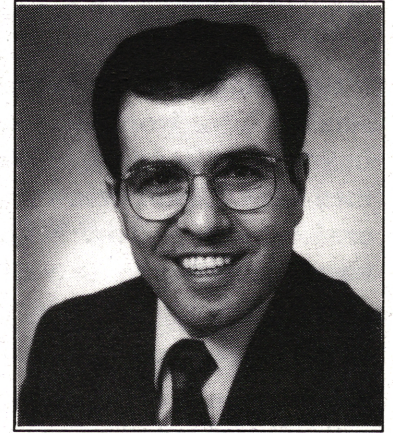
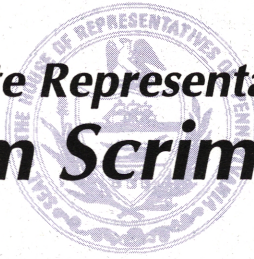


• *Legislative Report* •



State Representative **Tom Scrimenti**



Report to the 4th Legislative District

.....

Inside:

New Laws to Cut Crime...Page 2

Welfare Reforms...Page 2

*PACE Changes to Increase
Benefits...Page 2*

*Pa. Speed Limit Takes
Off...Page 3*

Scrimenti's Legislation...Page 3

.....

Offices:

North East Office:

9 West Main St.
North East, PA 16428
725-8664

.....

Corry Office:

9 West Washington St.
Corry, PA 16407
664-9126

.....

Capitol Office:

25B East Wing
House of Representatives
House Box 202020
Harrisburg, PA 17120-2020
(717) 787-9475

.....

Millions in Budget Funds and Tax Cuts for Erie County

The new state budget and a tax cut package will bring Erie County millions of dollars in state funding and tax cuts for businesses and the public.

"While imperfect, the spending plan provides continued funding for our schools and includes special budget items for Erie County," said Rep. Tom Scrimenti. "The budget is fiscally conservative but generous to Erie communities."

School districts within the 4th Legislative District receive a total of more than \$34 million, an increase of more than \$1 million over last year's funding.

Scrimenti said line items particularly helpful to Erie County include funding to promote the hardwoods industry, one of northwestern Pennsylvania's premier employers, and \$100,000 for domestic abuse and alcohol and drug abuse programs in Erie County.

The \$16.2 billion budget also includes \$15 million in Sunny Day Funds — \$2 million of which is earmarked for a low-interest loan for Bush Industries, an employer promising up to 1,000 jobs in Summit Township.

Scrimenti said a comprehensive tax reduction package will cut taxes for businesses, consumers, widows and widowers, and foster families.

"This package will help us to attract employers," said Scrimenti, "and then goes an extra step to also give working people a tax break."

The package's many provisions include:

- eliminating the inheritance (widow's) tax, which requires a surviving spouse to pay tax on inheritances.

(continued on page 4)

Extra Tax Savings for Seniors

Older Pennsylvanians receive two big benefits through the tax cut package signed into law just weeks ago, says Rep. Tom Scrimenti.

The law includes a repeal of the 2 percent annuity tax and repeal of the inheritance or so-called widow's tax.

"The tax on annuities, which are generally retirement funds, was part of the 1991 tax increase and was never meant to be permanent. It's time it was repealed," said Scrimenti.

"I'm also pleased to see the repeal of Pennsylvania's widow's tax, a tax which I have long opposed. It placed an unreasonable hardship on surviving spouses, and its elimination will not do the state any fiscal harm."

Scrimenti Votes to Cut Crime

Gov. Ridge and the General Assembly have worked closely to implement several anti-crime measures. Listed below are several laws Rep. Tom Scrimenti voted to approve.

Mandatory Restitution Act 12 (*Special Session House Bill 18*) requires criminals to pay restitution to their victims and allows victims to sue criminals for any profits from crimes.

Juvenile Fingerprinting Act 6 (*Special Session Senate Bill 10*) per-

mits the police to distribute the fingerprints and photographs of juveniles arrested for a misdemeanor or felony.

Juvenile Record Expungement Act 7 (*Special Session Senate Bill 20*) requires the district attorney's permission for courts to erase the records of a juvenile offender who turns 18.

Juvenile Record Review Act 13 (*Special Session House Bill 19*) allows a judge to consider an adult's juvenile criminal record when sentenc-

ing him for a misdemeanor conviction instead of waiting until he is convicted of a felony.

Rape Law Reform Act 10 (*Special Session Senate Bill 2*) expands the definition of rape to include forcible compulsion, which is physical, intellectual, moral, emotional or psychological force either expressed or implied. It also creates the crime of sexual assault, for which prosecutors do not have to prove the use or threat of force. ■

Welfare Reforms Approved by Governor

Recent welfare reforms hope to eliminate fraud, waste and abuse while maintaining benefits for the truly needy, according to state Rep. Tom Scrimenti.

"These are modest reforms to restore accountability to the system," Scrimenti said.

Provisions of the law:

- eliminate benefits for transitionally needy.
- rename the Community Work Program the Workfare Program. Welfare recipients who refuse to take part will have their benefits cut off.
- mandate statewide expansion of an existing pilot recipient identification program which uses fingerprinting.
- require pregnant minors to reside with their parents for benefit eligibility.
- prohibit welfare benefits to anyone sentenced for a crime who has not served the penalty for that crime.
- require mothers to cooperate with the Department of Public Welfare to establish paternity in order

to seek Medical Assistance support.

- authorize DPW to pursue medical cost savings (Medical Assistance accounts for 54 percent of DPW's budget).

"This reform offers incentives,

training and work programs instead of just handouts," Scrimenti said. "We've got to get people who can work off the public dole and back to work. I think this package will help us reach that goal." ■

Bill Would Keep More Seniors in PACE

Rep. Tom Scrimenti voted in early June to approve a bill to ensure that more older Pennsylvanians have access to the Pharmaceutical Assistance Contract for the Elderly.

"Tens of thousands of seniors face great poverty every year because they get an extra few dollars in Social Security and subsequently are made ineligible for PACE," said Scrimenti. "How does an extra \$20 in your Social Security check make you able to cover hundreds or thousands of dollars of prescription bills? It makes no sense."

Currently, adults 65 or older with an income less than \$13,000 (\$16,200 for a married couple) qualify for PACE, a program funded by the Pennsylvania Lottery to assist seniors with prescription costs.

Under current guidelines, if a qualified person receives an increase from Social Security that raises their income over the threshold amount, the person loses their eligibility for PACE.

The legislation (H.B. 1526) would protect those seniors already on PACE from being made ineligible by incremental increases in Social Security. The House also approved an amendment that aims to open PACE to a greater number of seniors who are close to the income eligibility requirement. Both provisions would adjust an individual's income eligibility by factoring that individual's current prescription costs. ■

Pa. Speed Limit Takes Off

A new law allows Pennsylvania motorists to drive 65 mph on rural sections of interstates and the Pennsylvania Turnpike. Statewide, the increase affects about 1,160 miles of rural interstate highways, including certain stretches of the turnpike. Cars, tractor trailers, motorcycles and buses are able to drive 65 mph on designated roads. ■

Scrimenti's Legislation Fights Crime and Helps Firefighters

Rep. Tom Scrimenti has introduced the following several pieces of legislation.

