WEEKLY SESSION NOTES

SENATE REPUBLICAN POLICY COMMITTEE – EDWIN B. ERICKSON, CHAIRMAN

Monday, September 22, 2014

Senate Bill 720 (Baker) would amend Title 35 (Health and Safety) of the Pennsylvania Consolidated Statutes to add Chapter 79, known as the Disaster Emergency Assistance Act. The legislation would create a program to provide assistance to political subdivisions and municipal authorities directly affected by natural and man-made disasters. Assistance would be limited to grants for projects that do not qualify for federal assistance to help repair damage to public facilities that is not covered by insurance. Grants would only be made available in a disaster emergency area when a presidential disaster declaration is not covering the area. A political subdivision or municipal authority would apply to the Pennsylvania Emergency Management Agency (PEMA) for the grants. Within 30 days, PEMA would be required to make an eligibility determination. For each political subdivision or municipal authority determined to be eligible, PEMA would be required to verify the adjusted loss, which is defined as the difference between eligible loss and covered loss. The maximum grant allowed under the program would be 50 percent of the adjusted loss. Grant funds issued under the program would be used to assist in the repair or replacement of public facilities, for disaster-related debris removal or to demolish a public facility if it was made unsafe by the disaster.

Grants would be made from funds appropriated by the General Assembly for the program and from other federal or state funds PEMA receives for the program. PEMA could use up to three percent of available program funds for administrative costs. No single grant could be for an amount in excess of 25 percent of available funds. If the amount of approved grant applications exceeds available program funds, grants would be awarded on a pro rata basis. PEMA would be responsible for promulgating any regulations necessary to implement and administer the program, including the development of a methodology to prioritize projects based on the potential impact to the health and safety of the citizens of the affected community. **Passed: 50-0**.

Senate Resolution 449 (Solobay) observes the week of September 17 through 23, 2014 as “Constitution Week” in Pennsylvania and commends the National Pike Chapter of the Daughters of the American Revolution for its patriotic support of this observation in the Commonwealth. **Adopted by Voice Vote**.

Senate Resolution 450 (Solobay) designates the week of September 22 through 28, 2014 as “Animal Disaster Preparedness Week” in Pennsylvania. **Adopted by Voice Vote**.

Senate Resolution 451 (Wiley) designates the month of October 2014 as “Dyslexia Awareness Month” in Pennsylvania. **Adopted by Voice Vote**.

Tuesday, September 23, 2014

Senate Bill 838 (Alloway) would amend the County Code to make a number of changes related to the hotel room tax. Among other changes, the legislation would:

- Clarify that the definition of "permanent resident" as it relates to whether a person has established a non-taxable permanent residence in a hotel would not apply to a hotel room rental tax imposed by a fourth class county with a population between 205,000 and 210,000 residents (Washington);

- Authorize a third class county with a population in excess of 430,000 but less than 440,000 residents (York) to impose an additional two percent hotel room tax to fund promotional and marketing activities by the tourist promotion agency;

- Permit a fourth class county with a population between 149,000 and 152,000 residents (Franklin) to impose an additional five percent hotel room tax. Seventy-five percent of the revenue generated would be used for promotional and marketing activities by the tourist promotion agency and 25 percent would be retained by the county. Of the county share, half would be used for economic development, historic preservation and the arts. Of this portion, 10 percent would have to be provided as grants to municipalities that have at least 20,000 residents. The other half of the county share would have to be used for grants to municipalities for municipal police purposes;

- Authorize a second class township with a population of more than 60,000 and less than 61,000 residents (Bensalem) in a second class A county (Bucks) to impose a three percent hotel room tax to fund police and emergency services;

- Allow a fourth class county with a population between 148,000 and 149,000 residents (Schuylkill) to impose an additional two percent hotel room tax for tourism promotion;

- Authorize a fourth class county with a population in excess of 180,000 residents but less than 190,000 residents (Butler) to impose an additional two percent hotel room tax for tourism promotion;

- Authorize a fourth class county with a population between 205,000 and 210,000 residents (Washington) to impose an additional two percent hotel room tax for tourism promotion;

- Allow a sixth class county with a population in excess of 88,800 residents but less than 90,000 residents (Indiana) to impose an additional two percent hotel room tax. Of the revenue collected from the additional tax, 34 percent would be provided to a designated chamber of commerce in the county, 34 percent would be provided to a designated industrial development corporation in the county, and 32 percent would be used by the county commissioners to fund operations associated with a Center of Economic Operations in the county; and

