

# Legislative Update

From the Buchanan Ingersoll & Rooney State Government Relations Group

**Buchanan Ingersoll & Rooney PC**  
Attorneys & Government Relations Professionals

## Inside This Issue

- Schwank Wins Senate Seat 1
- Budget Updates 1
- Introducing... 4
- Harrisburg Happenings 6
- Legislative Actions 8
- Committee Actions 9
- Executive Nominations and Appointments 9
- Political Grapevine 10

The House will be back in session beginning April 4.  
The Senate will be back in session beginning April 5.

## Schwank Wins Senate Seat



Judy Schwank

Former Berks County Commissioner **Judy Schwank**, a Democrat, won the state Senate special election for the 11th Senatorial District over Republican opponent **Larry Medaglia**.

Schwank won the seat by 15 points. The seat became vacant when Democrat Senator Mike O'Pake passed away unexpectedly in December. Schwank will be sworn in when session resumes next week.

## Budget Updates

### H2O PA and Liberty Loan Fund

At a recent budget hearing, Department of Community and Economic Development Acting Secretary Alan Walker indicated that Pennsylvania's H2O PA program is funded at roughly \$182 million. The program will become part of the new Liberty Loan Fund (LLF), a consolidation of the Commonwealth Financing Authority, the Pennsylvania Industrial Development Authority, the Machinery and Equipment Loan Fund, the Pennsylvania Minority Business Development Fund, the Small Business First Fund, and remaining Tobacco Settlement fund investments.

H2O PA, which is currently administered by the Commonwealth Financing Authority, provides for single-year or multi-year grants for flood control projects, high-hazard, unsafe dam projects and water supply, sanitary sewage and storm water projects.

Secretary Walker stated there are 720 applications for H2O program funding and that turnaround time on applications should be relatively quick. The secretary also noted that there are projects that have been awaiting action for the last five months because the Commonwealth Financing Authority meetings have lacked a quorum.

When asked about the LLF and the planned structure of its governing authority, Secretary Walker indicated the department proposes a 15-member board comprised of one member appointed by each legislative caucus, two or three cabinet secretaries and citizens, with the legislature and the administration splitting the citizen appointments. The secretary stated the goal is to have a system with one loan application that offers the flexibility to shift a pool of approximately \$1.9 billion between accounts/programs as needed. The department is working on draft legislation to include creation of an authority and criteria for the LLF.

Budget Updates, *continued on page 2*

## Budget Updates continued

### Local Impact Fee for Marcellus Shale?

Governor Corbett has indicated that he would consider supporting a local impact fee on natural gas drilling. He continues to oppose a state tax on the emerging industry, but stated that he might be able to support a fee that would be paid directly to drilling communities to offset road repairs, additional law enforcement and other expenses related to the booming industry.

The governor has asked his Marcellus Shale Commission to include a calculation of identifiable costs in its report, which is to be presented in July. The Commission held its first meeting on March 25.

In the meantime, Senate President Pro Tempore Joseph Scarnati indicated he wants to pass a comprehensive Marcellus Shale legislative package this spring as part of the budget. The omnibus package is expected to be introduced in the next several weeks.

### Marcellus Shale Water Quality

Natural gas drilling has a much smaller footprint than the legacy of coal and could be part of Pennsylvania's path toward energy independence according to Department of Environmental Protection (DEP) Acting Secretary Mike Krancer. At a recent Senate budget hearing, the acting secretary emphasized the promise of the industry while also addressing questions regarding water quality, water treatment and the department's ability to oversee the industry's development.

The budget has enough funding to hold drillers accountable and provide greater oversight according to Secretary Krancer. The majority of wastewater is being recycled on drilling sites, Secretary Krancer said. In addition, the department's new total dissolved solids (TDS) regulations are designed to treat the high level of salts in wastewater. According to the secretary, the TDS regulations will also help

address the need for new wastewater treatment facilities.

Secretary Krancer stated that staff levels are constantly being reviewed to ensure the department can meet the demand for inspections. He noted that personnel are paid out of permit fees, so as drilling activity increases, there will be additional support for personnel, if needed. To date, the commonwealth has collected \$10 million in permitting fees.

### Alternative Energy

At the Senate budget hearing for the Department of Environmental Protection, Acting Secretary Mike Krancer said the administration will take an interagency approach toward alternative energy. The efforts will be coordinated by Patrick Henderson, the governor's energy executive, and the acting secretary's main focus will be on permitting.

When asked if the state's Alternative Energy Portfolio Standards (AEPS) should be addressed, Secretary Krancer said the governor is satisfied with the current standards. There are questions regarding the state's solar credits as they apply to the AEPS and whether or not supply has outpaced demand. Senator Mary Jo White (R-Venango) noted that the state's AEPS credits are using a lot of out of state generation, but she was unsure how to limit this without violating the Commerce Clause of the United States Constitution.

### Hospitals Make Their Case

Emergency room waits will be longer, small hospitals in rural communities may close and the ability to serve the uninsured population will become more difficult as a result of the budget proposal to cut \$150 million in state funds, according to the Hospital and Healthsystem Association of Pennsylvania (HAP).

The impact of the state cuts on hospitals more than doubles because the proposed cuts will result in an additional loss of \$183 million in federal matching funds.