Fingerprinting Equipment for State Police ■

The measure (Special Session H.B. 92) would provide a supplemental appropriation of \$1.75 million to the Pennsylvania State Police to purchase equipment that would enable the state police computer to electronically receive and check fingerprints from across the state.

The fingerprint scanners now in use by the state police use Xerox technology to copy the fingerprints. After prints are taken, they are compared to existing prints and a criminal background check is processed.

Because Pennsylvania lacks the equipment necessary to link these scanners with computers, this procedure can take two to three weeks to complete. Because of this delay, suspects can give municipal police officers an alias and be set free.

With the proper equipment, the state police could check fingerprints within minutes.

Volunteer Fire Company Fund Raising ■

The bill (H.B. 1771) would establish the Volunteer Fire Company Challenge Grant Program, under which the state would provide \$1 for every \$3 raised through fund raising.

The measure would create a special account in Pennsylvania's General Fund, the Volunteer Fire Company Challenge Grant Fund. Taxpayers would be able to contribute to the fund through a checkoff on their state income tax forms. The contribution made on the income tax return would be at the discretion of the taxpayer. The contribution would be deducted from the individual's tax refund or be credited against any tax owed.

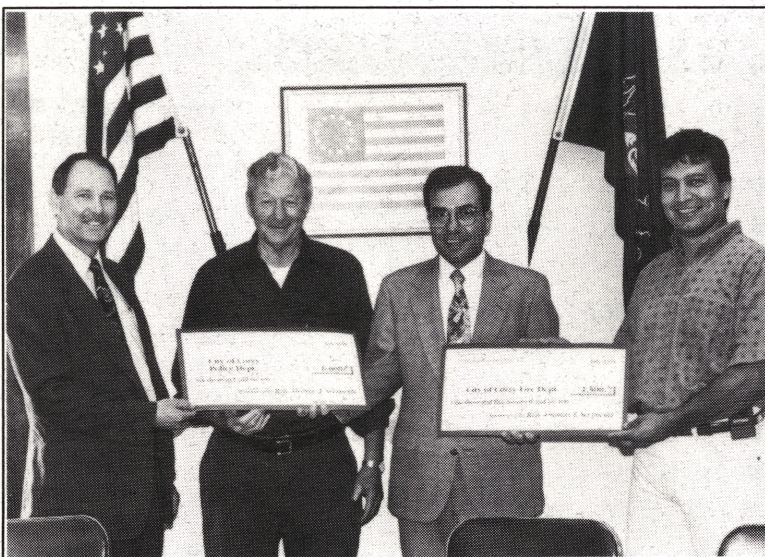
Affordability of Utility Rate Increases ■

The bill (H.B. 1743) would require public utilities to prove that any rate increase request is affordable. Current law already requires that the increase be proved "just and reasonable."

Reduce Number of State Representatives ■

The bill (H.B. 1599) would reduce the number of state House districts from 203 to 149 and maintain the 50 senatorial districts; it would apply to terms of office beginning Dec. 1, 2002.

Scrimenti recently presented the Corry police & fire departments with \$7,500 in grants for equipment. Left to right are: Chief of Police Dana Scouten, Mayor Jack Armitage, Scrimenti and Fire Chief Don Dodd.



More than 1,500 residents responded to Rep. Tom Scrimenti's public survey, which was mailed to district residents this spring.

Responses are being tallied and will be announced soon.

Look for Scrimenti's legislative column in the Saturday edition of the *Corry Journal*.



Scrimenti, center, lends a hand at the Union City Food Pantry after making a \$100 donation from his Community Account.

Budget (continued from page 1)

- exempting coin-operated phone calls from the sales tax.
- eliminating the tax on insurance annuities.
- excluding payments for foster care from consideration as income.
- lowering the Corporate Net Income tax from 10.99 percent to 9.99 percent.
- increasing the maximum net operating loss deduction from \$500,000 to \$1 million.
- increasing the Capital Stock and Franchise tax exemption from \$75,000 to \$100,000. ■

• *Legislative Report* •

*Report to the 4th
Legislative District*

State Representative
Tom Scrimenti

HOUSE OF REPRESENTATIVES
HOUSE BOX 202020
HARRISBURG, PA 17120-2020

BULK RATE
U.S. POSTAGE
PAID
HARRISBURG, PA
PERMIT 529



Printed on Recycled Paper

LIO-JS-7/95

• Legislative Report •

Report to the 4th Legislative District

.....

Offices:

North East Office:

9 W. Main St.
North East, PA 16428
725-8664

.....

Corry Office:

202 N. Center St.
Corry, PA 16407
664-9126

.....

Summit Township

Satellite Office:

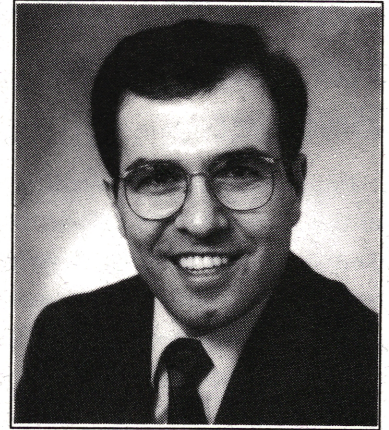
Tuesdays 2 p.m. to 4 p.m.
at the Summit Township Bldg.,
8900 Old French Road
868-9686

.....

Capitol Office:

25B East Wing
House of Representatives
House Box 202020
Harrisburg, PA 17120-2020
(717) 787-9475

State Representative Tom Scrimenti

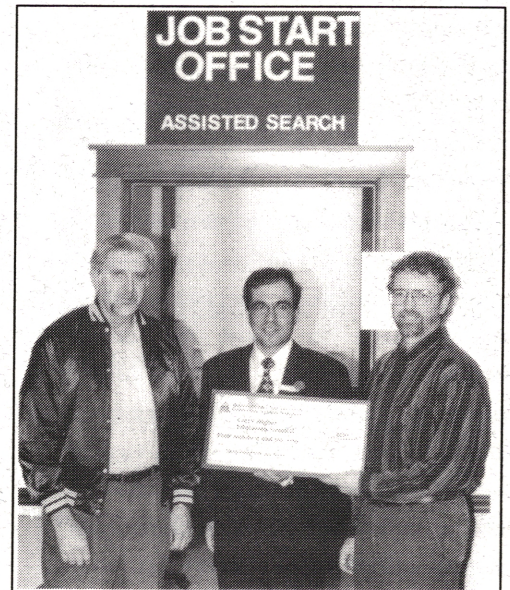


New Center Provides Better Services for the Jobless

Rep. Tom Scrimenti says what began as a bad situation for the unemployed in the Corry area has resulted in even better services.