- Authorize a sixth class county with a population in excess of 68,900 residents but less than 70,000 residents (Armstrong) to impose an additional two percent hotel room tax for tourism promotion. **Passed: 45-5.**

Senate Bill 850 (Greenleaf) would amend Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes as it relates to organ and tissue donations. The proposed legislation would:

- Add numerous definitions;

- Expand the list of individuals authorized to execute anatomical gifts;

- Provide a listing of entities to which an anatomical gift could be made and the purposes for which a gift could be made;

- Clarify that if an anatomical gift is indicated on a driver's license or an identification card, the gift would not be invalidated by a revocation, suspension, expiration or cancellation of the license or card by the Department of Transportation;

- Clarify when a revocation of a gift takes effect;

- Clarify that a person making an anatomical gift or a donor's estate would not be liable for injury or damage resulting from the making or use of the anatomical gift;

- Establish the procedure to be used by a hospital, coroner or medical examiner in notifying the applicable designated organ procurement organization of an individual whose death is imminent or who has died;

- Require the Department of Transportation to record and store all donor designations in the Donate Life PA Registry. The information would not be considered a public record subject to the Right-To-Know Law. Designated organ procurement organizations would have 24-hour electronic access to information necessary to confirm a donor status;

- Increase the contribution, from $1 to $3, that an applicant for a driver's license or vehicle registration may make to the Governor Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund;

- Direct the Department of Transportation to provide links on its website through which individuals could make voluntary contributions to the Fund;

- Rename the Organ Donation Advisory Committee as the Organ and Tissue Donation Advisory Committee and provide for the membership of the committee;

- Provide for the Department of Health to be the lead Commonwealth agency responsible for promoting organ and tissue donation and require a full-time coordinator;

- Enumerate prohibited activities by procurement organizations and funeral establishments;

- Provide for a procedure to facilitate and coordinate an anatomical gift from a decedent whose death is under investigation;

- Direct the Department of Education, in consultation with designated organ procurement organizations, to review the Commonwealth's educational curriculum framework to ensure that information about organ donation is included in the standards for students in grades nine through 12;

- Direct public institutions of higher education, in collaboration with designated organ procurement organizations, to provide organ donation information to their students, and encourage private institutions of higher education to do the same; and

- Require the State Board of Medicine, the State Board of Osteopathic Medicine and the State Board of Nursing, in collaboration with designated organ procurement organizations, to promulgate regulations providing for physician and nurse educational instruction in organ and tissue donation and recovery. **Passed: 47-3.**

Senate Resolution 452 (Brubaker) recognizes the 2nd Annual Capitol All Stars Charity Softball Game. **Adopted by Voice Vote.**

Senate Resolution 453 (Vance) recognizes the month of October 2014 as "National Principals Month" in Pennsylvania and honors the contribution of principals in the elementary schools, middle schools, and high schools of our nation. **Adopted by Voice Vote.**

Senate Resolution 454 (Baker) designates September 27, 2104 as "First Responder Appreciation Day" in Pennsylvania. **Adopted by Voice Vote.**

House Bill 473 (Killion) would amend the Mechanics Lien Law of 1963 to require the Department of General Services (DGS) to establish a State Construction Notices Directory website by December 31, 2016 to serve as a standardized statewide system for filing construction notices. The Department would be required to publish a notice in the *Pennsylvania Bulletin* advising the public of the implementation of the directory and instructions on its use. The directory could only be used for residential and commercial projects that begin on or after the directory's operational date and are worth at least $1.5 million. Project owners would be charged a fee to file the various notices provided for in the legislation. The revenues from the fees would be used to maintain the site.

A project owner would be given the option of filing a Notice of Commencement with the directory containing the information outlined in the legislation. If this is done, a subcontractor working on a project would be required to file a Notice of Furnishing within 45 days of either beginning the work or supplying materials in order to preserve mechanic lien rights for all work and materials supplied to a project. A project owner would also be given the option of filing a Notice of Completion in the directory when the project is finished. The notice would be transmitted via the directory to all subcontractors that filed a Notice of Furnishing. A

subcontractor that has not been paid could file a Notice of Non-Payment with the directory. The directory would have to provide notification of a filing of a Notice of Commencement, Notice of Furnishing or Notice of Completion to a person who properly requests such notification.