### Marcellus Shale by the Numbers

**\$10 million**

Revenue of permitting fees

**84**

Number of DEP personnel conducting inspections

**7,000**

Number of inspections scheduled for this year

## Feeling the Impact

### Elimination of Hospital Supplemental Payments \$10 million

Obstetric/neonatal services  
Burn centers  
Trauma centers  
State-related academic medical centers  
Health care clinics  
Physician practice plans

### Elimination of Supplemental Payment Restorations

In-patient/out-patient disproportionate share  
Critical Access Fund  
Medical education

### Reductions to Act 49 Hospital Payments

Rehabilitation payment  
Dependency payment  
Small and Sole Community payment  
Stability payment  
In-patient/out-patient disproportionate share  
Medical education adjustments

*Home-based care has saved 2 million bed days over the last five years.*

Source: Testimony by Acting Department of Aging Secretary Brian Duke.

*"The sooner we end it, the better we will be in the long run,"*

- Michael Consedine, Acting Commissioner, Department of Insurance, on ending the state's medical malpractice insurance program, Mcare.

## Budget Updates continued

"It's a \$333 million hit that will be felt in every hospital in every community," said Brian Kelly, a Buchanan government relations professional who specializes in health care matters. "The medical services Pennsylvanians stands to lose and the jobs that are at risk because of these cuts are needed in every hospital's community."

According to the governor's budget office, hospitals will still receive \$1.2 billion in combined state and federal funds. Approximately \$500 million of that figure is federal matching funds, according to HAP. Because of the \$4 billion budget shortfall, the state can't afford the \$150 million to secure the additional draw.

Last year, hospitals negotiated with former Governor Ed Rendell's administration to institute a 2.95 percent state tax on their revenues (Act 49 of 2010). Money raised by the tax was to help obtain federal matching funds and provide a reliable revenue stream of state and federal Medicaid funds to hospitals. Hospital officials noted that discussions with Governor Corbett during the campaign led them to believe he would continue to draw down the full amount of federal funds. Over the last three years, the state's hospital community has contributed approximately \$246 million in revenue while negotiating a new Medical Assistance payment system that does not rely on new state funding.

"Hospitals are doing their part to help in these difficult times to assure that patients have access to quality care," said HAP President and CEO Carolyn F. Scanlan. "With the elimination of adultBasic and the recession increasing Medicaid enrollment, this is not the time to weaken the health care and hospital safety net through cuts to hospital payments."

## Moving Toward Home-Based Care

Acting Secretary of the Department of Aging Brian Duke said at a recent Senate budget hearing that the current efforts to move institutional care to home-based care is one of the most important initiatives of his department.

He said the move draws to the heart of the mission of the department and that he sees improving care management, using federal matching funds and providing technological assistance as areas that the department will concentrate on. Secretary Duke said he would meet with stakeholders during upcoming regional visits by the department.

## Mcare

When asked about the future of Mcare, Acting Insurance Department Commissioner Michael Consedine said that the department and Governor Tom Corbett agree that over the long term the state should not be in the medical malpractice insurance business. He noted that it is the policy of the administration to continue to "run off" the program and that the administration is putting a process in place that makes sense for the provider community and insurance companies. The commissioner indicated that in the late Spring or early Summer the department will conduct a capacity study and work with stakeholders to determine the next step.

## PHIX

As part of national health care reform, Pennsylvania is required to establish a statewide health insurance exchange. Last fall, the Department of Insurance submitted an application to the U.S. Department of Health and Human Services (HHS) for a \$1 million grant to plan for and establish an exchange, which is required by law to be in place by 2013. With the change of administrations, the state is in the planning process to determine how best to move forward to meet the federal requirement.

At a recent House budget hearing, Acting Department of Insurance Commissioner Michael Consedine noted the proposed budget uses federal money to study model health insurance exchanges. He said that while there remains to be clarity on how national health care policies will move forward as a result of litigation, the department is taking steps to look at potential models and specifically

Budget Updates, *continued on page 4*

## Budget Updates continued

pointed to established models in Massachusetts and Utah. The commissioner said the law requires Pennsylvania to have a health exchange established by 2013 and legislation will be needed by this fall to move the program forward.

## Committee to Make Transportation Funding Recommendations

At a recent Senate budget hearing with PennDOT, it was noted that Governor Corbett is forming a committee to look at the issue of transportation funding. Department of Transportation Acting Secretary Barry Schoch said members of the committee have not been appointed, but that he has submitted a list of names to the governor for consideration. The purpose of the committee is to focus on the financial issue of maintaining and repairing Pennsylvania's transportation systems.

The state currently needs \$3.5 billion annually to meet existing and immediate transportation infrastructure needs, including fixing 5,646 structurally deficient state-owned bridges, and 7,000 miles of state-maintained roads. Secretary Schoch said the intent is to have the committee formed and make its recommendations by June 1, 2011.

## Rail Freight Assistance Will Be Funded

Department of Transportation Acting Secretary Barry Schoch noted that rail freight assistance grants will be funded through the General Fund this fiscal year and that he will work with the chairs of the House and Senate Transportation Committees before the money is distributed. Rail freight dollars have been instrumental in the development of short-line railroads in areas of the state where the Marcellus Shale industry is developing.

## Introducing...

The Pennsylvania General Assembly convened for its 2011-2012 session on January 4, 2011, welcoming one of the largest freshmen classes in recent history. The following is the third in a

series of articles designed to introduce Buchanan's clients and friends to the Legislature's newest members in both the House of Representatives and the Senate.

## John Yudichak (D) 14th Senate District (Monroe)



Senator John Yudichak

John Yudichak, 40, replaces former Senator Raphael J. Musto (D) who retired. Prior to running for the Senate, Yudichak was a member of the House, having first been elected in 1998. He is a

graduate of Greater Nanticoke Area High School, Wyoming Seminary Preparatory School and Pennsylvania State University with a bachelor's degree in English and a master's degree in American studies.

