

LEG REG REVIEW 2009, 39th Issue November 30

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 the legislative and regulatory scene in Pennsylvania that may be of interest to the Insurance and Business Communities. It is a free member benefit for those who are members of the Pennsylvania Association of Health Underwriters (PAHU) or Manufacturers Association of South Central PA (MASCPA). Subscription information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 FAX 717/728-1164 or e-mail to xenobun@aol.com. Please email jtrout2792@aol.com supplying both your name and e-mail address if you wish to be removed from this list.

COMMITTEE CHAIRS SHIFTING FOR HOUSE GOP

Committee chairmanships have shifted for PA House Republicans. Former Speaker John Perzel (R-Phila.) was forced to vacate his post as Minority Chairman of the House Urban Affairs Committee because of his indictment. Replacing him is Rep. Chris Ross (R-Chester). Ross, who did chair the Intergovernmental Affairs Committee, is replaced by conservative Rep. Daryl Metcalfe (R-Butler). Still to be decided are the Minority Chairman of Games & Fisheries where Craig Dalley (R- Northhampton) won an election for common pleas judge back home and the House Appropriations Minority Chairmanship held by Rep. Mario Civera (R-Delaware) who won a local race in his home county. On the Democratic side, Rep. Dan Walko's (D-Allegheny) election to common pleas judge will not affect any majority committee chairmanships but it does appear to open up a spot on the House Insurance Committee.

POLL DATA BELIES HEALTH REFORM MANDATE

November polls show a polarized skepticism of the health care reform proposals being considered by Congress according to USA Election polls (usaelectionpolls@gmail.com):

<i>Pollster</i>	<i>Date</i>	<i>Favor</i>	<i>Oppose</i>
FOX	11/17-18	35	51
CBS	11/13-16	40	45
CNN	11/13-15	46	49
AP	11/5-9	39	45
GALLUP	11/5-8	43	48
PEW	10/28-11/8	38	47

Another poll, the Kaiser Family Foundation Health Tracking Poll for November, said that 35% of Americans liked what they heard about proposals being considered, 33% did not like what they heard about the proposals being considered while 26% said that the President and Congress should not take on health care reform right now. The break was 57% Democrats for, 28% against and 10% not wanting it to be addressed now. Republicans were 12% for, 31% against and 53% saying not now. ***Independents, seen as pivotal in the mid-term 2010 elections, had 31% for, 43% against and 24% saying not now.*** The take-away is that almost 2/3 do not want the health reform proposals being considered or at least not right now.

SESSION DAYS

A November 23 memo from Senate Majority Leader Dominic Pileggi (R-Delaware) states that the Senate is not convening this week because the House, in session Dec. 7,8,9, is poised to take up legalization of table games and the remainder of the state's FY 2009-2010 Budget. The Senate will be in session December 15 and 16.

DEPARTMENT PLANS OUTREACH MEETINGS

The PA Insurance Department Office of Public Liaison plans a number of outreach meetings in December to familiarize seniors on services offered by the Department. They are:

Dec. 4	Schuylkill Haven Senior Center	11:00
Dec. 7	Tremont Senior Center	11:00
Dec. 10	Shenandoah Senior Center	10:45
Dec. 10	Mahanoy Senior Center	12:00
Dec. 16	Pottsville Senior Center	11:00
Dec. 17	Mallard Run Apts. Camp Hill	11:00

In addition, one has been scheduled for February 8, 2010 at the Kulpville, PA, Lions Club.

BANKING DEPARTMENT EXTENDS ONE MORTGAGE DEADLINE...but Not Others

For those in the mortgage industry, the PA Department of Banking has extended an important deadline. Originally, the new legislation prompted the Banking Department to issue a requirement for mortgage loan originators to complete both 20 hours of pre-licensing instruction and the licensing tests to comply with both PA and Federal statute. Now, the Department has extended the test deadline until April 30, 2010. The pre-licensing instruction deadline remains December 31. Individuals have four opportunities to take the test. After four tries, the originator must wait six months before trying again and his/her license will be suspended.

Another deadline looms for those businesses with mortgage operations. One person at each licensed location must also complete eight hours of continuing education specific to the mortgage industry by December 31, 2009. *NOTE: There is a great deal of ambiguity concerning these rules. One access point is www.banking.state.pa.us. Another might be your company, for example State Farm, where mortgage services are offered through an insurance agency. Questions to ask: Am I a mortgage loan originator? Who is the "one person" specified for mortgage CE? Is it the mortgage broker, originator, or support staff?*

REGULATORY UPDATE

- The Insurance Department has closed its Pittsburgh regional office. This leaves it with only two regional offices in Harrisburg and Philadelphia. The Erie office had previously been shut down.
- PA Casualty Company, a PA domestic stock casualty insurance company, has filed an application to surrender its Certificate of Authority to do business in PA.
- Notice 2009-11 (November 25, 2009) lists areas where Pennsylvania differs from the NAIC Statements of Statutory Accounting Principles. These dictate the procedures companies use when filing financial documents with the Department but there are a number of areas where PA state law dictates a different practice. It is somewhat technical (for example the premium reserves of surety companies). Please refer to www.pabulletin.com November 28 issue for full list.
- The Department published a new organizational chart in the November 28 PA Bulletin.
- The public comment period on the proposed application from The Armour Insurance Group Limited to acquire PMA Capital Insurance Company will end December 11. Any comments should go to Robert Brackbill, Company Licensing Division, 1326 Strawberry Square, Harrisburg, PA 17120 rbrackbill@state.pa.us.
- Patient Safety Authority will meet December 8. details: 717/346-0469

CE NOTE FOR NORTHEASTERN PENNSYLVANIA. PHILLIPS ASSOCIATES has been asked by brokers to conduct an end-of-year day of CE December 29 in Pittston, assuming there is enough interest. Please contact 717/732-7255 if interested in joining this group.