In December, Scrimenti began voicing his opposition with state Labor and Industry Secretary Johnny Butler to the closing of the Corry Job Center, a satellite office open one day a week to handle unemployment claims. The closing is part of a statewide effort to cut costs; closing the Corry facility will save the state about \$2,000 annually. Scrimenti was joined by others in the community in protesting the closure, but despite everyone's efforts, the center closed in March. Alternatives were offered, including providing unemployment services in Scrimenti's Corry district office. Instead, the Corry Higher Education Council opened the Corry/Union City Job Start, offering services similar to those at the Corry Job Center.

"I couldn't be happier. Job Start offers more services than those offered at the Corry Job Center and does it five days a week," said Scrimenti. "All residents — not just the unemployed — will have access to employment information during the council's normal hours and access to electronic job searches 20 hours a week. While a state official is not around weekly to help the jobless, I still believe the extended operating hours and job search capabilities make these



Rep. Tom Scrimenti (center) presents Corry Higher Education Council Executive Director Steve Bishop (right) with a Community Account donation of \$400 to help with startup costs at the new Job Start office in the Smith Education Center. The two are joined by Local 629 UAW President Paul Pirozzola, who presented Bishop with another \$400 from the UAW.

services more valuable."

Corry Higher Education Council Executive Director Steve Bishop noted that the Job Start office works in conjunction with the state Job Center in Erie and that the collaboration is the "first and only such relationship in the state." Bishop said all paperwork still is processed through the Job Center. He added that the offices' relationship is important because

(continued on page 4)

Scrimenti Votes for New State Budget

Rep. Tom Scrimenti voted in favor of the state's \$17.15 billion 1997-98 General Fund budget, saying, "it's not perfect, but it does more for education, low-income families and small business than past budgets."

All school districts in the 4th District receive an increase in basic education funding, which increased statewide 2.7 percent. Corry Area gets \$8.1 million, up \$314,961 from 1996-97. Harborcreek gets \$6.5 million, \$144,219 more than last year. North East gets \$6.2 million, up \$128,065 from 1996-97. Union City will receive \$5.1 million, up \$197,548 from last year; and Wattsburg gets \$4.9 million, an increase of \$97,659 over 1996-97.

Scrimenti says the accompanying tax package is good for small businesses, because it will allow many to qualify as Subchapter S corporations, enabling them to pay the 2.8 percent personal income tax instead of the 9.9 percent corporate income tax.

Of concern to Scrimenti and many Pennsylvania municipalities was the governor's plan to phase out the Sewage Facilities Enforcement Grant program over three years by reducing the current fiscal year appropriation by \$10 million. This program provides state operating assistance to public sewer authorities. Fortunately, lawmakers were able to provide increased funding for this program. The budget includes \$41.7 million for the grants, \$11.7 million more than the governor asked for.

Additionally, working poor families received a \$25.4 million income tax cut.

Scrimenti Votes Against Gas Tax

The Ridge administration recently pushed through the General Assembly a tax increase that raised vehicle registration fees 50 percent and hiked the gas tax 3.5 cents per gallon, making Pennsylvania's gas tax the fifth-highest in the nation. Pennsylvania drivers now pay 25.85 cents per gallon in state taxes and 18.4 cents per gallon in federal taxes. All the changes mean the average two-car family will pay \$60 more per year.

The tax on diesel fuel also was increased and will climb to 18.7 cents a gallon in October, which could result in higher prices on goods and services as that cost is passed on to consumers. The new law also levies a tax on alternative fuels (which are used in Erie County). Alternative fuels are traditionally not taxed because their use is encouraged.

Rep. Tom Scrimenti supports the effort to fix bridges and roads but voted against the proposal because of the fiscally misguided approach it uses to raise funding.

"We may need to invest more in infrastructure, but how can we raise taxes when we're sitting on half-billion-dollar surplus?" asked Scrimenti. "We have a balanced budget. We have a Rainy Day Fund, why do we need a surplus too? We already have a contingency fund, and we're in great fiscal shape. That surplus is made up of taxpayer dollars, and if it's not going to be used now to benefit taxpayers then it should be returned now."

The state surplus topped \$575 million at the end of June. Another \$500 million in surplus funds was available in various state accounts. Instead of returning that money to taxpayers, the Ridge administration created a pool of taxpayer dollars without disclosing any immediate use of those funds.

Scrimenti also took issue with the way in which the bill was pushed through the General Assembly.

"The tax hike was signed into law less than 24 hours after being made public," he explained. "The measure passed the House after being introduced as a 57-page amendment to House Bill 67. The Senate concurred hours later, and the governor signed it into law in the wee hours of the morning."

Scrimenti said that many hidden provisions of the law could jeopardize Pennsylvania motorists. The law includes sweeping changes that allow longer, wider trucks on Pennsylvania highways, reduces the number of annual truck trailer inspections, and opens up rural and secondary roads to tandem trucks and 18-wheelers.

Rep. Tom Scrimenti presents Erie County Dairy Princess Nicole Meabone and Dairy Maid Amanda Gilkinson with citations from the PA House of Representatives.



Corry and Summit Township Get \$50,000 State Grants

■ Corry has received a \$50,000 state grant for four projects in the city.

The grant was issued from the state Community and Economic Development Department's \$24 million fund for development grants. Rep. Tom Scrimenti talked to city officials last summer about establishing funding priorities for this grant program and then submitted the grant application for them.

One project will extend the water main to two Corry subdivisions for fire protection. City Administrator Bob Grice says the fire department needs additional water volume to adequately protect the Country Club Road and Macadam Hill Road areas because they sit on hills. Seneca Lake and the Ridge Street area will get a sewer interceptor to provide that neighborhood with sewer service.

Additionally, the city had planned on replacing the roof on fire station No. 2, which serves the northern half of the city, but requested instead that the state allow it to replace the police base radio. The grant also will help upgrade electrical service in Mead Park, a 50-acre city park. Grice noted that the improvement will remove a safety problem and provide additional electric service to picnic pavilions used by the public.

■ Summit Township also received a \$50,000 state grant to help purchase a \$65,000 bucket truck. The truck features an aerial bucket attachment the township will use to trim trees along roadways and maintain traffic lights.

Scrimenti assisted the township in getting approval for the grant. "We owe quite a debt of gratitude to Tom Scrimenti," said supervisor T. Richard Siegel.



Rep. Tom Scrimenti (right) joins Erie County Executive Judy Lynch, Summit Township Supervisor Marlin Coon, and Steve Gurgevits from First National Bank at the groundbreaking ceremony for First National Bank in Summit Township.

Looking for services for children with special health care needs?

Call the Special Kids Network

Special Kids Network is a statewide program available to families and service providers of children with special needs. Telephone counselors provide information/referral to local health and social service organizations. The database also includes resources on a state and national level.