It would be a second degree misdemeanor for an owner, or someone representing the owner, to require or encourage a subcontractor not to file a Notice of Furnishing as a condition of entering into, continuing, receiving or maintaining a contract for work on a project in the directory. A subcontractor could also bring a civil cause of action if coercion resulted in the failure to file a Notice of Furnishing. Abuse of the directory by filing notices without a good-faith reason to do so could result in the abuser being held liable for the greater of actual damages or $2,000. **Passed: 50-0.**

House Bill 1177 (Lucas) would amend Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes to make a number of changes. Among other modifications, the legislation would:

- Allow a charter school applicant to appeal a decision of a school reform commission to deny an application to establish a charter in a first class school district to the State Charter School Appeal Board;
- Clarify the contents of an initiative petition for a commission to study municipal consolidation and merger and clarify that a referendum for a study commission would have to be approved by the majority of the whole of those voting in all municipalities impacted by consolidation or merger;
- Provide that only the municipalities that vote in favor of a merger/consolidation study commission would be responsible for its funding;
- Allow airport authorities in second class counties to invest in commercial paper rated in the highest rating category by a rating agency;
- Authorize an additional 10 cent per cigarette tax for the Philadelphia School District. Revenue from the tax would be deposited in the Local Cigarette Tax Fund in the State Treasury. On or before the tenth day of each month, the State Treasurer would be required to disburse to the school district the amount of money contained in the Fund on the last day of the previous month. Funds from the tax could not be used for the issuance or repayment of bonds. The section authorizing the tax would expire on June 30, 2019; and
- Clarify that an increase in grants to the Philadelphia School District by the City of Philadelphia based on debt service would not require a comparable increase in grants by the City in subsequent years. **Concurrence in House Amendments to Senate Amendments: 39-11.**

Executive Session

Nominations to Various Boards and Commissions. **Confirmed: 50-0**.

Wednesday, September 24, 2014

Senate Bill 444 (Pileggi) would amend the Right-to-Know Law (Act 3 of 2008) to make a number of changes. Among other modifications, the legislation would:

- Add "authority" to the definition of "independent agency;"
- Add "campus police department of a state-owned or state-related college or university" to the definition of "local agency" and clarify that an economic development authority and an industrial development authority are also included in the definition;
- Expand the definition of "personal financial information;"
- Define a "requester" as a legal resident of the Commonwealth, rather than the United States;
- Add a definition for "commercial purpose" that clarifies the news media exception to the new fee structure for commercial requests;
- Clarify that the Pennsylvania Interscholastic Athletic Association is subject to the act;
- Add a new section on inmate access to records, which specifies what an inmate may request;
- Clarify that if a public record is available in computer file format it would have to be provided in that format if requested;
- Allow written requests for information to be made to the administrative office of the agency in addition to the agency's open-records officer;
- Provide that an agency may require a requester to certify whether the request is for commercial purposes;
- Require the agency to provide, prior to release, notice to an employee if a request includes the employee's home address;
- Establish that certain payment records, such as those from municipal water or sewer authorities, are to be made available through a clearance certificate process and a reasonable fee could be charged;
- Add records of volunteer fire companies, volunteer ambulance services, and other volunteer emergency providers to the list of exceptions to providing records;

- Add a new section on extension of time to a respond to a request, when an extension is permissible and for notice to the requester;

- Change the timeframe for an appeal by a requester from 15 days to 20 days, clarify the information to be included in an appeal, provide that an appeals officer, under certain circumstances, could extend the deadline for a final determination, and clarify that the Office of Open Records could conduct in camera record reviews;

- Provide for agencies to charge additional fees if responding to a commercial request;

- Remove the Office of Open Records (OOR) from the Department of Community and Economic Development (DCED) and establish it as an independent agency with payroll and administrative support from DCED. The OOR would have standing and could participate in appeals of OOR decisions but would have to abstain from public comment on pending proceedings;

- Expand the Right-to-Know Law as it relates to state-related institutions (Penn State, Temple, Pitt, and Lincoln);

- Require state-related institutions with fewer than 2,500 employees to disclose the top 25 salaries paid;

- Require state-related institutions with 2,500 or more employees to disclose the top 200 salaries paid;

- Direct each institution to post on its website an online database (searchable, sortable and downloadable) which includes:

    1. Delineated budget, revenue and expenditure data;
    2. The number of employees and aggregated, non-personal employee data;
    3. The number of students and aggregated, non-personal student data;
    4. The most recent audited financial statement, and
    5. Minutes of each public meeting of the Board of Trustees;

- Require each state-related institution to provide full, complete and accurate information as may be required by the Department of Education or designated legislative leaders; and

- Direct a state-related institution to annually file with the Governor's Office, the Secretary of the Senate, the Chief Clerk of the House and the State Library an annual list of contracts in excess of $5,000 for the purchase of all goods and third-party services. **Passed: 50-0**.