Yudichak is active in numerous civic organizations, including The Luzerne Foundation, the Advisory Board of Penn State Wilkes-Barre, Newport Township Lions Club, Plymouth Township Recreation Association and Sons of the American Legion, Larksville Post. He is the founder of the Yudichak Family Lighthouse Fund of the Luzerne Foundation, a charitable fund benefiting local public libraries and youth programs. The fund has distributed nearly \$10,000 annually to programs benefiting the residents of Luzerne County.

Introducing, continued on page 5

## Committee Meeting Calendar

**Editor's Note:** For the most up-to-date listing of the standing committee meeting schedule, please contact Buchanan Ingersoll & Rooney's State Government Relations Center at 717 237 4800 or log on to <http://www.legis.state.pa.us/cfdocs/legis/home/session.cfm>.

**Monday, April 4, 2011**

### House Liquor Control Committee

10:30 a.m., Room B-31 Main Capitol

The committee will hold a public hearing on **H.B. 242** (amends the Liquor Code to further provide for distilleries).

### House Finance Committee

11 a.m., Room 60, East Wing

The committee will consider: **H.B. 986** (amends the State Lottery Law to further provide for powers and duties of the secretary and to provide for reports); **H.B. 174** (amends the Tax Reform Code to further provide for exclusions from the sales and use tax and for exemption certificates); **H.B. 626** (amends the Tax Reform Code to further provide for the procedure for claiming special tax provisions and for proof of eligibility).

**Tuesday, April 5, 2011**

### House Local Government Committee

9 a.m., Room 205, Ryan Office Building

The committee will consider: **H.B. 278** (amends the Second Class Township Code to further provide for competitive bidding of contracts); **H.B. 279** (amends the First Class Township Code to further provide for general regulations concerning contracts and for evasion of advertising requirements); **H.B. 280** (amends the Third Class City Code to further regulate contracts as to purchasing and advertising requirements); **H.B. 281** (amends The Borough Code to further provide for regulation of contracts, for evasion of advertising requirements and for certain purchase contracts); **H.B. 282** (further provides for evasion of advertising requirements, for contracts and for separate bids by incorporated towns); **H.B. 284** (amends the County Code to further provide for commissioners as sole contractors for county, for contract procedures, terms and bonds and advertising for bids and for evasion of advertising requirements);

Committee Meeting, continued on page 5

*Committee Meeting, continued from page 4*

**H.B. 286** (amends the Political Subdivision Joint Purchases Law to increase the amount of purchases that may be made subject to certain conditions); **H.B. 287** (amends the Housing Authorities Law to further provide for award of contracts, completion bond and additional bond for protection of materialmen and others); **H.B. 288** (amends the Public Auditorium Authorities Law to increase the dollar amount of supplies and materials which may be purchased without advertising); **H.B. 289** (amends the act regarding cities, boroughs, towns and townships to further provide for competitive bidding of contracts); **H.B. 290** (amends the Second Class County Code to provide for adjustments based on CPI relating to contracts and purchases and to further provide for competition in award of contracts); **H.B. 291** (amends Title 53 (Municipalities Generally) to further provide for competitive bidding of contracts relating to intergovernmental cooperation); **H.B. 294** (amends Title 53 (Municipalities Generally) to further provide for competitive bidding of contracts relating to municipal authorities).

#### **House Urban Affairs Committee and Senate Urban Affairs and Housing Committee**

*9 a.m., Room G-50, Irvis Office Building*

The committees will hold a joint informational meeting on land banking.

#### **House Labor and Industry Committee**

*10 a.m., Room B31, Main Capitol*

The acting secretary of the Department of Labor and Industry will provide a briefing on the financial status of the Unemployment Compensation Trust Fund.

#### **Senate Education Committee**

*10:30 a.m., Room 8E-A, East Wing*

The committee will consider: **S.B. 202** (amends the Public School Code to further provide for certificates qualifying persons to teach and for kinds of state certificates and to provide for post-baccalaureate certification); **S.B. 293** (amends the State Public School Building Authority Act to further provide for competitive bidding of contracts and to provide for evasion of advertising requirements); **S.B. 296** (amends the Public School Code to provide for adjustments based on Consumer Price Index and for work under contract, purchase of supplies, and for contracts for construction, repair, renovation or maintenance); **S.B. 329** (amends the Public School Code to provide for suspension of reporting);

*Committee Meeting, continued on page 6*

## Introducing continued

Yudichak resides in Plymouth Township with his wife, attorney Heather Yudichak, and their three daughters, Sarah, Anna and Evelyn.

Committee Assignments: Aging and Youth, Appropriations; Environmental

### John Blake (D) 22nd Senate District (Lackawanna)



*Senator John Blake*

John Blake, 50, replaces long-time Senate Democratic Leader Bob Mellow (D) who retired. Prior to running for the Senate, Blake was the acting secretary for the Department of Community and Economic

Development. He served as the executive director of the Lackawanna County Redevelopment Authority for ten years. He also was vice-president and senior development advisor for PNC Bank's community development division.

A native of Archbald, Blake went to Valley View High School, where he played linebacker for legendary football coach Frank Pazzaglia. Blake went on to

### John Lawrence (R) 13th House District (Chester)



*Rep. John Lawrence*

John Lawrence, 32, defeated incumbent Tom Houghton (D). Lawrence previously ran for State Representative unsuccessfully in 2006 and 2008. His father was a dentist and his grandparents owned

a dairy farm. He was a client service professional for JP Morgan in Newark, Delaware. Lawrence is a graduate of Penn State University.

