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James J. Rudy

October 10, 2001

Honorable Thomas Scrimenti District 04 State Representative PA House of Representatives 25B E Wing, Seat 96, POB 202020 Harrisburg, PA 17120

Dear Representative Scrimenti:

I'm sure you recall the sudden and last-minute maneuvering to introduce and pass Act 22-2001 this past summer. This combined the Municipality Authorities Act of 1945 (the bible for authorities across the state) with the Parking Authorities Act of 1947, into one consolidated statute under Title 53. It appears this was done to allow the state to make Board appointments to gain control of the Philadelphia Parking Authority and to transfer up to \$45 million from its reserves to the Philadelphia School District.

Regardless, during that process, Act 22 now has contradictory board member residency language that could negatively affect the Erie City Water Authority. I would like to bring to your attention that Representative Paul Clymer (R - Bucks) is circulating a bill for cosponsorship to House members to amend the residency language in Act 22. Essentially, the amendment restores the language in the Municipality Authorities Act of 1945, defining board member representation as taxpayer, business owner, or citizen of the appointing municipality or of the authority service area.

The language currently in Act 22 with regard to board representation **contradicts itself**. In section 5610 (b) the first sentence (added by Rep. Barley) states that **each board member shall be a resident** of the appointing municipality. However, the last sentence of this section states that the **majority of board members shall be residents** of the incorporating municipality.

I am contacting you to request that you be a co-sponsor for Rep. Clymer's amendment to Act 22. As written the current law, with contradictory language, makes no sense and must be corrected. This serious conflict in Act 22 affects **both** current ECWA Board members **and** future appointments to the ECWA Board. Due to the contradiction, board member votes on bond issues, capital projects, contract negotiations, etc. that involve millions of dollars are potentially in jeopardy if votes are challenged as invalid.

I appreciate your past support and ask for your help to co-sponsor this important amendment. If you or your staff have any questions, please contact me at my direct number (814-870-8054).

For your information, I enclosed the actual language of Rep. Clymer's amendment that restores the original language from the 1945 Municipality Authorities Act.

Sincerely,

ERIE CITY WATER AUTHORITY

ames J. Sudy

James J. Rudy

**Chief Operating Officer** 

1 Enc.

#### THOMAS J. SCRIMENTI STATE REPRESENTATIVE

9 WEST MAIN STREET NORTH EAST, PENNSYLVANIA 16428 PHONE: (814) 725-8664

202 NORTH CENTER STREET CORRY, PENNSYLVANIA 16407 PHONE: (814) 664-9126

25B, EAST WING HOUSE BOX 202020 HARRISBURG, PENNSYLVANIA 17120-2020 PHONE: (717) 787-9475



## House of Representatives

COMMONWEALTH OF PENNSYLVANIA **HARRISBURG** 

October 17, 2001

AGING AND OLDER ADULT SERVICES DEMOCRATIC CHAIRMAN OF THE SUBCOMMITTEE ON CARE AND SERVICES

PROFESSIONAL LICENSURE AGRICULTURE AND RURAL AFFAIRS

COMMITTEES

James J. Rudy Chief Operating Officer Erie Water Works 340 West Bayfront Parkway P.O. Box 1729 Erie, PA 16507-0729

Dear Mr. Rudy: >

I am in receipt of your recent letter wherein you requested that I cosponsor Rep. Clymer's legislation to amend and clarify the residency provision for authority board members that will allow them to have representation as previously provided since 1945.

Please know that I have joined Rep. Clymer in sponsoring this legislation.

If I can be of further assistance to you, please feel free to contact my office.

Sincerely

Thomas J. Scrimenti State Representative THOMAS J. SCRIMENTI STATE REPRESENTATIVE 9 WEST MAIN STREET NORTH EAST, PENNSYLVANIA 16428 PHONE: (814) 725-8664

9 WEST WASHINGTON STREET CORRY, PENNSYLVANIA 16407 PHONE: (814) 864-9126

HOUSE POST OFFICE BOX 96 25B, EAST WING HARRISBURG, PENNSYLVANIA 17120-0028 PHONE: (717) 787-9475



### House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG

October 19, 1994

Mr. Tim E. Swift Corry Auto Dealers Exchange 12141 Route 6, P.O. Box 317 Corry, PA 16407

Dear Mr. Swift:

Thank you for taking the time to express your opposition to the proposed centralized emissions inspection program. I certainly understand and share your concern about this critical issue.