Once a referral is made and accepted, the counselor offers a followup call to track the appropriateness and satisfaction of the referral. It's an option for the caller.

Whether you are looking for a service or are a provider of services for children, Special Kids is here to serve you.

If you are looking for case management, financial aid, recreational programs, counseling or any kind of products, support or service for a child, contact the network for assistance. Call (800) 986-4550, 8 a.m. to 6 p.m. weekdays.

NEW CENTER

(continued from page 1)

Job Start funnels people and paperwork through the Erie office at no extra expense to the state. "We hope over time to show that we're actually facilitating Job Center services," he said.

Scrimenti made a Community Account donation of \$400 to help the council meet startup costs of more than \$4,000.

The Corry-Union City Job Start office offers two services in conjunction with the state Job Center in Erie.

(1) Unemployment compensation forms are available during the Corry Higher Education Council's regular business hours — Monday through Thursday 8 a.m. to 9 p.m. and Fridays 8 a.m. to 4 p.m. Job Start even will mail the forms for applicants. After signing up for unemployment benefits, applicants get a letter telling them the time, date and place of their benefits rights interview. They then watch a videotape at the Job Start office. A Job Center employee from Erie comes to Corry the first Monday of every month for interviews, allowing for smaller interview groups and more personalized service.

(2) Computerized job searches are available 20 hours a week. Two computers are available to the public Tuesdays 9 a.m. to 1 p.m. and 4 p.m. to 8 p.m., Wednesdays 9 a.m. to 1 p.m., Thursdays 4 p.m. to 8 p.m. and Fridays 9 a.m. to 1 p.m. The computers offer Internet access (provided free by the Byte Shoppe in Corry) with links to job service pages. A staffer is available to assist people using the computers.

Scrimenti's Consumer Rights Plan Now Law

Rep. Tom Scrimenti's proposal to give consumers more power in court cases was signed into law as part of Act 146 of 1996. The act toughens telemarketing laws and includes Scrimenti's provision to help consumers in court cases collect attorney fees and court costs. Scrimenti amended the legislation while it was in the House.

"Consumers with strong cases once shied away from court,

knowing that they would have to martyr their bank accounts win or lose. Consumers now may be more confident in taking their cases to court," said Scrimenti.

Under the new law, courts can award plaintiffs in Private Right of Action cases under the Unfair Trade Practices and Consumer Protection Act "costs and reasonable attorney fees" in addition to actual damages. Private Right of Action gives

consumers the right to sue for unfair trade practices violations like fraud.

A former deputy attorney general in the Erie office of the Bureau of Consumer Protection told Scrimenti that Pennsylvania could see a "dramatic increase in the level of enforcement of the Unfair Trade Practices and Consumer Protection Act" by adding the court costs provision to the law.

• *Legislative Report* •

**Report to the 4th
Legislative District**

**State Representative
Tom Scrimenti**

HOUSE OF REPRESENTATIVES
HOUSE BOX 202020
HARRISBURG, PA 17120-2020

BULK RATE
U.S. POSTAGE
PAID
HARRISBURG, PA
PERMIT 529



Printed on Recycled Paper

LIO-JS-6/97

• *Legislative Report* •

**Report
to the
4th
Legislative
District**

.....

Offices:

North East Office:

9 W. Main St.
North East, PA 16428
725-8664

.....

Corry Office:

202 N. Center St.
Corry, PA 16407
664-9126

.....

Summit Township

Satellite Office:

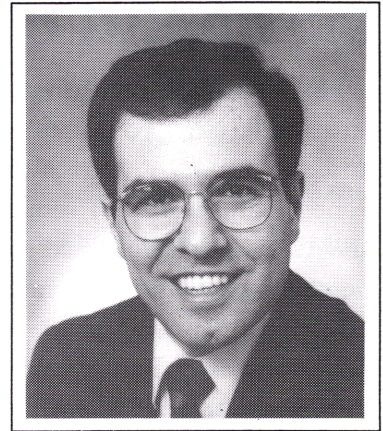
Tuesdays 2 p.m. to 4 p.m.
at the Summit Township Bldg.,
8900 Old French Road
868-9686

.....

Capitol Office:

25B East Wing
House of Representatives
House Box 202020
Harrisburg, PA 17120-2020
(717) 787-9475

**State Representative
Tom Scrimenti**



House votes to restore PACE ... thousands more seniors could benefit

Since the early 1980s, the Pharmaceutical Assistance Contract for the Elderly program, or PACE, has proven to be highly successful in helping thousands of senior citizens pay for the high cost of prescription medication.

In an effort to reach even more seniors, Pennsylvania enacted the Pharmaceutical Assistance Contract for the Elderly Needs Enhancement Tier program, or PACENET. Seniors whose incomes exceed PACE limits by up to \$2,000 can receive benefits under PACENET.

"Although PACENET is an improvement to the single PACE approach, the program has not succeeded in providing adequate pharmaceutical coverage for our senior citizens," Rep. Tom Scrimenti said. "This is largely due to the \$500-per-person deductible."

Latest estimates show that only 11,000 additional seniors enrolled in PACENET, and of that figure, less than half actually have met the deductible and now are receiving the prescription coverage.

Legislation passed by the House in January would restore full PACE benefits to thousands of older Pennsylvanians.

The legislation would eliminate the PACENET program by raising the income limits for PACE. There would be no deductible and seniors would pay only \$6 per prescription. It is estimated that an additional 40,000 seniors could qualify for the full benefits under the expanded PACE limits.

The changes await approval by the state Senate.

Current PACE and PACENET guidelines

PACE Guidelines:

- Income must be \$14,000 or less for individuals and \$17,200 or less for married couples.
- Copayment: \$6
- Deductible: None

PACENET Guidelines:

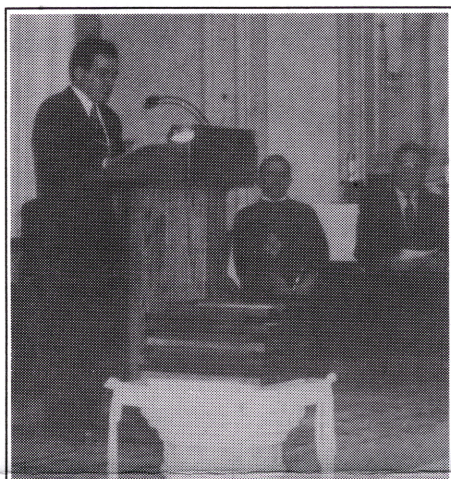
- Income must be between \$14,000 and \$16,000 for individuals and between \$17,200 and \$19,200 for married couples.
- Copayment: \$8 for generic drugs and \$15 for brand-name drugs
- Deductible: \$500 per person per year

Please note: Expenses for medications do not go against the \$500 deductible for PACENET until enrollees have received their eligibility card. The deductible is documented by the pharmacy by using PACENET's electronic claims processing system.