Resources and Energy (Democratic chair); Local Government; Veterans Affairs and Emergency Preparedness

Villanova University and earned a degree in sociology and played defensive end for the Division I Villanova Wildcats. Blake also earned a master's degree in social work from Marywood College and an MBA in finance from the University of Scranton's Kania School of Management. He completed Executive Education in Public Management at Harvard University's John F. Kennedy School of Government.

Blake and his wife Louise have two children, Vince and Katie.

Committee Assignments: Appropriations; Community, Economic and Recreational Development; Intergovernmental Operations (Democratic vice chair); Labor and Industry; Local Government (Democrat chair); Urban Affairs and Housing

Lawrence was born and raised in Southern Chester County where he still lives along with his wife Rebecca and daughter Sara.

Committee Assignments: Agriculture and Rural Affairs; Children and Youth; Gaming Oversight; Health

*Introducing, continued on page 6*

## Introducing continued

### Ryan Aument (R)

41st House District (Lancaster)



Rep. Ryan Aument

Ryan Aument, 33, succeeds Representative Katie True (R) who retired. Aument was the clerk of courts in Lancaster County. He also served as a borough councilman and was campaign manager for Representative

Brian Cutler. He later served as Cutler's chief of staff. In the private sector, Aument worked as a production supervisor. His community activities include the Lancaster County Criminal Justice Advisory Board, the Military Officer's Association, the Conestoga River District Friends of Scouting Fundraising Committee and the Mix at Arbor Place Fundraising Committee.

### Fred Keller (R)

85th House District (Snyder)



Rep. Fred Keller

Fred Keller, 45, was elected to fill the seat of incumbent Russ Fairchild (R), who retired. Keller was a plant operations manager at Conestoga Wood Specialties. He served as a Middlecreek Township auditor.

He was formerly a youth soccer, softball and baseball coach as well as a Cub

Aument graduated from The Citadel. He was a second lieutenant in the U.S. Army and served in Iraq in 2003, earning a Bronze Star. In the summer of 2009, Aument volunteered to travel to the Central African Republic with the International Center for the Development of Ethical Leadership, a Central African non-profit committed to training government officials, business leaders and community leaders in ethical leadership.

Aument and his wife Kate, a teacher at the Milton Hershey School, were married in June 2008.

Committee Assignments: Children and Youth; Finance; Health; Labor and Industry

Scout leader. Keller also serves as a Deacon in his church. Keller's father is a Korean War Veteran.

Keller and his wife Kay have been married for 25 years and have two children.

Committee Assignments: Aging and Older Adult Services; Children and Youth; Finance; Labor and Industry

## Harrisburg Happenings

### The Call for Tort Reform

At a Capitol news conference, a coalition of more than 50 business, health care, local government and insurance groups called on the General Assembly to pass legal reforms in Pennsylvania that would lower litigation expenses and spur economic growth.

The Pennsylvania Health Care Association, the Pennsylvania Chamber of Business and Industry, the Pennsylvania Medical Society and the National Federation of Independent Businesses (NFIB) were among the groups joined by Senator Jake Corman (R-Centre) and Representative Curt Schroder (R-Chester) calling for reforms

Happenings, continued on page 7

Committee Meeting, continued from page 5

**S.B. 537** (amends the Public School Code to provide for millage rate increase); **S.B. 612** (amends the Public School Code to further provide for causes for suspension of professional employees); **S.B. 801** (amends the Public School Code to further provide for work to be done under contract let on bids and exceptions); **S.B. 802** (amends the Public School Code to further define "school nurse" and "dental hygienist"); **S.B. 803** (amends the Public School Code to further provide for publication of notices and proofs of publication); **S.B. 814** (amends the Public School Code to provide for mandate waiver program); **S.B. 844** (amends the Public School Code to further provide for continuing professional education for school or system leaders); **S.B. 857** (amends the Public School Code to further provide for accountability to Commonwealth taxpayers); **S.B. 858** (amends the Public School Code to further provide for eligibility for district and assistant superintendents); **S.B. 869** (amends the Public School Code to further provide for when transportation of pupils is provided); **S.B. 870** (amends Public School Code to further provide for payment of salaries in sickness, injury or death, for alternative plan, for persons entitled to leaves of absence and for Distinguished Educators Program); **S.B. 871** (amends the Public School Code to further provide for continuing professional development); **S.B. 872** (amends the Public School Code to further provide for definitions and responsibilities of school entities, to repeal provisions related to concurrent enrollment committees and to further provide for concurrent enrollment agreements and enrollment in concurrent courses); **S.B. 873** (amends the Public School Code to further provide for administration of grounds and buildings).

### Senate Finance Committee

11:30 a.m., Room 156, Main Capitol

The committee will hold a confirmation hearing on the nomination of **Daniel Meuser** as Secretary of the Department of Revenue.

Committee Meeting, continued on page 7

## PHCA Supports Lawsuit Reform Package

As part of a Capitol news conference, the Pennsylvania Health Care Association (PHCA) said its organization supports the following lawsuit abuse reforms:

- **Repeal of Joint and Several Liability**  
Ensure that Pennsylvania adheres to the basic premise that liability equals fault and a defendant should only pay their fair share in a lawsuit.
- **Apology Legislation**  
Permit medical professionals to express empathy for and take ownership of an unforeseen outcome without the risk of retaliatory litigation based solely on statements made at the time of an apology.
- **Limits on Punitive Damages**  
Conform the MCARE Act so that all health care providers have the same protections as do doctors today.