Pennsylvania is currently conducting a basic emissions testing program in eleven counties. This basic testing program, which is typically conducted when a vehicle undergoes its annual safety inspection, is only required in counties that do not currently meet federal air quality standards.

The 1990 Clean Air Act Amendments (CAAA), however, tightened federal air quality standards and increased the number of counties which must comply. These new standards mandate that the Commonwealth implement a more rigorous testing program in 25 counties (the current eleven plus fourteen additional counties, including Erie County). The CAAA only requires metropolitan statistical areas with populations greater than 100,000 or more to implement an enhanced testing program, which means that Pennsylvania's 42 other counties are not required to participate. Because Pennsylvania law prohibits our emissions standards from exceeding federal standards, the Commonwealth's testing program will only operate at the level required by federal law.

This issue was recently revived in the General Assembly. The Senate amended House Bill 1514 to require PennDOT to immediately suspend the centralized program and develop an alternative plan which utilizes both a centralized and a decentralized approach. I supported this new version of HB 1514 because I believe that if the U.S. Environmental Protection Agency (EPA) is willing to negotiate with other states, they should be willing to negotiate with Pennsylvania. I also do not believe that the Commonwealth should be required to implement a more onerous program than is required of other states. Nevertheless, Governor Casey vetoed this legislation on October 13, 1994. Thus, this matter is still undecided.

COMMITTEES

PROFESSIONAL LICENSURE AGING AND YOUTH INSURANCE FEDERAL-STATE RELATIONS Mr. Tim E. Swift Page Two October 19, 1994

Although I am absolutely committed to clean air, I also believe that our environmental programs must be realistic and pragmatic. In addition, most everyone had come to realize that the proposed emissions testing program was simply too burdensome, especially on low and fixed income individuals.

I must point out, however, that the EPA has threatened to withhold up to \$900 million in federal highway funding if Pennsylvania does not have an emissions testing program in place by January 1, 1995. In addition, the EPA could impose more stringent emissions controls on businesses and implement its own testing program. Nevertheless, you may be sure that I will work to ensure that the final version of the testing program imposes as little economic cost on Pennsylvanians as possible and that no other states get a better deal than we do.

Thank you again for your letter. If I can be of any further assistance on this or other issues in the future, please do not hesitate to contact my office.

Thomas J. Scrimenti State Representative

TJS:kf

THOMAS J. SCRIMENTI STATE REPRESENTATIVE

9 WEST MAIN STREET NORTH EAST, PENNSYLVANIA 16428 PHONE: (814) 725-8664

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25B, EAST WING **HOUSE BOX 202020** HARRISBURG, PENNSYLVANIA 17120-2020 PHONE: (717) 787-9475

July 7, 2003



# House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG

COMMITTEES

AGING AND OLDER ADULT SERVICES PROFESSIONAL LICENSURE AGRICULTURE AND RURAL AFFAIRS DEMOCRATIC VICE CHAIRMAN

#### Frank Maloof

North East, PA 16428

Dear Mr. Maloof

Thank you for your letter concerning emissions testing. I am very grateful that you took the time to share your opinion about this topic.

First and foremost, I want to take this opportunity to commend you for the effort you have taken to become involved in the legislative process. All too often citizens are hesitant to voice their views on issues that are important to them. Please know that I admire your activism.

Further, I understand your concerns about the payment for emissions testing. Nonetheless, the tests are important to realizing an acceptable standard of air quality for the whole state of Pennsylvania. As you may know, auto emissions inspection procedures are mandated by the U.S. Environmental Protection Agency. In 2002, court action was taken against Pennsylvania to apply their testing procedures. The programs which will be implemented in the Northern Region of the Commonwealth by PENNDOT and the Department of Environmental Protection will include all vehicles 1975 and newer to undergo an annual gas cap test and a visual anti-tampering check. The fees for the emissions tests will continue to be market driven which means customers can choose their inspection sites based on price, service and convenience.