Scrimenti offers legislation to aid dairy farmers

Pennsylvania's dairy farmers are an essential part of our state's culture and economy. Agriculture is Pennsylvania's No. 1 commodity and dairy production makes up 38 percent of it and generates \$1.6 billion in annual sales to the Commonwealth. Pennsylvania leads the northeastern region of the United States in agricultural production and dairy farmers contribute significantly to that distinction.

Milk pricing historically has been a federal issue with limited state involvement. The 1995 federal farm bill, however, moved milk pricing toward a more market-driven system.



Rep. Scrimenti delivers the commencement address to Police Academy graduates at Mercyhurst College in December.

"Your role as police officers is constantly being redefined, making it one of the most demanding jobs ever. The bottom line is that our safety is your purpose and your passion. You will endanger your own lives to protect us. Thank you for stepping forward and being part of that thin blue line. Your dedication and courage inspires us all."

Tom Scrimenti, 1997

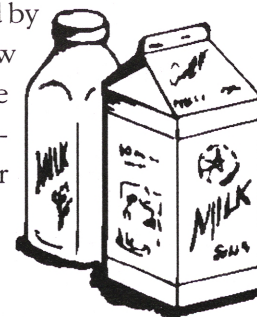
This increased the need for more state involvement, especially the states that have high stakes in the dairy industry.

"The dairy farmers in Pennsylvania who work tirelessly to make our state a top producer of agricultural products have found themselves in financial strife over deflating milk prices across the nation," Rep. Tom Scrimenti said. "Our state would lose a significant amount of revenue if dairy farmers are forced out of business because of it."

To combat this problem, Scrimenti has introduced legislation that would make Pennsylvania a participating member of the Northeast Interstate Dairy Compact. The NIDC is a joint agreement between Congress and six New England states. The compact is

authorized to regulate the shipment and sale of fluid milk in the participating states and milk that is sold into or out of those states and has a commission that can establish a minimum price for milk. The compact price applies to all fluid milk sold in, or delivered to member states. Producers and dairy farmers would be paid a fair price for their product.

In order for Pennsylvania to join NIDC, New York also must enact legislation to join and have the action approved by Congress. New York is in the process of considering similar legislation.



Preventing financial disaster when tragedy strikes

Rep. Scrimenti has co-sponsored legislation that would help communities recover from small disasters. While no disaster seems small to the people who suffer from its devastation, the federal government does put a tag on what qualifies as a disaster.

"I'm sure the people of Union City did not view the August tornado as small, with 18 homes damaged, one home destroyed, one business destroyed and 100 acres of field corn flattened," Scrimenti said.

Many small communities like Union City that suffer damages do not qualify for assistance because the federal government says at least 25 homes and five businesses must be affected to receive any aid. The families and individuals who fall below that threshold need help too when their homes or livelihoods have been torn apart.

This legislation would create a revolving low-interest loan program, the Pennsylvania Small Disaster Assistance Fund, to assist communities that are excluded from federal aid. Funds would be distributed in the form of long-term, low-interest loans that could be used by residents and business owners for real property, clothing, furnishings, fixed equipment and public infrastructure. It would help people to get back on their feet when no other assistance is available.

(continued on page 4)

HMOs — the legislature responds

Over the last decade, health maintenance organizations have gained in popularity and have become the predominant choice of health care for employers and individuals in Pennsylvania and the United States.

HMOs so far have been able to make up their own rules about how health coverage is delivered. Many subscribers are beginning to criticize them, stating that coverage is lacking when serious illness occurs or specialized treatment is necessary.

The state legislature now has taken on the task to help bridge this nontraditional, low-cost category of health insurance with consumer protections. Rep. Scrimenti supports two bills pending in the House and Senate that would create standards for HMO operations and place new requirements on managed care plans.

A bill pending in the Senate (S.B. 100) would add consumer and provider protections by improving access to health care services and emergency services. The bill also would prohibit an HMO from using financial incentives to compensate a doctor for providing less than medically necessary care and prohibit an HMO from penalizing doctors for discussing all care options with patients. The bill further provides for confidentiality, continuance of care when a doctor or provider drops out of an HMO, disclosure of all services provided in a plan and penalties for violation.

A pending House bill (H.B. 977)
(continued on page 4)



**Rep. Scrimenti joins
North East Girl Scout
Troop 742, led by
Kim Evans and LuAnn
May, outside the state
Capitol.**



Smaller class sizes promote improved learning

Rep. Scrimenti supports a bipartisan effort in the state legislature that would set a limit on the number of pupils a public school district could have in one classroom for kindergarten through third grade. A House bill, co-sponsored by Scrimenti, would limit class sizes for these grades to 20 pupils.

There are many children in Pennsylvania who are not ready to learn when they arrive at school or when they begin their education in the core subjects of reading, mathematics and science.

“Studies have shown that students achieve academically when they are taught the ‘basics’ early in their education,” Scrimenti said. “Limiting class sizes would enable teachers to work closely with students who are in need of the most help.”

Aside from enhancing the learning ability of children in their early years, the bill would provide for people who have experienced barriers in their pursuit of continuing education. Community education councils in the Commonwealth would be provided with funding to ensure access to postsecondary education services in the underserved areas of the state. Types of opportunities offered by the councils may include courses or classes leading to professional, vocational or occupational certification or licensure, an associate, bachelor’s or master’s degree, GED preparation, skill development and skill enhancement for the community work force.

The bill was approved unanimously by the House in September and awaits further action by the Senate.

Property tax cuts proposed for Pennsylvania residents



In November, Pennsylvania voters overwhelmingly approved the constitutional amendment to permit a homestead tax exemption.

The state legislature now will have the opportunity to pass legislation that will implement the homestead exemption and take the long-awaited step toward property tax reform. Once enacted, municipalities and school districts no longer will have to depend on property and nuisance taxes to survive.

"Property taxes in Pennsylvania are too high," Rep. Scrimenti said. "The steady increase in school property taxes has taken its toll on residents, especially senior citizens with fixed incomes and families struggling to make ends meet."

Scrimenti recently joined House Democrats to unveil a plan that would give Pennsylvania homeowners a **50 percent reduction in residential school property taxes**. The plan would be phased in over five years, 10 percent each year. The tax reduction would be limited to

residential property only and taxpayers would save more than \$2 billion. The state would reimburse each school district for the 50 percent property tax reduction.

According to Scrimenti, it is likely that a number of bills will be introduced this year to address the issue of property tax reform. However, this is the only proposal so far that would cut property taxes without shifting the burden in the form of an increased sales or personal income tax.

PREVENTING FINANCIAL DISASTER

(continued from page 2)

Housing recovery loans would be scaled to income and would be available to renters if they want to become homeowners. Residents willing to relocate out of a flood plain would be eligible for 25 percent more funding. Business loans could be as much as 150 percent of replacement cost based

on business retention needs.

The loan program would be funded by a \$2 million appropriation.

The measure is being reviewed by the House Veterans Affairs and Emergency Preparedness Committee and awaits action.

