

LEG REG REVIEW ELECTION ISSUE 2022, 22nd Issue November 13, 2022

LEG REG REVIEW is a periodic newsletter produced by Vince Phillips who retired from active lobbying after 31 years of advocacy in Harrisburg. It contains news on the legislative and regulatory scene in Pennsylvania that may be of interest to the Insurance and Business Communities. Annual subscriptions are \$100 and information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 or e-mail to xenobun@aol.com.

ELECTION HIGHLIGHTS: U.S. Senate and PA Governor

Now that the 2022 General Election is over, winners Fetterman and Shapiro face several challenges. **Senator-elect John Fetterman** enters a different world with the United States Senate – different pace, different decorum (*Personal note: Will the Senate change their dress code to allow hoodies?*) different policy dynamics and a much stronger caucus system that may try to reduce his independent spirit (*Personal note: Any attempt to do that won't succeed*). He will receive guidance from the state's other Democratic Senator Bob Casey, Jr.

Governor-elect Josh Shapiro, has several advantages. As a former state legislator, he has a hands-on feel for working with the General Assembly unlike his predecessors Wolf and Corbett. He faces at least two challenges. First, he has a very short time frame to make his Administration operational on Day One. Second, the month after he is sworn in as Governor, he addresses a joint session of the legislative branch February 7 to present his proposed State Budget even though he had little to do with it. Although there will doubtless be changes reflecting his policy priorities, most will have been crafted by budget people in the Wolf Administration. He could go with a type of status quo State Budget since he and Wolf both are Democrats and share many of the same general views on social issues.

On the other hand, he could dare to go bold as Governor Wolf tried to do in his first year. Wolf was rebuffed by the Republican-controlled House and Senate. It will be easier for Josh Shapiro if the final election word is a Democratic House majority. Key to all of this is who the Governor-elect will designate as his Budget Secretary. Understand that regardless of which party controls the House, there will new Republican Chairs of the House Appropriations and Finance Committees. (Note: Appropriations does the State Budget while Finance deals with the Fiscal (Tax) Code. Appropriations Chair Stan Saylor (R-York) did not win his primary and Finance Chair Michael Peifer (R-Wayne/Pike) did not seek re-election. The Senate Republican Chair of their Appropriations Committee will be new since Senator Pat Browne (R-Lehigh) was defeated in the primary.

POSITION HIGHLIGHTS: U.S. Senator and PA Governor

Senator-elect John Fetterman: <https://johnfetterman.com/plan/>

Slash “Out of Pocket” Health Care Costs

We've got to end the stranglehold of health care costs on American families by instituting a cap on out-of-pocket costs. I'll make sure no American has to pay more than a thousand dollars a year out of pocket for necessary medical expenses.

We don't need any more simps for big pharma in the Senate — there are already plenty. I'll fight to hold drug companies accountable for forcing families to ration insulin as they rake in record profits and rip Pennsylvanians off.

If we're going to bring down the prices of prescription drugs, we need to go after the pharmaceutical companies that jack up the prices. We should also pass legislation to allow for the importation of lower-priced prescription drugs from other countries and put a cap on prescription drug costs.

Governor-elect Josh Shapiro: <https://www.wgal.com/article/pennsylvania-governors-race-mastriano-shapiro-stances-on-the-issues/41295100> has a limited description on healthcare such as expanding Telehealth. THERE WAS NO POLICY POSITION ON INSURANCE PER SE FROM HIS CAMPAIGN WEBSITE.

However, on June 24, 2019, Attorney General Shapiro and Governor Wolf announced a ten-year agreement between Highmark and UPMC to end their long-standing dispute regarding Highmark patient access to UPMC hospitals. If the accord had not been reached the previous consent decree would have ended July 1, 2019 resulting in patients “*having their healthcare upended*”.

As a State Representative, Shapiro (D-Montgomery) was the prime sponsor of seven bills specific to insurance. They were:

- 2010: **House Bill 2462** would have established the PA Health Insurance Implementation Authority to implement provisions of the Federal Protection & Affordable Care Act (Obamacare). **NOTE:** *Shapiro was appointed to President Obama’s transition team for health care in 2008*.
- 2010: **House Bill 2392** would have made PA Mini-Cobra subsidies compliant with Federal law re nine months duration and extending eligibility for those who were laid off.
- 2008 and 2005: **House Bill 2209 and House Bill 1531** respectively would have allowed a community health network to organize for the purpose of obtaining group health insurance.
- 2008: **House Bill 2554** would have required that dependent health insurance benefits go to a student who is enrolled less than full-time as a result of a documented disability.
- 2007 and 2006: **House Bill 1349 and House Bill 2481** respectively would have required a 90-day advance notice of non-renewal, cancellation or termination to those with Medical Malpractice Insurance.
- 2007: **House Bill 1829** would have mandated health insurance coverage for infertility treatment services and for prescription infertility drugs.