Again, thank you for your correspondence. Please be assured, if legislation dealing with emissions testing comes in front of the Pennsylvania House of Representatives I will keep your views and opinions close in mind. If I may be of any further assistance, please do not hesitate to contact my office.

Thomas J. Scrimenti State Representative

#### Ehrhart, Donna

From:

Sent:

Wednesday, June 04, 2003 4:46 PM

To: Subject:

Scrimenti, Tom Emissions test

Frank Maloof

North East, PA16428

The Honorable Tom Scrimenti 9 W Main St North East, PA 16428-1116

Dear Representative Scrimenti:

We In Erie County DO Not need the Emissions test , the air hear is cleaner now then yeas back , and allso we dont need one more thing to pay out of our pay checks , every time we turn around you people are takeing more and more of our money , WE HAVE HAD IT WITH THE MONEY GRABERS, This Has to Stop !, Thank YOU ,

Sincerely,

Frank Maloof



### Pennsylvania Trial Lawyers Association

Office of the President ROBERT W. MUNLEY Barristers' Row 142 Adams Avenue Scranton, PA 18503

June 12, 1989

(717) 346-7401

Honorable Thomas Scrimenti 103 South Office Building P. O. Box 96 Harrisburg, PA 17120

Dear Representative Scrimenti:

As you take time to consider how you will be voting this week on Automobile Insurance Reform, we would ask that you carefully consider the following relating to the so-called "Optional Verbal Threshold:"

A) An optional threshold, particularly when coupled with the arbitrary mandatory rate reductions and rate freeze proposed by the Commissioner, will result in the <u>subsidization of bad drivers by good drivers</u>, resulting in a <u>radical increase in the assigned risk population</u>:

High-risk drivers in disproportionate numbers will choose the plan that is least expensive. These are the people that cause the bulk of the losses yet they are to be given reduced rates. In order for that plan to stay less expensive, subsidization will be required, otherwise there will be no cost savings. Thus, good drivers who choose to keep their rights will be increasingly subsidizing the bad drivers who choose to give up their rights. The problem is that these high risk drivers are more typically defendants (those at fault) than plaintiffs. They are the ones who cause the losses. To make a profit, insurers will dump many of these policyholders who make this choice who are either bad drivers or motorists who live in urban centers into the costly assigned risk plan, making us more like New Jersey.

- B. If such a threshold were ever to be enacted, there would be a flood of errors and omissions claims against insurance agents by victims who were denied their rights and, therefore, denied full and fair compensation because they did not understand the full implications of the threshold. For example, a person who was seriously injured, requiring, let us say, one month of hospitalization and many more months of nursing and rehabilitation care, but whose injuries were not also "permanent" would be justifiably shocked and outraged to learn that he or she had no tort rights and could not hold the drunk driver accountable who caused the harm.
- C) If one person in a household elects to wipe out his or her rights, this will be binding on all other members of the household including children. In one car households, the owner of the car determines the rights for all the members of the household, including children, young adults who do not own a car, and elderly relatives who do not own a car.

\* All Honorable Members of the Pennsylvania General Assembly

D. A verbal threshold will give widely varied results county by county depending on judges and juries interpretations and will lead to additional litigation and disputes over the terms (for example, what is a "serious impairment of a body function?") and their application to specific injuries.

In Michigan, every individual injured is guaranteed the right to have his or her injury judged on whether it is covered by the "Verbal Threshold." If it is determined to apply, an additional trial is then required to determine negligence, damages, etc. Commissioner Foster's plan may well lead to more use of court time than the current system!