.....
HMOs

(continued from page 3)

would establish the Health Plan Accountability Act. Under this bill,

HMOs and insurance companies would be reviewed and minimum standards would be set for the number of providers in a network. Like S.B. 100, this bill would prohibit insurance companies from discriminating against doctors who treat patients with expensive medical conditions or who advocate on behalf of their patients.

• Legislative Report •

**Report to the 4th
Legislative District**

**State Representative
Tom Scrimenti**

HOUSE OF REPRESENTATIVES
HOUSE BOX 202020
HARRISBURG, PA 17120-2020

BULK RATE
U.S. POSTAGE
PAID
HARRISBURG, PA
PERMIT 529



Printed on Recycled Paper

LIO-JS-2/98

• *Legislative Report* •

**Report
to the
4th
Legislative
District**

.....

Offices:

North East Office:

9 W. Main St.
North East, PA 16428
725-8664

.....

Corry Office:

202 N. Center St.
Corry, PA 16407
664-9126

.....

Summit Township Satellite Office:

Tuesdays 2 p.m. to 4 p.m.
at the Summit Township Bldg.,
8900 Old French Road
868-9686

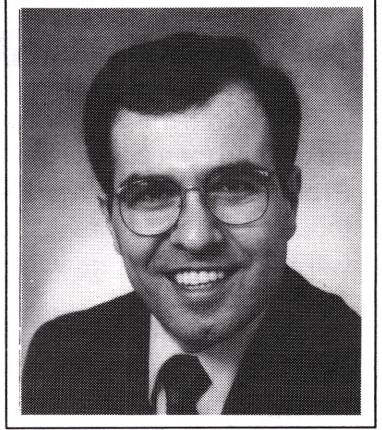
.....

Capitol Office:

25B East Wing
House of Representatives
House Box 202020
Harrisburg, PA 17120-2020
(717) 787-9475



State Representative Tom Scrimenti



Scrimenti Backs Patients' 'Bill of Rights'

Pennsylvania has a new state law that guarantees certain rights to patients enrolled in health maintenance organizations, says Rep. Tom Scrimenti. Following months of considerable debate, the legislature agreed in June on a broad set of rules designed to protect the millions of Pennsylvanians enrolled in HMOs.

"This comprehensive bill of rights addresses the concerns that many patients, doctors and hospitals had when dealing with some HMOs," Scrimenti said. "Consumers now will have improved access to care and be better informed about what their health plans do and do not cover, how coverage decisions are made and how they may be disputed."

Under the new law:

- Managed care plans now have minimum standards of treatment.
- Emergency care and treatment costs are covered.
- Women have direct access to their obstetrician/gynecologist without a referral.
- Consumers can communicate with health care providers in confidence. Outside access to health information is restricted.
- HMOs must provide accurate and easily understood information to consumers about their health plan.
- Health care providers and consumers can get an independent appeal when denied health care services.
- Claims must be paid within 45 days.
- HMOs are prohibited from granting financial incentives to doctors for ordering less costly care and are banned from ordering "gag clauses" which prevent doctors from discussing all treatment options with patients.



Rep. Scrimenti met with representatives from Alliance Health Network in April to discuss legislative initiatives designed to enhance health care options for Pennsylvanians enrolled in HMOs.

Job Seekers Can Benefit from State Guide

Rep. Scrimenti encourages area job seekers to pick up or send for a copy of the 1998 Labor Market Guide. Produced by the state Department of Labor and Industry, the guide ranks jobs and occupations that will be the fastest growing in Pennsylvania through 2005.

"This publication is ideal for students planning their careers, as well as adults changing careers or returning to the work force," said Scrimenti. "Competing in today's job market can be very stressful if you don't have the right tools."

Scrimenti said the guide offers interviewing tips, information on summer employment prospects and a

list of additional resources. It also provides an index of Pennsylvania occupations with the highest projected growth rate for people with high school training, some college training and a college degree or higher.

Guides have been distributed to high schools within the 4th Legislative District and also are available at the Erie Job Center. Free copies of the job guide also can be obtained by writing: Bureau of Research and Statistics, Room 220, Department of Labor and Industry, Seventh and Forster streets, Harrisburg, PA 17121-0001.

CHIP Expands

More uninsured kids to benefit

The General Assembly passed legislation in June, now law, that expands the Children's Health Insurance Program, allowing an additional 122,000 Pennsylvania children to benefit.

According to Rep. Scrimenti, a family of four with an income up to 200 percent of the federal poverty level, or \$32,900, now will be eligible to receive free coverage for its children. Previously, the income limit was 185 percent of the federal poverty level. Income eligibility for low-cost benefits remains at 235 percent of the federal poverty level, or \$38,658 for a family of four.

"I am particularly pleased that the age limit for free benefits was increased from 16 to 18, and the age limit for low-cost care was raised from 5 to 18," Scrimenti said. "It is important that we keep our kids healthy at every age until they reach adulthood."

Created by the legislature in 1992, CHIP provides free or low-cost coverage to families who cannot afford private health insurance, but earn too much to qualify for Medicaid. CHIP normally is funded through a 3-cent tax on cigarettes, but an additional \$80 million in federal funds and \$15 million in state money allowed for the expansion.

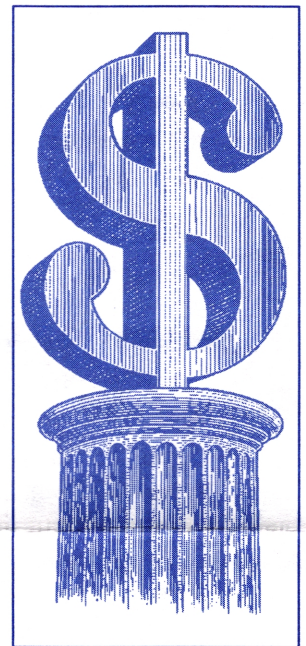
CHIP applications and information can be obtained by calling **1-800-543-7105** or by contacting Scrimenti's district offices.

Does Pennsylvania Have Your Money?

Rep. Scrimenti wants you to know that the Office of State Treasurer may be holding the unclaimed property of some residents in the 4th Legislative District.

This could be a savings account you forgot about, stocks, bonds or any refunds to which you are entitled. Unclaimed property also includes insurance benefits, unused gift certificates, items left in safe deposit boxes, or belongings held by police in stolen-property files.

To see if you are on the list, Scrimenti urges you to call the state Treasury's customer service department at **1-800-222-2046**. Treasury employees are available to assist you in making a claim or completing a claim form from 7 a.m. to 4 p.m. Monday through Friday.



The Department of Health has established a toll-free number for HMO subscribers who have questions about their HMO such as covered services, denial of benefits and grievance procedures. Calls are answered from 8 a.m. to 5 p.m. Monday through Friday. If you call during other hours, you can leave a message and a Department of Health employee will call you back. The number is **1-888-466-2787**.