Senate Bill 1129 (Robbins) would amend Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes to change the name of the "Paralyzed Veteran's Pension" program to the "Amputee and Paralyzed Veteran's Pension" program and to make a change to the definition of

"paralyzed veteran." The term "paralyzed veteran" would be changed to "amputee and paralyzed veteran" and the definition would be amended to clarify that eligibility would be based on the loss or the permanent and severe or complete paralysis of two or more limbs as defined in the bill. **Passed: 50-0**.

Senate Bill 1164 (Pileggi) would amend the Controlled Substance, Drug, Device and Cosmetic Act to provide immunity from being charged or prosecuted for certain violations of the act and from a violation of probation or parole to individuals responding to a drug overdose. The immunity would apply if the person can establish that law enforcement officers only became aware of the person's commission of an offense because the person transported a person experiencing a drug overdose event to a law enforcement agency, a campus security office or a health care facility; or, all of the following apply:

- The person reported, in good faith, a drug overdose event to a law enforcement officer, the 911 system, a campus security officer or emergency services personnel and the report was made on a reasonable belief that another person was in need of immediate medical attention and was necessary to prevent death or serious bodily injury due to a drug overdose;
- The person provided his or her own name and location and cooperated with the law enforcement officer, the 911 system, a campus security officer or emergency services personnel; and
- The person remained with the person needing immediate medical attention until a law enforcement officer, a campus security officer or emergency services personnel arrived.

The immunity would also extend to the person who suffered the drug overdose event if the person who transported the individual or reported the situation is eligible for immunity. The immunity would not bar charges, prosecutions or penalties for the offenses enumerated in the act if a law enforcement officer obtained information prior to or independent of the action seeking or obtaining medical assistance. In addition, the immunity provisions would not interfere with or prevent the investigation, arrest, charging or prosecution of a person for the delivery or distribution of a controlled substance, drug-induced homicide or any other crimes not listed in the legislation. The measure also stipulates that the newly-added provisions would not bar the admissibility of any evidence in connection with any investigation or prosecution not covered by the changes. Immunity from civil liability would also be provided to a law enforcement officer or prosecuting attorney who, in good faith, charges a person who is thereafter determined to be entitled to immunity under these provisions.

The legislation would also direct the Department of Health to:

- Amend the pre-hospital practitioner scope of practice of emergency medical services providers to include the administration of naloxone;

- Implement, in conjunction with the Pennsylvania Emergency Health Services Council, training, treatment protocols, equipment lists and other policies and procedures for all types of emergency providers; and

- Develop or approve, in conjunction with the Department of Drug and Alcohol Programs, training and instruction materials about recognizing opioid-related overdoses and administering naloxone and promptly seeking medication attention. The training and instructional materials would be provided free of charge on the Internet.

An additional provision would permit a law enforcement agency, fire department or fire company to enter into written agreements with emergency medical services agencies, with the consent of the agency's medical director or a physician, to obtain a supply of naloxone and to authorize a law enforcement officer or firefighter who has completed training to administer naloxone to an individual undergoing or believed to be undergoing an opioid-related drug overdose. A health care professional otherwise authorized to prescribe naloxone could dispense, prescribe or distribute naloxone directly or by a standing order to an authorized law enforcement officer or firefighter in accordance with an agreement or to a person at risk of experiencing an opioid-related overdose or to a family member, friend or other person in a position to assist a person at risk of experiencing an opioid-related overdose. A licensed health care practitioner who, acting in good faith, prescribes or dispenses naloxone would not be subject to criminal or civil liability or any professional disciplinary action as outlined in the legislation. Similar immunity would be provided to law enforcement agencies and fire departments. Receipt of training and instructional materials as required under the bill would create a rebuttable presumption that a person acted with reasonable care in administering naloxone. **Concurrence in House Amendments: 50-0**.