- E) The plan discriminates against workers: If a worker chooses to wipe out his rights, the worker's recovery for actual out-of-pocket income loss will be limited to a maximum of \$1,000 per month and \$5,000 total regardless of the total amount of loss, unless that worker can show that he or she has suffered a serious impairment of bodily function (which is undefined in the Act). Example: A worker earning \$24,000 per year suffers a serious injury, but due to his strong efforts at rehabilitation plan, typical insurance coverage would allow him to recover only \$3,000 of the \$6,000 in lost wages. This worker could not hold the careless driver responsible for any of that out-of-pocket loss. The only way the workers can protect themselves is to buy additional coverage which, of course, costs more money.
- F) The Foster plan as drafted is unconstitutional: The Pennsylvania Constitution specifically grants a right to every citizen to a remedy in Court for injury done to their person or property. The Constitution also specifically prohibits any statute from placing a limit on the amount that can be recovered due to injury. The plan violates the Constitution in several ways. First, it places a limit on the amount that citizens can recover for injuries.

Second, the Foster proposal places a price on the Constitutional right to access to the Courts. The Constitution grants this right to every citizen not just those who can afford it.

This proposal is a giant step towards turning Pennsylvania into another New Jersey, where auto rates are the first or second highest in the nation. It discriminates against the middle class and poor, and against good drivers.

Please consider the concepts proposed by Representative O'Donnell, Representative Rybak, and Senator Holl, which have been a result of years of careful study and hearings, and which will result in an improved auto insurance system. These proposals will lead to rate reductions and an insurance reparations system that is not only constitutionally sound, but administratively workable and humane as well.

Sincerely,

Mark E. Phonicia

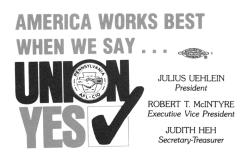
Mark E. Phenicie, Esq. Legislative Counsel

MEP: RWM

### PENNSYLVANIA AFL-CIO

230 State Street, Harrisburg, PA 17101-1138 Telephone: 717-238-9351, FAX: 717-238-8541

June 13, 1989



TO: ALL MEMBERS OF THE PENNSYLVANIA HOUSE OF REPRESENTATIVES

RE: H.B. 431 - Auto Insurance Please Support: Representatives Veon/Ritter Amendment

Dear Representative:

We are writing to urge your strong support for the Veon/Ritter Amendment maintaining the mandatory minimum \$10,000 in first party medical protection in auto insurance policies.

The Veon/Ritter Amendment is critical to prevent a cost shift from auto insurance to employment based health insurance. The Veon/Ritter Amendment will protect against shifting the auto insurance crisis onto the back of the health care cost crisis.

Currently, there is no greater impediment to improving labor/management relations than the escalating cost of health care. The Veon/Ritter Amendment will prevent a health care cost increase estimated by Blue Cross/Blue Shield at \$250 million per year.

Unions regularly negotiate health and welfare benefits. Some unions administer health and welfare funds. Large unions negotiate experienced based health care plans where cost is based on the actual utilization by members. In either of these situations, every dollar out in benefits impacts on the health of the plan, the range of future benefits, or the extent of co-payments and deductibles. Other health plans see increased costs at the bargaining table.

Shifting the cost of medical care now covered under the auto plan to the health plan will cause lost benefits and harm the collective bargaining process. The Veon/Ritter Amendment will prevent this additional escalation in health care costs.

Please lend your strong support to the Veon/Ritter Amendment.

Sincerely,

JULIUS UEHLEIN, President ROBERT T. McINTYRE, Executive Vice President JUDITH HEH, Secretary-Treasurer

bg UFCW-72 "Dues contributions or gifts to PA AFL-CIO are not deductible as charitable contributions for income tax purposes."

222 North Third Street Harrisburg, Pennsylvania 17101-1596 Telephone (717) 255-3252 1-800-326-3252 FAX: (717) 255-3298



FILE

June 13, 1989

#### **MEMORANDUM**

PENNSYLVANIA CHAMBER OF BUSINESS AND INDUSTRY

The unified voice of business

To: All Members of the Pennsylvania House of Representatives

From: Clifford L. Jones

I am writing to inform you of the Pennsylvania Chamber's serious concern regarding elimination of mandated first-party medical coverage as contained within H. 431 (P.N. 1954).