Lt. Governor-elect Austin Davis will preside over the PA State Senate in 2023. As State Representative (D-Allegheny), he was a principal sponsor of two bills relating to Insurance. He did sponsor transportation bills in 2021 relating to eliminating windshield tinting restrictions for rear windows (**House Bill 380**) and allowing for digital proof of vehicle registration (**House Bill 2111**). Insurance bills include:

- 2021: **House 2017** sponsored with Rep. Wendi Thomas (R-Bucks), would have mandated health insurance coverage for medically prescribed pasteurized human milk (donor milk).
- 2021: **House Bill 1030** would have put a check-off box on PA tax returns to allow for an evaluation as to whether a person is eligible for Affordable Care Act or Medicaid coverage. Davis claimed this ‘Easy Enrollment Program’ meant that an additional 424,000 children and adults could become insured.
- 2020: Rep. Davis circulated a sponsorship memo seeking a Right To Repair law that would allow self-repair for digital devices. His bill was not formally introduced so it is not clear as to whether it would impact automobile digital systems. If so, voiding original equipment servicing might have a bearing on an auto warranty and auto insurance claims where the Right To Repair service did not work.

ELECTION HIGHLIGHTS: PA State Senate

- The PA Senate remains in Republican hands. No GOP incumbents were defeated although the seat held by retiring Senator John Yudichak (Independent-Luzerne) who voted with the Republican Caucus is replaced by Democrat Nicholas Miller who won with 53.3% of the vote.
- Defeated Governor nominee Doug Mastriano (R-Franklin) will retain his seat in the PA Senate since he was not up for re-election in that legislative district this year.

- Who Filled the Vacant Seats? Besides Yudichak, there were five Republicans who either lost their primary race or chose not to run for re-election.

Current Incumbent 2022	Winner	Party	Voting Percentage
Tomlinson (R-Bucks)	Frank Farry	GOP	53.35%
<i>(NOTE: Farry is currently a Representative from Bucks County.)</i>			
P. Browne (R-Lehigh)	Jarrett Coleman	GOP	54.29%
Mensch (R-Bucks/Mont. /Berks)	Tracy Pennycuick	GOP	52.14%
<i>(NOTE: Pennycuick is currently a Representative from Bucks County.)</i>			
Corman (R-Centre/Hunt. /Mifflin)	Greg Rothman	GOP	63.62%
<i>(NOTE: Rothman is currently a Representative from Cumberland County.)</i>			
Scavello (R-Monroe)	Rosemary Brown	GOP	55.31%
<i>(NOTE: R. Brown is currently a Representative from Monroe County.)</i>			

ELECTION HIGHLIGHTS: PA State House

- The PA House is likely to be under Democratic control for the first time in over a decade with current results showing 101 Democrats and 100 Republicans being declared winners. BUT...That's not certain because of several variables:
 - *Since Rep Tony DeLuca (D-Allegheny) has passed away, that seat is vacant. When will the special election date be held? Current Speaker Bryan Cutler (R-Lancaster) could technically call it, likely for May 2023 or the new Speaker of the House could wait until the New Year to do it in which case the date would likely be sooner if Democrats finally solidify their House majority. DeLuca's seat is Democratic so an early special election means another D seat to a razor-thin Democratic majority.*
 - Lt. Governor-elect Austin Davis also ran for re-election for his Allegheny County seat. His vote would be pivotal until he is sworn in to his new post. A similar situation exists with Congresswoman-elect Summer Lee. She also filed for re-election to her House seat. So, can she and Davis take office to aid the Democrats' margin in the PA House and then resign just before taking their new positions?
 - *In some races, counting of the mail-in ballots is still under way. This count may be derailed if undated absentee ballots are to be counted. Most of those ballots would likely aid Democratic candidates.*
- Some races are so very close that although winners have been declared, their margins are thin enough to be upset by mail-in votes or provisional votes or if the loser were to seek a recount. Consider:
 - *Incumbent Republican Todd Stevens (Montgomery County) leads by 12 votes as of 11/12/22.*
 - *Republican winner Joseph Hogan (Bucks County seat replacing Frank Farry) leads by two votes as of 11/12/22.*
 - *Democrat Brian Monroe defeated incumbent Bucks County Republican Todd Polinchock with 50.65% of the vote.*
 - There is a possibility that a lawmaker could switch parties to give the other party a working majority. It has happened before. In 1994, Democratic Rep. Tom Stish (Luzerne) changed his party affiliation to Republican after he was elected. This gave control of the House to the GOP.