Senate Bill 1182 (Folmer) would create the Medical Cannabis Act. The legislation would establish an 11-member State Board of Medical Cannabis Licensing in the Department of State to administer and enforce the provisions of the act. A person could not conduct an activity related to the growing, processing or dispensing of medical cannabis or the operation of a testing laboratory unless the individual is licensed or certified by the Board. Employees of licensees would be required to obtain an occupation permit from the Board. The Board would be required to adopt a schedule of civil penalties for operating without a current, registered, unsuspended and unrevoked license, certificate or occupation permit and for violations of the act. The Board would have the power to revoke licenses for violations of the act, for refusing to adhere to an order of the Board, or for conviction of a criminal offense. The Board could also levy a civil penalty of not more than $25,000 for a violation of the act, or not more than $15,000 if a person aids the unlicensed growing, processing, distribution or dispensing of medical cannabis.

Under the licensing provisions of the proposed act, the Board would be required to license not more than 65 growers to supply medical cannabis for distribution to medical cannabis processors and medical cannabis dispensers. At the time of license issuance, the Board would impose a licensing fee of $50,000. The annual renewal fee would be $5,000 subject to adjustment through regulations of the Board. The licensing fees would be deposited in the General Fund and renewal fees would be placed in the Professional Licensure Augmentation Account. There would be no restriction on the strains of medical cannabis that could be grown.

However, the use of genetically modified organisms or an organism whose genetic material has been altered using genetic engineering could not be used in the cultivation of medical cannabis. A medical cannabis grower could only use conventional growing methods approved by the Board in an indoor, enclosed secure facility. Growers would be subject to inspection by the Board and would have to notify law enforcement within 24 hours of any loss or theft of cannabis. Among other restrictions, medical cannabis could not be grown within 1,000 feet of a school or grown in a residential area.

The Board would also be required to license not more than 65 processors to process medical cannabis into oil-based medical cannabis products. The licensees would have to be geographically dispersed throughout the Commonwealth to allow access to processed medical cannabis by dispensers. At the time of license issuance, the Board would impose a licensing fee of $50,000. The annual renewal fee would be $5,000 subject to adjustment through regulations of the Board. The licensing fees would be deposited in the General Fund and renewal fees would be placed in the Professional Licensure Augmentation Account. Processors would be subject to requirements and restrictions similar to those imposed on medical cannabis growers.

Under additional licensing provisions, the Board would be required to license not more than 130 medical cannabis dispensers to dispense medical cannabis to a registered patient or patient representative in accordance with the instructions of a health care practitioner. The licensees would have to be geographically dispersed throughout the Commonwealth to allow all registered patients reasonable proximity and access to medical cannabis by a medical cannabis dispenser. At the time of license issuance, the Board would impose a licensing fee of $50,000. The annual renewal fee would be $5,000 subject to adjustment through regulations of the Board. The licensing fees would be deposited in the General Fund and renewal fees would be placed in the Professional Licensure Augmentation Account. A medical cannabis dispenser would be required to maintain a system to verify the medical cannabis access cards provided for in the legislation, submit to inspections by the Board and maintain detailed records. Dispensers would be subject to requirements and restrictions similar to those imposed on medical cannabis growers and processors.

An applicant for a grower, processor or dispenser license would be required to provide background information and evidence that that he or she is a person of good character, honesty and integrity, and has appropriate financial suitability. Owners or operators with an interest in a licensee would be required to obtain an owner or operator license from the Board.

A patient with a qualified medical condition as defined in the act could register with the Department of Health and receive a medical cannabis access card. Applications and renewals for an access card would have to include written certification from a health care practitioner that the patient has a qualified medical condition. The Department would be required to verify the information in the application and make a decision on an application within 90 business days. An application fee of $100 and a $50 annual renewal fee would be required. A patient would have to reside in the Commonwealth to receive an access card. The legislation would also provide for patient representatives. A health care practitioner could recommend the use of medical cannabis to a patient if he or she meets the requirements of the act. Beginning in 2015, the Board would be authorized to accept petitions from a resident of the Commonwealth to add

additional qualified medical conditions to the list of conditions for which a patient could receive medical cannabis.

Nothing in the act could be construed to require a state government medical assistance program or private health insurer to reimburse a person for costs associated with medical use of cannabis or an employer to accommodate the medical use of cannabis in the workplace. Further, the Commonwealth could not be held liable for any deleterious outcomes resulting from the medical use of cannabis by a registered patient. The legislation would also provide certain protections to registered patients using medical cannabis, outline various prohibitions including a prohibition on the smoking or vaporization of cannabis, and establish various penalties and fines.

The legislation would impose a six percent surcharge on the purchase price of medical cannabis at the time the medical cannabis is first sold to a medical cannabis dispenser. If the surcharge is not collected by the seller from the medical cannabis dispenser, the surcharge would be imposed on the medical cannabis dispenser at the time of purchase. Only one sale could be surcharged and used in computing the amount of surcharge due. The Department of Revenue would collect and administer the medical cannabis surcharge. Collections from the surcharge would be deposited into the General Fund. **Passed: 43-7**.