It is our understanding that one of your colleagues may offer an amendment which would restore this benefit. This provision would re-establish the minimum first-party medical benefit to a level of \$10,000.

The elimination of these medical benefits will create a cost shift to employer-paid group health insurance plans. The Pennsylvania Insurance Department estimates that this "shift" could be as much as \$230 million in medical costs alone. Transferring these costs may, in fact, alter the way in which employers provide medical coverage for their employees.

Therefore, we urge your support by voting to keep minimum first-party medical benefits at their current level.

Thank you for you consideration.

CLJ/par

### Pennsylvania Blue Shield



Camp Hill Pennsylvania 17089

June 12, 1989

The Honorable Thomas J. Scrimenti House of Representatives Main Capitol Harrisburg, PA 17120

Dear Representative Scrimenti:

I am writing to express Pennsylvania Blue Shield's opposition to H.B. 431, P.N. 1954 which would eliminate first party medical coverage from auto insurance packages.

We respect the legislature's attempt to reduce auto insurance premiums. However, the elimination of first party medical benefits would only serve to shift costs, not contain them. Current actuarial projections, based on Insurance Department data, estimate the amount of this cost shift to be approximately \$230 million.

Pennsylvania Blue Shield and its business and labor customers have been pursuing health care strategies to contain the cost of health care. This cost shift would severely damage these cost containment initiatives and would result in increased health insurance premiums and higher out-of-pocket costs for Pennsylvania's health insurance consumers.

We support the retention of the language contained in Section 1711 of existing law which maintains a minimum of \$10,000 first party medical benefits. In view of these concerns, we respectfully ask you to consider our position on first party benefits.

Sincerely,

Frank J. Ryan Vice President

Corporate and Public Affairs

FJR/ylc



#### THOMAS J. SCRIMENTI, MEMBER 9 WEST MAIN STREET NORTH EAST, PENNSYLVANIA 16428 PHONE: (814) 725-8664

HOUSE POST OFFICE BOX 96 25B, EAST WING HARRISBURG, PENNSYLVANIA 17120-0028 PHONE: (717) 787-9475



### House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG

Sept. 26, 1989

Roger A. Weber, Chairman PIA Pennsylvania Legislative Subcommittee P.O. Box 226 Lemoyne, PA 17043-0226

Dear Mr. Weber,

Sincere thanks for your thoughtful letter and the many informative facts concerning auto insurance reform. This will likely be one of the major issues the legislature faces this fall. In fact, as you may know, there is presently a major auto insurance measure (House Bill 121) before the General Assembly. Originally, it was hoped that HB 121 offered a comprehensive solution to the many insurance industry ills that exist. However, the bill has been amended in the Senate, and the contents may have been altered considerably. Either way, auto insurance reform will be subjected to considerable debate on the floor of the House this fall.

For now, I just want to assure you that I have a keen interest in auto insurance reform and that I value your thoughts on this subject. Surely in the weeks ahead, as this issue is debated further, I will keep your perspectives in mind.

If you should have any additional thoughts on this matter, or anything else pertaining to the state legislature, please feel free to let me know.

Sincerely yours,

Tom Scrimenti

State Representative

TS:wdm

COMMITTEES

AGRICULTURE & RURAL AFFAIRS MILITARY & VETERANS AFFAIRS GAME & FISHERIES

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#### THOMAS J. SCRIMENTI, MEMBER 9 WEST MAIN STREET NORTH EAST, PENNSYLVANIA 16428 PHONE: (814) 725-8664

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### House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG

September 27, 1989

Sister Margaret Ann Hardner Saint Vincent Health Center 232 West 25 Street Erie, PA 16544

Dear Sister Margaret,

Thank you for your recent letter concerning House Bill 121. At present, HB 121 is in the House Rules Committee, and it is difficult to pinpoint when the House will resume the debate on auto insurance reform, especially since the abortion issue looms ever so large. However, it is likely that one of three things will eventually occur to HB 121--The House will a) concur in the Senate amendments and send the bill as is to the Governor; b) suspend the rules, insert our own amendments, and send the bill back to the Senate; or c) non-concur in the Senate amendments and send the bill to a conference committee. Though one of the latter two options is the most likely to occur, it is hard to say just when this will happen. Thanks to you and others who have written, I am aware that the Senate amendment that would limit payments to rehabilitation facilities for accident victim care to 110% of the prevailing Medicare rate is highly controversial--and very unpopular with many groups. It's entirely possible that this portion of the bill will not survive the scrutiny of the House.