SELECTED RACES: PA State House (Partial List)

- **Democratic Pickups**
 - Mandy Steele took Rep. Carrie Lewis Del Rosso's (R-Allegheny) seat. Carrie Lewis DelRosso was the unsuccessful GOP nominee for Lt. Governor.
 - Paul Friel took defeated incumbent Rep. Tim Hennessey (R-Chester) with 55.7% of the vote.
 - Lisa Borkowski defeated incumbent Rep. Chris Quinn (R-Delaware) with 55.9% of the vote.
 - Johann Cepeda-Freytiz took retiring Rep. Jim Cox's (R-Berks) seat.
 - Tarah Probst took retiring Rep. Rosemary Brown's (R-Monroe/Pike) seat. Brown was elected Senator replacing retiring Sen. Mario Scavello.
 - David Madsen took retiring Rep. Susan Helm's (R-Dauphin) seat.
 - Justin Fleming took retiring Rep. Anthony Lewis' (R-Dauphin) seat.

- **Republican Pickups**

- Alec Ryncavage took retiring Rep. Gerald Mullery’s (D-Luzerne) seat.
- Marla Brown defeated incumbent Rep. Chris Sainato (D-Lawrence) with 52.9% of the vote.

The Department of State website for election results may be found at

<https://www.electionreturns.pa.gov/General/OfficeResults?OfficeID=2&ElectionID=undefined&ElectionType=undefined&IsActive=undefined> . For General Assembly races, click ‘Offices’.

JUST WAIT...IT GETS MORE INVOLVED.

Many uncertainties cloud the General Assembly right now on the House side, particularly with the large number of committee chair vacancies.

SENATE... At least, with the GOP having a solid majority, leadership elections should be without undue controversy. With Senator Corman leaving office, GOP Senators will be climbing the leadership chairs. A key decision is who will serve as Majority Chair of the Senate Appropriations Committee. This person’s responsibility is heightened given that Democrats control the Governor’s Office and likely the House. That puts the Senate as the GOP bulwark against Democratic policy initiatives. In the Senate, there will be committee changes given retirements and leadership transitions. Committee Chair vacancies include:

Committee	Current Majority Chair Vacancy
- Appropriations	Pat Brown (R-Lehigh)
- Consumer Protection & Recreational Development	‘Tommy’ Tomlinson (R-Bucks)
- Community Economic & Recreational Development	John Yudichak (Ind.-Luzerne)

HOUSE... Regardless of which party will lead in the House, there are multiple committee chairs that will be vacant due to retirements and defeats plus doubtless some current committee chairs will want to seek leadership positions or chair a different committee.

Committee	Current Majority Chair Vacancy	Current Minority Chair Vacancy
Aging & Older Adult Serv.	Gary Day (R-Lehigh/Berks)	
Appropriations	Stan Saylor (R-York)	
Children & Youth		Pam DeLissio (D-Phila. /Montgomery)
Committee on Committees	Stan Saylor (R-York)	
Ethics		Gerald Mullery (D-Luzerne)
Education	Curt Sonney (R-Erie)	Mark Longietti (D-Mercer/Crawford)
Finance	Michael Peifer (R-Pike/Wayne)	
Game & Fisheries	Keith Gillespie (R-York)	
Gaming Oversight	Sue Helm (R-Dauphin)	
Human Services	Frank Farry (R-Bucks)	
Insurance		Tony DeLuca (D-Allegheny) -deceased
Labor & Industry	Jim Cox (R-Berks)	Gerald Mullery (D-Luzerne)
Local Government	Jerry Knowles (R-Berks/ Schuylkill)	
Professional Licensure	Dave Hickernell (R-Lancaster)	
Tourism & Rec. Dev.	Dave Millard (R-Columbia)	
Transportation	Tim Hennessey (R-Chester)	Mike Carroll (D-Luzerne)
Urban Affairs	Rosemary Brown (R-Monroe)	
Veterans Aff. & Em. Prep	Karen Boback (R-Luzerne/ Lackawanna/Wyoming)	Chris Sainato (D-Lawrence)