Senate Bill 1197 (Greenleaf) would amend Title 18 (Crimes and Offenses) and Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes with regard to the juvenile justice system in Pennsylvania. Title 18 would be amended to provide that an individual's juvenile record dealing with a summary offense committed when under the age of 18 could be expunged unless the individual has committed a felony, a misdemeanor, or been adjudicated delinquent since satisfying all terms and conditions of the sentence. An additional change would clarify that if a juvenile offender is at least 18 years of age at the time of an escape from detention and the juvenile was being detained for an offense which, if committed by an adult, would be graded as a felony, the escape provisions' higher grading of felony of the third degree would apply.

Title 42 would be amended to:

- Add the Philadelphia Municipal Court and the courts of common pleas to the provisions dealing with juvenile summary offenses;

- Require that the disposition of cases where a child has been alleged to be delinquent or has been adjudicated delinquent be provided to the Pennsylvania State Police for inclusion in the central repository as determined by the Administrative Office of the Pennsylvania Courts in consultation with the Juvenile Court Judges Commission. Additionally, the Commission would be provided with information, as it determines necessary, pertaining to the cases of children who have been alleged to be delinquent;

- Change the definition of "juvenile offender" for purposes of sex offender registration to treat out-of-state adjudications of delinquency the same as in-state adjudications and to clarify that the only out-of-state adjudications that are applicable are those committed on or after the effective date of the bill or if an individual has previously been adjudicated

and, on the effective date of the legislation, is subject to the jurisdiction of the court based on that adjudication; and

- Clarify that if a juvenile offender is adjudicated delinquent in any county other than his or her county of residence and is required to register as a sex offender and the case is transferred for disposition to the juvenile's county of residence, the court would have to classify the individual as a "juvenile offender" at that time as well. **Concurrence in House Amendments: 50-0**.

Senate Bill 1358 (Rafferty) would amend Act 200 of 1931 which provides for joint action by Pennsylvania and New Jersey in the development of ports on the lower Delaware River and the establishment of the Delaware River Port Authority (DRPA). The proposed legislation would:

- Require the Pennsylvania commissioners of the DRPA, who are not ex-officio members, to be confirmed by a majority of the Pennsylvania Senate;

- Provide that New Jersey resident employees of the DRPA are subject to the New Jersey Employer-Employee Relations Act and Pennsylvania resident employees are subject to the Pennsylvania Public Employee Relations Act;

- Clarify that DRPA's authority to borrow money is for the purpose of financing any project authorized by or pursuant to the compact or agreement and that DRPA could acquire, purchase, construct, lease, operate, maintain and undertake any project directly relating to the operation of the DRPA;

- Provide that a majority of the commission members for Pennsylvania and a majority of the commission members for New Jersey could meet in executive session to address confidential matters but that neither the commissioners for Pennsylvania nor New Jersey may meet in caucus separately from the members of the other state;

- Provide that DRPA could not negotiate, extend, amend or alter the terms of a contract, or enter into a contract, unless the action is voted on and approved in a public session, and that 30 days public notice is given prior to any such vote;

- Require DRPA to use best practices in procurement and the acceptance of bid proposals online;

- Require the commission to submit biennially an audit of its budget, a performance review audit conducted by an independent auditor and a commission review of the compensation of commission employees and officers. The budget audit, performance review audit and the compensation review report would have to be provided to the Governor and Legislatures of the respective states. Failure to submit the information would result in forfeiture of management employee salaries until such time as the audits and review are complete;

- Require the commission, prior to a board meeting, to circulate a list of entities subject to board action and for the board members to identify in writing any conflicts in advance of the meeting;
- Establish a list of actions by a commissioner, director, officer, or employee which would be prohibited or considered a conflict of interest;
- Prohibit officers and employees at the director level and higher from accepting or engaging in employment by an entity that does business with DRPA for a two-year period following termination of employment with DRPA;
- Require each commissioner to file financial statements in compliance with the law of his or her respective state;
- Prohibit salaries to be higher than the lesser of those of the Governors of Pennsylvania and New Jersey;
- Prohibit a DRPA board member, officer and employees from receiving vehicle allowances, toll exemptions, lump sum expense allowances, or personal lines of credit from DRPA;
- Require any current or prospective vendor, including any director, officer, principal or partner thereof, to annually disclose a list of current political campaign contributions, and any contributions made within four years prior to the vendor's involvement with the commission;
- Require the commission to be subject to the Pennsylvania Right-To-Know Law or to the Open Public Records Act;
- Require the commission to adopt an open meetings and records policy;
- Require the commission to prepare a comprehensive master plan for the development of the Port District as outlined in the legislation; and
- Establish the Port Authority Transit Corporation Commuter's Council to study, investigate, monitor and make recommendations pertaining to the maintenance and operation of the Port Authority Transit Corporation's facilities for the transportation of passengers. **Passed: 50-0**.