*Committee Meeting, continued from page 6*

**Wednesday, April 6, 2011**

### House Education Committee

9 a.m., Room 205, Ryan Office Building

The committee will consider: **H.B. 685** (amends the Public School Code to further provide for the powers and duties of the State Board of Education); **H.B. 686** (amends the Public School Code to further provide for the duties of public institutions of higher education, for the Articulation Oversight Committee and for participation by State-related institutions and retroactivity).

### House Gaming Oversight Committee

9 a.m., Room B-31, Main Capitol

The committee will consider **H.B. 587** (amends Title 4 (Amusements) to further provide for regulatory authority of the Gaming Control Board).

*Committee Meeting, continued on page 8*

## Harrisburg Happenings continued

and unveiling the results of a statewide survey that reveals strong public support for these reforms. Click to view results of the survey [here](#).

Representative Schroder has introduced H.B. 1, which would change the state's joint and several liability law into one of comparative negligence. A hearing on H.B. 1 was held by the House Judiciary Committee last week. Senator Corman is the author of the Senate version of the legislation, S.B. 2.

At the press conference, it was noted that states that have passed real legal reforms have seen litigation costs decrease and access to care improve.

## Wagner Calls for Hearings on Tobacco Settlement Funds

Auditor General Jack Wagner called for statewide hearings about how Tobacco Settlement dollars should be spent to determine if the money should be used according to the original intentions, such as providing subsidized health insurance for low-income Pennsylvanians, or if new priorities should be established.

The Tobacco Settlement Act, passed by the General Assembly in 2001, specifically mandated how the state should use the annual tobacco company payments, including provision of funds for smoking cessation and prevention programs, adult basic health insurance and cancer research. A recent report by the auditor general, however, found that over the past six years budget language has diverted \$1.34 billion, or 30 percent, of the Tobacco Settlement fund payments the commonwealth has received since 1999.

Pennsylvania was one of 46 states that settled litigation in 1998 with five major tobacco companies to recover medical expenses for Medicaid enrollees with tobacco-related illnesses. Under the Master Settlement Agreement, the tobacco companies agreed to pay Pennsylvania beginning in 2000 and each year thereafter approximately \$370 million through 2025.

## PA Gaming Control Board to Hold Public Hearings

The Pennsylvania Gaming Control Board (PGCB) will hold hearings in May on the renewal of the slot machine operators' licenses for western Pennsylvania's three casinos.

Citizens, community groups and elected officials wishing to present oral or written testimony can register by clicking on a special link on the homepage of the PGCB website at [www.pgcb.state.pa.us](http://www.pgcb.state.pa.us) or by calling the Board Secretary at 717 346 8300. The deadline for registration and the receipt of written comments for all hearings is noon on April 29, 2011.

Comments can be mailed, postmarked no later than April 29, 2011, to the PA Gaming Control Board, P.O. Box 69060, Harrisburg, PA 17106, Attention: Board Secretary, or faxed to 717 346 8350.

Following these proceedings, the PGCB will be able to determine whether or not the licensee remains eligible and suitable consistent with the laws of the commonwealth and is otherwise qualified to have its license renewed.

All hearings will begin at 10 a.m. and are as follows:

### May 3, 2011

Presque Isle Downs and Casino  
(Presque Isle Downs, Inc.)

Location: Summit Township Building,  
8900 Old French Road, Erie

### May 4, 2011

The Meadows Racetrack and Casino  
(Washington Trotting Association, Inc.)

Location: City Hall Council Chambers,  
55 West Maiden Street, Washington

### May 5, 2011

Rivers Casino (Holdings Acquisition Co, L.P.)

Allegheny County Courthouse, Room  
410 (Gold Room), 436 Grant Street,  
Pittsburgh

*Happenings, continued on page 8*

## Harrisburg Happenings continued

### Democrats Launch New Website

The Pennsylvania Democratic Party announced the launch of its new website which integrates social networking tools and includes recent

news, a blog, an event calendar, photos and videos. The party said the prominent display and use of social networking tools, including Twitter, Facebook, YouTube and Flickr, signal the party's commitment to communicate using social media. The new website may be found at [www.padems.com](http://www.padems.com).

## Legislative Actions

*For the latest information regarding the status of bills and resolutions, please contact Buchanan Ingersoll & Rooney's State Government Relations Center at 717 237 4800.*

### S.B. 159 (Robbins, R-Mercer)

Authorizes Pennsylvania to join the Interstate Compact on Educational Opportunity for Military Children and establishes the State Council on Interstate Educational Opportunity for Military Children. The bill passed the Senate by a vote of 48 to 0 and has been referred to the House Education Committee.

### S.B. 273 (Alloway, R-Franklin)

Amends Titles 18 (Crimes and Offenses) and 42 (Judiciary and Judicial Procedure) to provide for the use of force in self-protection. This bill is commonly referred to as the "Castle Doctrine." The bill passed the Senate by a vote of 43 to 4 and has been referred to the House Judiciary Committee. The House version of the "Castle Doctrine", **H.B. 40** (Perry, R-York), received second consideration in the House and was re-referred to the House Appropriations Committee.

### H.B. 144 (Pickett, R-Bradford)

Amends the Pennsylvania Farmland and Forest Land Assessment Act to add corrective language regarding when roll-back taxes are due on an oil/gas well drilled on Clean and Green program land. The bill passed the House by a vote of 193 to 0 and has been referred to the Senate Agriculture and Rural Affairs Committee.