Scrimenti Says

'Give Surplus Back to Taxpayers'

Rep. Scrimenti supports a plan that would provide a direct reduction in property taxes to homeowners across the state. Residential property taxes would be reduced by 50 percent over the next five years without shifting the tax burden to wage earners. This would be achieved by using the state's ample surplus and natural revenue growth.

"Pennsylvania's budget surplus is at an all-time high — **\$676 million**," Scrimenti said. "For the past four years, we've seen the surplus reach more than \$500 million. We've given a portion of that to reduce taxes for big business in our state, and now that we've done that, it's time to give some of the money back to our homeowners."

According to Scrimenti, Pennsylvania homeowners pay \$5.4 billion yearly in school property taxes. Scrimenti supports the property tax cut proposal because it demonstrates Pennsylvania's commitment to its residents without compromising funding for education. The proposal would ensure schools receive fair funding by guaranteeing subsidies would increase with inflation and other changes.

"The state can afford this plan and still place a priority on education," said Scrimenti.

Rep. Scrimenti's Office Can Assist You With:

- Car registrations, special tags, titles and license applications
- Financial assistance for higher education
- Unemployment compensation problems
- Birth and death certificate applications
- Pennsylvania income tax problems
- Problems with the Department of Public Welfare (food stamps, welfare)
- Handicap plates and placards
- Requests for literature of all kinds – bills, regulations, statutes, Pennsylvania maps, senior citizen information, student aid information, etc.
- Citations from the Pennsylvania House of Representatives for outstanding local accomplishments and family milestones
- Property Tax/Rent Rebate problems or questions
- PACE cards for senior citizens
- Problems or questions about PennDOT

Scrimenti Cautious of New Tax Law

For the first time in more than 30 years, Pennsylvania residents have been given a new taxing option to consider for help in funding public schools. The General Assembly passed legislation in April, now law, that would allow school districts to implement the homestead tax exemption by shifting part of the school tax burden from residential property taxes to an earned income tax. Rep. Scrimenti is cautious of this new law because it fails to address the root of Pennsylvania's outdated tax system.

"I fully expected a tax shift of some kind under this legislation, but this formula seems to shift the burden to those least able to afford it, middle- and low-income working families," Scrimenti said. "The new law also does nothing for the renter who would see an increase in earned income tax, but no decrease in rent as a result of lowered property taxes."

Scrimenti said he is disappointed that the law permits only school districts to adopt the new taxing structure. School property taxes are a top concern across the state, but the taxing obligations of local governments and counties also need to be addressed.

Here is how the new tax law works:

- It requires approval of a referendum before a school district can implement a homestead exclusion and impose a higher earned income tax.
- The earned income tax, which could rise to as much as 1.5 percent, first must be used to eliminate nuisance taxes — such as the per capita tax, occupational privilege tax and occupational assessment tax — then to allow a revenue increase, and finally to reduce real estate taxes through a homestead exemption.
- The homestead exemption is based on half the median of home values in the school district and homeowners could have a portion of the assessed value of their house excluded from taxation. The exemption is limited to property on which the owner resides.
- Households with income under \$15,000 annually would qualify for a real estate tax deferral if the school district participates in the program. This would not be limited to senior citizens.
- Once a school district opts into the reform plan, it would be required to place a second or back-end referendum on the ballot whenever a tax increase is required, with a few exceptions.

Important Information About Electric Choice

If you signed up for Pennsylvania's second phase of electric choice, you will be notified in August if you were chosen to participate. If you are selected, you will receive step by step instructions on what to do next.

"Before choosing a supplier, find out what your total savings would be with the power supplier that is asking for your business," Rep. Scrimenti said. "Companies can calculate savings from usage figures of your past electric bills."

Pennsylvania is one of the first states in the nation to enact an electric competition law that provides several protections and rights for consumers. One of them guarantees that companies must continue to provide the services that assist low-income customers. If you participate in one of these programs, make sure to ask potential suppliers about these benefits.

Under electric choice, your current supplier will continue to repair and maintain your power lines and deliver electricity to you. The only change will be who produces that electricity.

If you sign up for the electric choice program this time and are not selected, try not to get discouraged. Everyone in Pennsylvania will have this choice by January 2000.

More information on electric choice is available at the PUC's special Internet site — <http://www.electrichoice.com> — or by calling the PUC electric choice hotline at 1-888-782-3228.

1998-99 State Budget

Scrimenti reports education increases for district

The 1998-99 General Fund budget enacted in April provides increased funding for basic education and special education subsidies for all schools in the 4th Legislative District.

"The statewide increase for basic education was 3.5 percent, which is an increase over last year's appropriation," said Scrimenti. "While I feel we could have done better for our children, I'm glad our schools were at least given the increase they so badly needed."

The 4th Legislative District received the following:

Basic Education Subsidies for 1998-99

Corry Area — \$8.5 million, up \$327,560

Harborcreek — \$6.7 million, up \$191,545

Union City — \$5.4 million, up \$315,850

Wattsburg — \$5 million, up 121,626

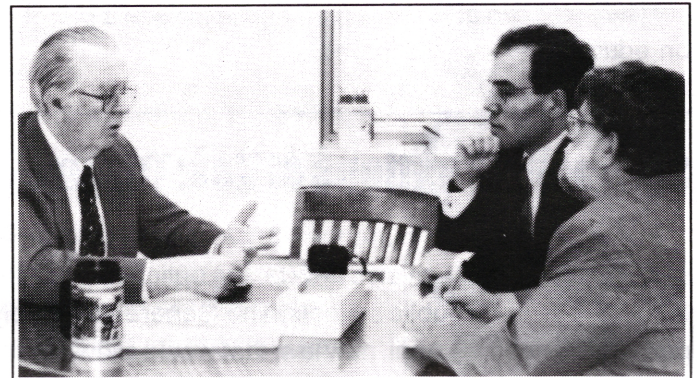
Special Education Subsidies for 1998-99

Corry Area — \$856,245

Harborcreek — \$879,575

Union City — \$522,012

Wattsburg — \$560,955



Rep. Scrimenti met with Union City School District Superintendent Robert McGinley (left) and Gary Senyo to discuss funding for technology in district education programs.

• Legislative Report •

Report to the 4th Legislative District

State Representative Tom Scrimenti

HOUSE OF REPRESENTATIVES
HOUSE BOX 202020
HARRISBURG, PA 17120-2020

BULK RATE
U.S. POSTAGE
PAID
HARRISBURG, PA
PERMIT 529



Printed on Recycled Paper

LIO-JC-8/98

State Representative
TOM SCRIMENTI
REPORTS TO SENIORS



It's Time to Eliminate Inheritance Tax

Senior citizens who have worked, lived, saved and raised their families in Pennsylvania should not have to consider moving to another state to enjoy their retirement years just to avoid the

inheritance tax. Yet, this is exactly what is happening. Many seniors are choosing sunny states like Florida, North Carolina and South Carolina not only to enjoy warmer weather, but also to avoid

Pennsylvania's costly and unfair inheritance tax.

