

LEG REG REVIEW 2008, Thirty-First Issue

LEG REG REVIEW is a periodic newsletter produced by PHILLIPS ASSOCIATES, a professional lobbying and consultant firm based near the State Capitol. It contains news on the legislative and regulatory scene in Pennsylvania that may be useful to insurance producers, companies, and business interests. It is a free Member Service if you belong to the Pennsylvania Association of Health Underwriters or Manufacturers Association of South Central PA. Subscription information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 FAX 717/728-1164 or e-mail xenobun@aol.com. Please email jtrout2792@aol.com supplying both your e-mail and fax numbers in order to convert this publication to e-mail. If you wish to no longer receive it, please tell us.

POST ELECTION ISSUE

National: The electorate in Pennsylvania sent mixed messages. On one hand, it was consistent with the national trend. Besides helping the Nation decide on President-Elect Obama and a more Democratic Congress with the defeat of incumbent Republican Phil English in Erie, it also kept hotly contested Democratic seats in the north (Carney), northeast (Kanjorski), and west (Murtha and Altmire). State races were another matter.

State: Elected was Republican Tom Corbett as Attorney General with large crossover votes. Also elected was Democrat Jack Wagner as Auditor General with large crossovers. *(Two high profile state officeholders with proven ticket-splitting attractiveness...and the election for Governor is only two years away.)* The House of Representatives is slightly more Democratic while the Senate is more Republican.

Partisan Shift in SE: What was striking was the shift in southeast PA from Republican to Democrat and the shift in western PA from Democratic seats to the Republicans. Professional pontificators can speculate as to whether the RINOS have finally become Democrats or whether this was simply the Obama Boom. Still, numbers of seats held by retiring Republicans fell to the Democrats as follows: Hershey seat in Chester, Raymond seat in Delaware, Kenney seat in Phila. Steil seat in Bucks. Incumbent Republican Jay Moyer (Montgomery) lost to a Democrat in an election defeat. In a non-southeast race, the Lycoming (County (Williamsport) seat held by Rep. Capelli went to the Ds in an open election since Capelli ran unsuccessfully for the Senate. An exception to all of this was the Republican defeat of first term Chris King (D-Bucks).

Partisan Shift in west: In western PA, the situation was somewhat reversed. Westmoreland County stayed with the Senate Republican candidate to succeed Bob Regola. The Rs picked up Senator LaValle's Democratic seat in Beaver County. House seats picked up by the Republicans were in Beaver County with the defeat of popular Rep. Vince Biancucci and Clearfield/Elk with the surprise defeat of popular Dan Surra, part of the House Democratic leadership. Retiring Democratic Rep. Tangretti's Westmoreland seat went Republican and the Rs were able to retain Rep. Marshall who defeated Bonusgate-tarred Rep. Veon in a Democratic Beaver County seat last election and the seat in Westmoreland County vacated by retiring Republican Jess Stairs.

The western part of the state's Republican trend was not enough to offset Democrat gains in the southeast. As a result, House Democrats emerged slightly more in control and the Senate Rs increased their margin by one seat with one vacancy in Schuylkill County to be determined in a special election.

Two surprises were Majority Leader Rep. DeWeese keeping his seat and Dan Surra losing his.

LEADERSHIP CHANGES

The spotlight is on House Democrats as they decide their leadership team. Thanks to the election, current Democratic Majority leader Bill DeWeese (D-Greene) is back as are heavyweights Keith McCall (D-Carbon), now Whip, Dwight Evans (D-Phila), now Appropriations Chairman, Dave Levdansky (D-Allegheny), now Finance Chairman) and Todd Eachus (D-Luzerne), now Majority Policy Committee Chairman. At issue is who will be nominated Speaker by the Democratic Caucus. The contest opens up old and new wounds within the Caucus for Democrats such as influential Josh Shapiro (D-Montgomery) who have publicly called on DeWeese to step down. At least one thing favors embattled leader DeWeese. Long-time DeWeese critic Tom Tangretti (D-Westmoreland) retired. A doubtful outcome is the re-election of Dennis O'Brien (R-Phila.) as Speaker since the Democrats have a slightly better majority than before.

On the Republican side of the aisle, it is speculated that former Speaker John Perzel (R-Phila.) will contest Republican Floor Leader Sam Smith (R-Jefferson). Person to watch on the GOP side as a rising star is Mike Turzai (R-Allegheny), currently Policy Committee Chairman.

Regardless of the larger drama being played out for top leadership positions in the House, other leadership vacancies will be filled. On the Senate side, retiring Senator Terry Punt (R-Franklin) opens up the position of Majority (Republican) Caucus Administrator. On the House side, defeated Rep. Dan Surra (D-Elk) opens the position of Majority (Democratic) Caucus Administrator.

COMMITTEE CHANGES

Leadership changes often sets off a domino effect, bringing a wave of position and committee changes as new openings are created. An example would be if Senator Jake Corman (R-Centre) moves up the ladder, his position of Majority Policy Committee Chairman becomes open. Sometimes a legislator finally gets the committee he/she has always wanted. As such, seniority, preference, and leadership moves all contribute to numbers of committee changes especially when one adds the committee chairmanship openings caused by retirement or defeat.

Senate Republicans

- Transportation Committee is open due to Senator Madigan's retirement
- Education Committee is open because of Senator Rhoades' death
- Appropriations Committee is open because of Senator Armstrong's retirement
- Local Government Committee is open because of Senator Regola's retirement

Senate Democrats

- Appropriations Committee is open because of Senator LaValle's retirement (and earlier Senator Fumo's stepping down). This means that both Republican and Democratic Appropriations Committee chairmen will be new at this critical fiscal juncture for the state.
- Communications & High Technology Committee is open because of Senator C. William's retirement

House Democrats

- Gaming Oversight Committee is open because of Rep. James' primary defeat
- Tourism & Rec. Development Committee is open because of Rep. Tangretti's retirement
- Urban Affairs Committee open because of Rep. Petrone's retirement

House Republicans

- Finance Committee because of Rep. Nickol's retirement
- Health & Human Services Committee due to Rep. Kenney's retirement
- Children & Youth Committee because of Rep. Rubley's retirement
- Agriculture & Rural Affairs Committee because of Rep. Hershey's retirement
- Education Committee because of Rep. Stairs' retirement
- Intergovernmental Affairs open because of Rep. Steil's retirement
- Liquor Control Committee open due to retiring Rep. Raymond