### H.B. 377 (Everett, R-Lycoming)

Amends the Pennsylvania Construction Code to eliminate the requirement for sprinklers in single-family and multi-family homes. The bill passed the House by a vote of 154 to 39 and has been referred to the Senate Labor and Industry Committee.

### H.B. 442 (Helm, R-Dauphin)

Amends Title 68 (Real and Personal Property) to prohibit private transfer fee obligations. The bill passed the House by a vote of 189 to 1 and has been referred to the Senate Urban Affairs and Housing Committee.

*Committee Meeting, continued from page 7*

### House State Government Committee

*9 a.m., Room 60, East Wing*

The committee will consider: **H.B. 934** (amends the Election Code to define "proof of identification" and provide for voter ID requirements and to further provide for applying to vote and persons entitled to vote); **H.B. 647** (amends Title 25 (Elections) to further provide for approval of registration applications, street lists, public information lists and applications).

### House Urban Affairs Committee

*9 a.m., Room 39, East Wing*

The committee will consider: **H.B. 283** (amends the Separations Act to increase the minimum bid requirement and to provide for evasion of requirements); **H.B. 292** (amends Title 53 (Municipalities Generally) to further provide for competitive bidding of contracts relating to parking authorities); **H.B. 371** (amends The Third Class City Code to further provide for sales of personal property); **H.B. 639** (amends Title 53 (Municipalities Generally) to further provide for affordable housing programs fee in Philadelphia).

### House Aging and Older Adult Services Committee

*9:30 a.m., Room G-50, Irvis Office Building*

The committee will hold a meeting on homecare and hospice.

### Senate Communications and Technology Committee

*9:30 a.m., Room 8E-A, East Wing*

The committee will hold a hearing on the impact of technology on research.

### House Professional Licensure Committee

*10 a.m., Room 60, East Wing*

The committee will consider: **H.B. 48** (amends the Medical Practice Act to provide for licensure of prosthetists, orthotists, pedorthists and orthotic fitters); **H.B. 332** (amends the Medical Practice Act to provide for regulation of genetic counselors); **H.B. 333** (amends the Osteopathic Medical Practice Act to provide for regulation of genetic counselors); **H.B. 398** (provides for registration of appraisal management companies).

*Committee Meeting, continued on page 9*

*Committee Meeting, continued from page 8*

### House Tourism and Recreational Development Committee

10 a.m., Room B31, Main Capitol

The committee will hear a presentation by the Tourism Office of the Department of Community and Economic Development on promotion and marketing.

### House Transportation Committee

10 a.m., Room 205, Ryan Office Building

The committee will consider: **H.R. 70** (requests the Department of Transportation to conduct a study of the slate industry for the purpose of devising the best means of utilizing the slate waste by-product as a component in highway construction and civil engineering projects); **H.B. 293** (amends Title 74 (Transportation) to further provide for competitive bidding of contracts relating to metropolitan transportation authorities); **H.B. 700** (amends Title 75 (Vehicles) to require compliance with Federal Selective Service requirements as part of application for learners' permits or drivers' licenses); **H.B. 69** (amends Title 75 (Vehicles) to further provide for drivers in funeral processions); **H.B. 917** (names a bridge in Blair County).

### Joint Legislative Budget and Finance Committee

10 a.m., Room 461, Main Capitol

The committee will hold a meeting to elect committee officers and to consider a report on the impact of slots on the Pennsylvania Lottery.

### Senate Public Health and Welfare Committee

10 a.m., Room 8E-B, East Wing

The committee will consider: **S.B. 5** (establishes the Community-Based Health Care Program in the Department of Health and provides for hospital health clinics); **S.B. 225** (amends the Administrative Code to remove references to certain boards of trustees); **S.B. 227** (amends the Public Welfare Code to further provide for application for registration certificate, for issuance of registration certificate, for records and for emergency closure); **S.B. 260** (amends the Confidentiality of HIV-Related Information Act to further provide for consent to HIV-related tests and for counseling).

*Committee Meeting, continued on page 10*

## Committee Actions

*For the latest information regarding the status of bills and resolutions, please contact Buchanan Ingersoll & Rooney's State Government Relations Center at 717 237 4800.*

### Bioenergy Crops at Mine Sites

The House Environmental Resources and Energy Committee reported **H.B. 608** (Brooks, R-Mercer) which amends the Surface Mining Conservation and Reclamation Act to provide incentives for the use of bioenergy crops for the revegetation of lands affected by surface mining activities. The bill has received first consideration and is on the Tabled Bill Calendar.

### Hazardous Site Cleanup

The Senate Appropriations Committee reported **S.B. 303** (M. White, R-Venango) which amends the Hazardous Sites Cleanup Act to require assessed civil penalties to be deposited in the Hazardous Sites Cleanup Fund. The bill is on third consideration on the Senate Calendar.

### Air Pollution Control

The Senate Appropriations Committee reported **S.B. 304**, (M. White, R-Venango) which amends the Air Pollution Control Act to require the state implementation plan and any revisions to the plan to be published on the internet. The bill is on third consideration on the Senate Calendar.

### Veteran-Owned Small Businesses

The Senate Veterans Affairs and Emergency Preparedness Committee reported **S.B. 623** (Tomlinson, R-Bucks) which amends Title 62 (Procurement) to add an additional chapter providing for contracting with veteran-owned small businesses. The bill is on second consideration on the Senate Calendar.

### Methadone Deaths

The House Human Services Committee reported **H.B. 140** (DiGirolamo, R-Bucks), the Methadone Death and Incident Review Act, which establishes the Methadone Death and Incident Review Team and requires a methadone death review to be conducted for all deaths where methadone was either a primary or secondary cause of death. The bill is on second consideration on the House Calendar.

