

LEG REG REVIEW

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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.

GOVERNOR SIGNS INSURANCE DATA BILL

House Bill 739 (Boyle-D-Phila. and Pickett-R-Bradford) is now law per the June 14 signing of the Insurance Data Security Act by Governor Josh Shapiro. Although much of it does not take effect immediately, it is still imperative that insurance licensees determine (with the help of their respective industry associations – PAMIC, IFP, IABA, etc.) whether they meet the criteria for an exemption from the risk assessment section of Act 2 of 2023. All licensees must still report cybersecurity events to the PA Insurance Department. Following is a link: <https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sessYr=2023&sessInd=0&billBody=H&billTyp=B&billNbr=0739&pn=0688>.

Also, the Senate Appropriations Committee staff produced a section-by-section summary: <https://www.legis.state.pa.us/WU01/LI/BI/SFN/2023/0/HB0739P0688.pdf>.

HOUSE ACTIVITY LAST WEEK

The House was in session last week. The Senate was not. This week both House and Senate will be in session.

The House passed:

- **House Bill 1138** (Waxman-D-Phila.) would exempt cellular telephone plans from the state Gross 5% Receipts Tax and 6% Sales Tax. It passed the House by a 203-0 vote on June 13. **NOTE:** The House Fiscal Note estimates \$65 million of lost revenue to the state if HB 1138 is enacted. A separate proposal to increase 911 fees is included in the State Budget now before the General Assembly.
- Commercial truck drivers who lost their license because of three DUIs may have an opportunity for reinstatement in **House Bill 1092** (Hill-Evans-D-York). The 155-48 House vote took place on June 13.
- **Senate Bill 226** (Robinson-R-Allegheny) passed the House 203-0 on June 14. Since the Senate passed it 50-0 on April 25, SB 226 should be on its way to the Governor for his signature.

ACA PROTECTION BILL ADVANCES

House Bill 1050 (Boyd-D-Phila.) was reported out by the House Insurance Committee 21-0 on June 12. It would protect a mainstay of the Affordable Care Act – preventive health care. This would ensure preventive care mandates under the Affordable Care Act (ACA) continuing in PA if the ACA is voided because of a change in Federal law or court ruling. House passage is likely.

PAID FAMILY & MEDICAL LEAVE PASSES COMMITTEE

The House Labor & Industry Committee reported out **House Bill 181** (D. Miller-D-Allegheny) on June 6 with a partisan vote of 11-10 with Republicans and one Democrat, Rep. Jim Haddock (D-Luzerne), voting no. HB 181 would establish a state-run paid family leave plan supported by all workers through an up to one-percent payroll tax. The Family Care Act plan would be regulated by the PA Department of Labor & Industry. Eligible employees could have to 20 weeks of paid leave to provide care for a baby and mother or other family member.

COMBUSTABLE BILL RECEIVES COMMITTEE NOD

House Bill 1171 (Hill-Evans-D-York) would change the distance for gas pumps from convenience store master control emergency fuel shut-offs from the current 200 feet to 350. According to the prime sponsor, gas pumps are a hazard to pedestrians this close to the convenience store and cause vehicle congestion – another safety issue. The bill was reported out 21-0 by the House Veteran Affairs & Emergency Preparedness Committee.

COMMITTEE AGENDAS

- Neither the House Insurance Committee nor the Senate Banking & Insurance Committee have scheduled meetings as of a.m. June 20.
- Today, the Senate Health & Human Services Committee plans to take up **Senate Bill 768** (Brooks-R-Mercer/Crawford/Lawrence). This bill seeks to support the Rural Health Redesign Center Authority by setting aside \$2.5 million from the General Fund to continue its work. This Authority is the result of a Federal pilot program seeking to help rural hospitals better manage themselves with, among other things, emphasizing Telemedicine. **NOTE:** Accelerated use of Telemedicine may have insurance implications regarding claim payments. **Senate Bill 739** (Vogel-R-Beaver) has already been introduced to mandate insurer coverage for Telemedicine and other remote health care services.
- Along with **Act 2 of 2023** comes another privacy bill. On the June 21 agenda of the Senate Communications & Technology Committee is **Senate Bill 824** (Pennycuick-R-Bucks). This legislation amends the Breach of Personal Information Notification Act to require businesses and organizations to notify the PA Attorney General if a cybersecurity breach affected more than 500 people. In addition, six months of free credit reports would be provided for individuals whose personal information may have been compromised.

SECOND KEYSTONES SAVES BILL INTRODUCED

Senator Art Haywood (D-Phila.) has introduced **Senate Bill 728** to establish a state-run retirement program with:

- Mandatory participation by employers that do not already have a Federally approved retirement/pension.
- Employees automatically being enrolled in the Keystone Saves retirement program and must affirmatively take action to opt out.
- Premiums being required to be deducted as a percent of gross wages.

SB 728 was referred to the Senate Finance Committee. A companion bill, **House Bill 577** (Mullins-D-Lackawanna), is also in the Senate Finance Committee, having passed the House by a largely partisan vote (with Democrats voting yes) on May 24.

HEALTH INSURANCE EXCHANGE REINSURANCE CONFERENCE CALL

The public comment will close on June 30 on the ACA Section 1332 State Innovation Waiver Reinsurance Program. Also known as ‘PA-Re’, this reinsurance program supports the financial integrity of PA’s health insurance exchange, Pennie. The PA Insurance Department has scheduled a public forum on June 28, 2023, from 1:00 to 2:00 p.m. The in-person forum will be held at Capital Associates Building, 901 North 7th Street, Harrisburg. The call-in number is 267-332-8737 and the phone conference ID is 480 005 430#. Advance information on the 1332 Waiver is available at www.insurance.pa.gov/PA1332Waiver.

Written or emailed comments should go to Katie Merritt at PA Insurance Department, 1326 Strawberry Square, Harrisburg, PA, 17120 or RA-IN-PA1332Waiver@pa.gov.

FALSE CLAIMS BILL REINTRODUCED

House Bill 1437 (Grove-R-York) would establish a false claims law in PA. Text was not available as of a.m. June 20 but previous versions of the bill from past sessions included penalties for submitting a false claim to the state that would not be reduced if the claim was incorrectly submitted because of an administrative or coding error and was subsequently corrected. Although Medicaid fraud is profiled, it would apply to all false claims to the Commonwealth. A whistleblower component and promise of award would incentivize ‘insiders’ to report what they believe to be fraudulent claims. **Status:** Not yet referred to committee.

AND THIS! House Resolution 160 (Mehaffe-R-Dauphin) was introduced to proclaim June 30 as Hershey Chocolate World Day. Any suggestions as to how we celebrate this important occasion?