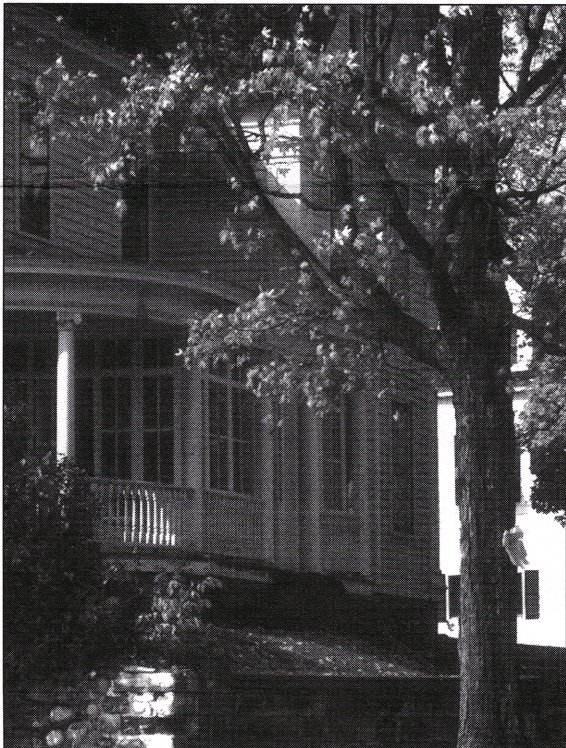
I think it is time to eliminate the burden of the inheritance tax. In 1995, the state "widow tax" was repealed, eliminating the tax on property passed on to surviving spouses. Now we need to fix the rest of the system.

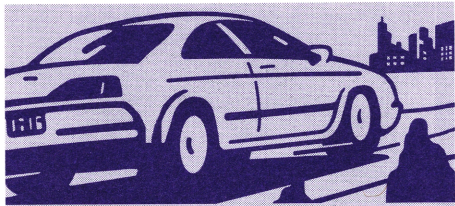
Pennsylvania's unfair inheritance tax creates a double form of taxation. First, we are taxed on

our earnings and savings. Then, our assets derived from that work and savings are taxed when we pass them onto our loved ones after death.

It is especially harsh on family owned businesses and farms as heirs often are forced to sell the business in order to pay the tax. And because family owned businesses suffer, our local economy suffers.

Members of the General Assembly have introduced several proposals for inheritance tax reform. While the optimal result would be eliminating the inheritance tax, reductions and exemptions certainly would be a step in the right direction. I, however, will push for eliminating one of the most unfair taxes in Pennsylvania.





Fee Discounted for Retirees

A recent change in state law allows more Pennsylvania seniors and retirees to take advantage of reduced automobile registration fees.

Pennsylvania retirees with an annual income up to \$19,200 are eligible to pay a \$10 processing fee instead of the \$36 vehicle registration fee. The previous income ceiling was \$14,999.

Under this program, seniors will save \$26 a year on the annual registration fee for a car, and even more for a truck, which regularly costs \$58.50.

Applications for and information about reduced vehicle registration fees are available from either of my district offices.

Please Note:

When a vehicle is titled in two names, only the income of the retired person applying for the discount should be listed.

Save on Medicare

Low-income seniors can save as much as \$525 a year in Medicare premiums through Medicare buy-in benefits. Medicare buy-in benefits were created to help seniors pay for part or all of their Medicare Part B premium and, in some cases, deductibles and copayments.

Mail-in application forms (PA 600 M 3/99) that are easier to read and fill out are now available at most senior centers and Social Security offices.

More information about the buy-in program is available through APPRISE, a free counseling program designed specifically to help Pennsylvanians over 60 with all types of health insurance, including Medicare, Medicaid and private policies.

**Call APPRISE toll-free at
1-800-783-7067
from 9 a.m. to 4 p.m. weekdays.**



Rep. Scrimenti enjoyed visiting residents at the Brevillier Village retirement and nursing facility with Pennsylvania Superior Court Judge Berle Schiller.



Rep. Scrimenti visited residents at the Pennsylvania Soldiers and Sailors Veterans Home during their summer pig roast.

.....

More Eligible for Property Tax/Rent Rebate

Every year, many older Pennsylvanians are ineligible for the state's lottery-funded Property Tax/Rent Rebate Program because their cost-of-living increases in Social Security exceed program income eligibility.

But there's good news. Beginning in January, more senior citizens will be eligible to participate in the program because of legislation I voted for this year. The new law allows seniors to omit half of their Social Security benefits and half of any railroad retirement income from consideration when applying for the program.

Under the program, qualified people can receive a rebate of up to \$500 annually on their property taxes or rent. People 65 or older, surviving spouses 50 or older, and people 18 or older with disabilities qualify if their annual income does not exceed \$15,000.

Additional information about the rebate program is available through either of my district offices.

Need Legal Advice?

All Pennsylvanians 50 and older are eligible to receive free or low-cost legal advice over the phone from the Legal Counsel for the Elderly.

This office was developed by AARP to help older Pennsylvanians resolve legal problems and is staffed with qualified lawyers specially trained to handle the legal concerns of older people. Telephone advice is free to everyone with an income under \$15,000.

Other services are available at low cost.

Call 1-800-262-5297.



IMPORTANT PHONE NUMBERS

(Please clip and save)

- Area Agency on Aging** 814-459-4581
(Greater Erie Community Action Committee)
- Alzheimer's Disease** 1-800-367-5115
(For families and doctors interested in support groups, respite care, day care, diagnostic centers nursing homes and training programs)
- Apprise** 1-800-783-7067
(Health insurance counseling for older Pennsylvanians)
- Commonwealth Information Center** 1-800-932-0784
(8 a.m. to 5 p.m. weekdays)
- KePRO** 1-800-322-1914
(Information about seniors' rights under Medicare)
- PACE** 1-800-225-7223
(Pharmaceutical Assistance Contract for the Elderly)
- PACENET** 1-800-225-7223
(PACE Needs Enhancement Tier)
- PA RELAY** 1-800-654-5988
(Deaf, hard of hearing or speech-impaired people can contact Pennsylvania agencies through the PA RELAY)

.....

REP. TOM SCRIMENTI'S OFFICES:

North East Office: 9 W. Main St. • North East, PA 16428 • 725-8664

Corry Office: 202 N. Center St. • Corry, PA 16407 • 664-9126

Summit Township Satellite Office: Tues. 2 p.m. to 4 p.m. • Summit Township Bldg. • 8900 Old French Rd. • 868-9686

State Representative
TOM SCRIMENTI
REPORTS TO SENIORS

25B East Wing
House Box 202020
Harrisburg, PA 17120-2020
(717) 787-9475

BULK RATE
U.S. POSTAGE
PAID
HARRISBURG, PA
PERMIT 529



LIO-JIS-11/99