### P3

The House Transportation Committee reported **H.B. 3** (Geist, R-Blair) which amends Title 74 (Transportation) to provide for public-private transportation partnerships. The bill received first consideration and is on the Tabled Bill Calendar.

## Executive Nominations and Appointments

Governor Tom Corbett announced that **Richard J. Allan**, of Camp Hill, Cumberland County, will be his nominee for secretary of the Department of Conservation and Natural Resources (DCNR).

Since 1991, Allan has served as executive director for the Pennsylvania, Maryland and Delaware members of the Institute of Scrap Recycling Industries, the national trade association that represents the recycling industry.

Since 2005, he has also been a consultant to energy producers in the electric, wind, solar and coal sectors. Allan served on the boards of the Pennsylvania Environmental Council and Pennsylvania Resources Council, and was a founding member of Back Mountain Recreation, Inc., and the North Branch Land Trust, which provides management to more than 10,000 acres of land in Northeastern Pennsylvania.

*Executive Nominations, continued on page 10*

## Executive Nominations continued

The Governor completed his cabinet selections by announcing his nomination of **Julia K. Hearthway** as Secretary of the Department of Labor and Industry.

Hearthway has worked for the Attorney General's Office since 1993 and has served as a chief deputy attorney general since 2001. Hearthway also serves as chair of the Pennsylvania Auto Theft Prevention Authority and, as chief deputy attorney general, has managed the Attorney General's Insurance Fraud Section. She served as assistant district attorney for the Montgomery County District Attorney's Office from 1986 to 1990 and has also been an attorney in private practice. Hearthway received her undergraduate degree from Stephens College and her law degree from Rutgers University School of Law.

The Pennsylvania Turnpike Commission has named **Roger E. Nutt** as the agency's new chief executive officer. Nutt worked in senior-level positions at various New Jersey transportation agencies for 28 years, including serving as executive director of the New Jersey Turnpike Authority, the New Jersey Highway Authority and the New Jersey Transit Corp.

The Senate Public Health and Welfare Committee unanimously reported the nomination of **Dr. Eli Avila** for the post of Secretary of the Department of Health.

The Senate Banking and Insurance Committee unanimously reported the nomination of **Michael Consedine** for the post of Commissioner of the Department of Insurance.

The Senate Transportation Committee unanimously reported the nomination of **Barry Schoch** for the post of Secretary of the Department of Transportation.

The Senate Education Committee unanimously reported the nomination of **Ronald Tomalis** for the post of Secretary of Education.

The Senate Environmental Resources and Energy Committee unanimously reported the nomination of **Michael Krancer** for the post of Secretary of the Department of Environmental Protection.

## Political Grapevine

A Court of Common Pleas judge ruled that **T. Milton Street** will remain on the May 17 primary ballot for the Democratic nomination for Philadelphia Mayor. Mayor **Michael A. Nutter** had challenged Street's eligibility as a candidate because he served 26 months in federal prison for three misdemeanor counts of not paying taxes and has not lived in Philadelphia for the last three years, as required by the city charter. Street countered that he had always maintained a Philadelphia residence and cited a state law that said that your voter registration does not move while you are incarcerated.

**Kathleen Granahan Kane** announced her candidacy for Pennsylvania attorney general. Kane has never before sought elected office. A native of Scranton, most of her career has been spent as a prosecutor in the Lackawanna County District Attorney's Office.

Former Philadelphia District Attorney **Lynn Abraham** (D) has indicated she would consider a run for Attorney General, should the opportunity present itself.

*Committee Meeting, continued from page 9*

### Senate State Government Committee 10:30 a.m., Room 156, Main Capitol

The committee will consider: **S.B. 101** (amends Title 65 (Public Officers) to further provide for a penalty); **S.B. 104** (amends The Fiscal Code to provide for use of state-owned vehicles); **S.B. 106** (proposes an amendment to the Pennsylvania Constitution to provide for a limitation on the length of session); **S.B. 109** (requires notification in certain advertising); **S.B. 637** (amends Title 62 (Procurement) to provide for verification of employment for purposes of wage reporting and employment eligibility); **S.B. 717** (designates and adopts the Piper J-3 Cub as the official airplane of Pennsylvania); **S.B. 916** (amends the Election Code to further provide for the Voting Standards Development Board).

### House Consumer Affairs Committee

*Off the Floor, Room 148, Main Capitol*

The committee will consider the re-referral of **H.B. 192** (provides for bisphenol A-free baby and toddler products) to the House Health Committee and the re-referral of **H.B. 1182** (amends the Manufactured Home Community Rights Act to further provide for disclosure of fees) to the House Urban Affairs Committee.

**Thursday, April 7, 2011**

### House Democratic Policy Committee

*10 a.m., Room 418, Main Capitol*

The committee will hold a public hearing on school vouchers.

### House Education Committee

*10 a.m., Room 205, Ryan Office Building*

The committee will have a presentation by the Department of Education on the Pennsylvania Value-Added Assessment System.

### House Gaming Oversight Committee

*10 a.m., Room 140, Main Capitol*

The committee will hold a public hearing on **H.B. 640** (transfers certain powers and duties to the Gaming Enforcement Office).

*Committee Meeting, continued on page 11*

*Committee Meeting, continued from page 10*

### House Human Services Committee

*10 a.m., Room G-50, Irvis Office Building*

The committee will hold an informational meeting to receive a presentation by the Independent Regulatory Review Commission regarding the regulatory review process.