Senate Bill 1373 (Rafferty) would amend Act 200 of 1931, which provides for joint action by Pennsylvania and New Jersey in the development of ports on the lower Delaware River and for the establishment of the Delaware River Port Authority (DRPA). The legislation would grant the Governor of Pennsylvania veto power over the actions of the Pennsylvania commissioners on the (DRPA). Legislation has already been enacted in New Jersey to provide its Governor with veto power over its commissioners. **Passed: 50-0**.

Senate Bill 1415 (Eichelberger) would amend the Insurance Department Act of 1921 to make the statute's provisions covering Federal Home Loan Bank lending consistent with federal banking law. Federal Home Loan Banks provide long-term, low-cost funding for insurance companies. The legislation would improve the ability of Federal Home Loan Banks to offer more attractive collateral terms to their Pennsylvania-based insurance company members. It would also make it easier for Federal Home Loan Banks to assist a financially distressed member insurance company.

The bill would clarify that the Insurance Department Act would not prevent a Federal Home Loan Bank from exercising a right or enforcing an obligation under a security agreement between the bank and a member insurance company. Further, a receiver could not avoid a transfer of money or other property under a security agreement that a member insurance company made with a Federal Home Loan Bank before the beginning of a formal proceeding unless the transfer was made with actual intent to hinder, delay or defraud the insurance member, the receiver appointed for the insurer member or existing or future creditors. The Federal Home Loan Bank would, at the request of the appointed receiver for the insurance company, be required to establish a process and timeline for:

- the release of any collateral that exceeds the lending value;
- the release of collateral remaining in the Federal Home Loan Bank's possession after the repayment of all outstanding secured obligations;
- payment of fees and operation of deposits and other accounts with the bank; and
- possible redemption and purchase of Federal Home Loan Bank stock, or other stock, that an insured member is required to own.

The bill would also require a Federal Home Loan Bank to provide options, at the request of a receiver, for an insurer to renew or restructure an advance to defer prepayment fees. The options shall be in compliance with the Federal Home Loan Bank policies, the Federal Home Loan Bank Act and any applicable regulations. **Passed: 50-0.**

Senate Bill 1432 (McIlhinney) would amend the Insurance Company Law of 1921 by adding an article, Fairness in Multiple Copayments, concerning physical therapy, chiropractic and occupational therapy services. The bill would prohibit health insurance policies from requiring insured patients utilizing physical therapy, chiropractic or occupational therapy services to pay more than one copayment amount per visit or to deplete more than one visit. A violation of the article would be deemed an unfair method of competition and an unfair deceptive act or practice under the Unfair Insurance Practices Act. An additional change would require health insurance policies to cover mastectomies and prohibit insurers from applying deductible or copayment provisions contained in a policy or plan to mammographic examinations. **Passed: 50-0.**

Senate Resolution 448 (Mensch) urges the Congress of the United States to enact legislation providing for no less than a two percent raise for United States military personnel. **Adopted by Voice Vote.**

Senate Resolution 455 (Argall) commemorates the 280th anniversary of "Schwenkfelder Thanksgiving Day" on September 24, 2014 in Pennsylvania. **Adopted by Voice Vote.**

Senate Resolution 456 (Brubaker) designates the month of September 2014 as "Chiari Malformations Awareness Month" in Pennsylvania. **Adopted by Voice Vote.**

Senate Resolution 457 (Stack) designates October 6, 2014 as "Pulaski Memorial Day" in Pennsylvania commemorating the 235th anniversary of the death of Casimir Pulaski in 1779. **Adopted by Voice Vote.**

House Bill 241 (Petri) would amend Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes to expand the definitions of "emergency vehicle" and "fire department vehicle" and to further provide for requirements for commercial driver's licenses. The legislation would include state emergency management vehicles in the definition of "emergency vehicle" and a vehicle that is owned or leased by a fire relief association and utilized by an organized paid or volunteer fire department in the definition of fire department vehicle. An additional change would exempt employees of the state emergency management agency who have a Class C license and a certificate of authorization from the head of the agency from needing a commercial driver's license when operating emergency vehicles. **Passed: 50-0.**

