadership (Perzel) has heard the reform message...we must put destructive negativity aside...", Camille George: "Both candidates are upright and upstanding-let's vote and do the people's business...", Perzel: "You can't stop reform Mr. DeWeese!"

In the aftermath, Perzel promised the new Speaker the assistance of his office in aiding the transition while DeWeese congratulated Perzel on his service as Speaker and on being a worthy foe. Former Speaker of the House Bob O'Donnell presented some remarks to the legislators, enjoining them to "observe civility ...in tumultuous times." The new Speaker said that he was truly honored and that the election was unexpected, something that he had not known about 24 hours prior.

CORRECTION

Leg-Reg Review 2007-1 issue contained an error regarding December's congressional passage of Health Savings Account legislation. The article relied on a press release by the America's Health Insurance Plans (AHIP) trade association, which touted enhancements such as Health Savings Accounts being used for payment of Medigap premiums. (Thanks to Ross Schriftman for noting the error.) For a list of changes made by the Tax Relief and Health Care Act of 2006 (HR 6111), please refer to www.nahu.org.

SENATE PASSES REFORM RULES

The PA Senate has passed new rules designed to implement reforms. Some of these include:

- No sessions after 11:00 p.m.
- Amendments will be posted on the Internet prior to being voted on.
- Roll calls will be posted as soon as possible after a vote, within 24 hours.
- The Senate will wait six hours before voting on an amended bill or on a conference committee report.

The rule changes come in the context of the 2006 elections, seen by many as a backlash against perceived lack of transparency in legislative procedures by both House and Senate. Status of House reforms is unclear given the fracas over the election of Speaker.

MEETINGS

- Inauguration of Governor Rendell and Lt. Governor Catherine Baker Knoll for their second term will take place January 16. Details: www.rendellinaugural.com
- The Patient Safety Authority (Medical Malpractice/MCARE) will meet January 9 in Harrisburg.
- **The Senate schedule for the first half of 2007 is available: January 16,17,22,23,24,29,30,31; February 5,6,7,12,13; March 12,13,14,19,20,21,26,27,28; April 16,17,18,23,24,25,30; May 1,2,7,8,21,22; June 4,5,6,11,12,13,18,19,20,25,26,27,28,29.**
- Governor Rendell's presentation of the FY 2007-08 Budget will take place Tuesday February 6. This will be followed by several weeks of House and Senate Appropriations Committee hearings.
- Legislative meetings have not geared up yet because of the youthfulness of this legislative session. Nonetheless, the House Republican Policy Committee has scheduled a hearing on welfare reform in Harrisburg on January 25.

COME VISIT US.....

PHILLIPS ASSOCIATES would like to wish you a healthy, prosperous, and personally rewarding 2007. 2006 was good for our business and we have outgrown our downtown location. If your schedule permits and you are in the Harrisburg area Friday January 12 3:00-6:00 p.m., please drop in for our Open House. Our new Capitol Hill address (our second office) is 800 North Third Street, Suite 401-B. RSVP to jtrout2792@aol.com.

ATTENTION PSLA MEMBERS: *If you are a member of the PA Surplus Lines Association, you have been receiving Leg-Reg Review as a member benefit. Please be advised that this ceased as of January 1, 2007, unless you have an existing business relationship with PHILLIPS ASSOCIATES. If you have a question or wish to subscribe separately, please contact us at jtrout2792@aol.com. Please also note that Member Services for PSLA may be reached by calling the Stamping Office at 610/594-1340 in Exton, NOT 717/346-1063 in Harrisburg.*