**Monday, April 11, 2011**

### Senate Judiciary Committee

*9 a.m., Hearing Room 1, North Office Building*

The committee will hold a public hearing on the use of joint and several liability.

### Joint Legislative Conservation Committee

*10 a.m., Room G-50, Irvis Office Building*

The committee will hold a public hearing on waste tire recycling and reuse. The hearing will examine the latest statistics and progress made in waste tire recycling, tire recycling markets and issues and concerns regarding the waste tire recycling industry and the Waste Tire Recycling Act of 1996.

**Tuesday, April 12, 2011**

### Senate Local Government Committee

*10:00 a.m., Room 8E-A, East Wing*

The committee will consider: **S.B. 375** (amends Title 53 (Municipalities Generally) to further provide for administration and for money); **S.B. 386** (amends the County Code to further provide for the abolishment of the office of jury commissioner); **S.B. 725** (amends the Borough Code to further provide for officers to be elected, for election of assessors, for filling vacancies in elective borough offices, for powers of assessors and for duplicate assessments); **S.B. 726** (amends the First Class Township Code to further provide for elected officers, vacancies, first class township corporate power of board, and for elected officers in first class townships);

**S.B. 828** (amends the First Class Township Code to further provide for township manager); **S.B. 829** (amends the Second Class Township Code to further provide for township manager); **S.B. 830** (amends the Third Class City Code to provide for the office and powers and duties of a city administrator or manager); **S.B. 831** (amends the Borough Code to further provide for the office of borough manager and for powers and duties of a borough manager); **S.B. 832** (further provides for the office of town manager and for powers and duties of a town manager in incorporated towns); **S.B. 34** (amends Title 16 (Counties) to add provisions for fiscal security through bonding and insuring of county officers and for determining premiums and issuance of official commissions); **S.R. 44** (designates the week of April 10 through 16, 2011, as "Local Government Week" and April 15, 2011, as "Local Government Day" in Pennsylvania).

### Senate Judiciary Committee

*11:30 a.m., Room 8E-B, East Wing*

The committee will hold a confirmation hearing on the nomination of **John E. Wetzel** as Secretary of the Department of Corrections and will consider: **S.B. 815** (amends Title 42 (Judiciary and Judicial Procedure) to further provide for right to counsel); **S.B. 816** (amends the Crime Victims Act to further provide for the Office of Victim Advocate and for powers and duties of victim advocate); **S.B. 817** (amends Title 42 (Judiciary and Judicial Procedure) to provide for the use of restraints on juveniles during court proceedings); **S.B. 818** (amends Title 42 (Judiciary and Judicial Procedure) to provide for disposition information in juvenile matters); **S.B. 850** (amends Titles 18 (Crimes and Offenses) and 42 (Judiciary and Judicial Procedure) to provide for the offense of cyber bullying and sexting by minors and for expungement and juvenile record information);

**H.B. 38** (amends Title 42 (Judiciary and Judicial Procedure) to further provide for establishment of fees and charges and for Commonwealth portion of fines).

**Wednesday, April 13, 2011**

### House Liquor Control Committee

*10 a.m., Room G-50, Irvis Office Building*

The committee will consider: **H.B. 242** (amends the Liquor Code to further provide for distilleries); **H.B. 148** (amends the Liquor Code to further provide for definitions, for sales by liquor licensees and restrictions and for unlawful acts relative to liquor, malt and brewed beverages and licensees).

### Senate Public Health and Welfare Committee

*2 p.m., Hearing Room 1, North Office Building*

The committee will hold a public hearing on abortion clinic legislation referred to the committee.

**Thursday, April 14, 2011**

### House Democratic Policy Committee

*10 a.m., Room 418, Main Capitol*

The committee will hold a public hearing on privatization of the state liquor stores.

### Independent Regulatory Review Commission

*10 a.m., 333 Market Street, 14th Floor Conference Room, Harrisburg*

The commission will consider: **Reg. No. 2869** Department of Labor and Industry #12-93: Responsibilities of Employers; **Reg. No. 2842** Environmental Quality Board #7-458: Incidental Coal Extraction, Bonding, Enforcement, Sediment Control and Re-mining Financial Guarantees.

**TAX ADVICE DISCLAIMER:** Any federal tax advice contained in this communication (including attachments) was not intended or written to be used, and it may not be used, by you for the purpose of (1) avoiding any penalty that may be imposed by the Internal Revenue Service or (2) promoting, marketing or recommending to another party any transaction or matter addressed herein. If you would like such advice, please contact us.

This newsletter is for informational purposes only and is a marketing publication of Buchanan Ingersoll & Rooney PC. It is intended to alert the recipients to developments in the law and does not constitute legal advice or a legal opinion on any specific facts or circumstances. The contents are intended as general information only.

You are urged to consult your own lawyer concerning your situation and specific legal questions you may have. THIS IS AN ADVERTISEMENT.

Copyright 2011 Buchanan Ingersoll & Rooney PC. All Rights Reserved.

To learn more about Buchanan Ingersoll & Rooney's State Government Relations services, contact **Tom Paese, Chair**, State Government Relations Section, or visit our web site.

**Buchanan Ingersoll & Rooney PC**  
17 North Second Street, 15th Floor  
Harrisburg, PA 17101-1503  
T 717 237 4800 :: F 717 233 0852

One South Market Square  
213 Market Street, 3rd Floor  
Harrisburg, PA 17101-2121  
T 717 237 4800 :: F 717 233 0852

[www.buchananingersoll.com](http://www.buchananingersoll.com)