House Bill 1773 (Ross) would amend the Municipalities Financial Recovery Act (Act 47 of 1987) to make a number of modifications. The legislation would:

- Add a definition for "authority" to include a municipal authority, parking authority or any other authority that is directly or indirectly controlled by a municipality;

- Expand the definition of "municipal record" to include the financial records of an authority or other corporate entity directly or indirectly performing a function on behalf of or controlled by the municipality;

- Require the Department of Community and Economic Development (DCED), by January 1 of each year, to notify all Commonwealth agencies of the priority funding requirement for distressed municipalities;

- Provide for a limited waiver of regulatory mandates if certain conditions are met;

- Add language allowing a distressed municipality to petition the court to increase the rate of a local services tax and levy a payroll preparation tax;

- Allow the city of Scranton, when petitioning the court for a tax increase, to request an increase in the rate of taxation on nonresident income. The request could be no greater than the highest rate levied in the previous fiscal year on resident income;

- Provide that a distressed municipality, with court approval, could impose a local services tax at a rate not to exceed $156. A municipality adopting a LST would be prohibited from imposing any additional tax on earned income. The option would be limited only to those municipalities who are not restricted by law from levying an EIT on non-residents.

A municipality levying the LST at a rate in excess of $52 would have to exempt from the tax any person whose total income and net profits from all sources is less than $15,600;

- Provide that a distressed municipality, with court approval, could impose a payroll preparation tax (PPT). The tax could not exceed a rate that is sufficient to produce revenues equal to revenues collected from the municipality's mercantile and business privilege tax in the previous fiscal year. After initial court approval, the municipality could levy the PPT in any subsequent year, including after termination of the municipality's distressed status. A municipality adopting a PPT would be prohibited from levying a business privilege tax or mercantile tax;

- Add a special provision allowing those distressed municipalities that also have a distressed pension system under Act 205 of 1984 to levy a higher LST without court approval. The LST permitted under this provision would be in lieu of the enhanced EIT permitted under Act 47;

- Add a new chapter to codify the Early Intervention Program that provides matching grants to assist municipalities experiencing financial difficulties to develop long-term financial management and economic development strategies as preemptive steps in averting a financial crisis. Grants could not exceed $200,000 in the initial year and the municipality would be required to meet basic training requirements as well as match requirements. Additional provisions outline how the grant could be used, the application process, the evaluation criteria, the establishment of guidelines, and a requirement for a financial audit;

- Require a coordinator, within 45 days of appointment by DCED, to issue a list of preliminary findings on the financial condition of the distressed municipality and to solicit comments in writing from designated persons and entities, require DCED to do an annual performance review of the coordinator, add additional areas to be analyzed in formulating a fiscal recovery plan, extend from 90 days to 120 days the time period for filing a complete recovery plan, and set a time frame for a municipality subject to a plan to prepare its annual budget and have it reviewed by the coordinator;

- Create a new subchapter that provides a timetable for the duration of distressed status, impose a five-year termination period which could be extended for three years if recommended by the coordinator, require the coordinator in the fifth year to complete a report on the financial condition of the municipality, and issue findings;

- Replace the existing termination of status section with a new section outlining the timeframe, process, factors to be considered, and right of appeal;

- Provide for an exit plan to be prepared by the coordinator, including timeframe, contents and adoption;

- Add a subchapter on the disincorporation of nonviable municipalities, provide the criteria for determination of non-viability, outline the procedure for disincorporation, provide for

judicial review, create unincorporated service districts to provide essential services to the residents and property owners and provide for the powers, duties, procedures and processes of the unincorporated service districts;

- Extend the provisions of Chapter 6 (Fiscal Emergencies in Municipalities) and Chapter 7 (Receivership) to all distressed municipalities (except for Philadelphia);
- Amend the criteria for the Governor's declaration of fiscal emergency to include: (1) the municipality is insolvent and is unable to provide vital and necessary services, or (2) the municipality has failed to adopt or implement a coordinator's plan or alternative plan;
- Provide that DCED's termination of a fiscal emergency under Chapter 6 would also constitute termination of receivership under Chapter 7; and
- Add a new provision relating to the transition of a municipality from receivership. **Passed: 50-0**.

(2014-057)