In any event, please be assured that I am aware of your concerns, and can certainly understand them. Please also be assured that I will do all that I can to see that the auto insurance reform measure that is eventually arrived at is both comprehensive and fair, and that no one's interests are slighted in the process.

Again, thank you for writing. Should you have any questions on any future developments, please feel free to contact my office, and we'll do all that we can to answer them for you.

Sincerely yours,

Tom Scrimenti

State Representative

TS:wdm

**COMMITTEES** 

AGRICULTURE & RURAL AFFAIRS **MILITARY & VETERANS AFFAIRS GAME & FISHERIES** 





# United Electrical, Radio & Machine Workers of America - Local 506

3923 Main Street

Lawrence Park

Erie, Pennsylvania 16511-1931

Phone 899-3108

September 14,1989

Representative Scrimenti Penna House of Representatives Harrisburg, Penna.

Dear Legislator:

We urge the House to vote for concurrence of H.B. 121 which is expected to be before your chamber this fall.

In June, the House of Representatives passed excellent proposals for an Insurance Consumer Advocate (H.B.5) and full financial disclosure (H.B.1524) by auto insurance companies. Auto insurance premiums have risen at twice the rate of inflation since 1980 (Wall Street Journal, July 7, 1989). According to an October 1988 survey by Consumer Reports, Pennsylvania had the first, second or third highest premiums for representative policies for every type of policyholder in all the states studied. Our members and auto insurance policyholders across the Commonwealth badly need these reforms.

However, one of the changes passed by the House will hurt policyholders. The passage of a law containing optional verbal thresholds will destroy citizen rights. The creation of 2 classes of auto insurance consumers, one who buys access to the courts and one who accepts the false bargain of thresholds is fundamentally unamerican.

Correcting the problems of rising premiums requires a plan to bring balance and reason to insurance company management. The recent revelations from California about excessive reserve accumulation of \$229 million in Pennsylvania alone by State Farm Insurance is a dramatic example of the need for a more active role by state government. With a strong financial disclosure law in Pennaylvania we would not have had to wait for a class action suit to be filed in California to discover this information.

House passage of legislation for an Insurance Consumer Advocate and full financial disclosure are major steps toward improving the state's regulation of the industry. Although these bills have not yet returned from the Senate, there is other legislation containing significant reforms. H.B. 121 (as amended by the Senate in June) includes the House initiated health care cost containment measures.

· CON

This approach focuses on a primary force behind rising premiums. H.B. 121 also includes House originated concepts for premium discounts for safe drivers and drivers that have anti-theft devices and automatic seat belts. Further, H.B. 121 avoids the serious error of restricting access to the courts.

We are urging the House to concur in passage of H.B. 121. We are also encouraging the Senate to pass strong disclosure and consumer advocate legislation. With action by both houses when the session reconvenes, meaningful change in the auot insurance industry in Pennsylvania will begin to occur.

Sincerely,

DON MARCHIONNA

Chairman

U E 506 Political Action

Committee Chairman

#### THOMAS J. SCRIMENTI, MEMBER 9 WEST MAIN STREET NORTH EAST, PENNSYLVANIA 16428 PHONE: (814) 725-8664

HOUSE POST OFFICE BOX 96 25B, EAST WING HARRISBURG, PENNSYLVANIA 17120-0028 PHONE: (717) 787-9475



### House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG

September 27, 1989

COMMITTEES

**AGRICULTURE & RURAL AFFAIRS** 

MILITARY & VETERANS AFFAIRS

**GAME & FISHERIES** 

Don Marchionna U E 506 Political Action Committee Chairman 3923 Main Street Lawrence Park Erie, PA 16511-1931

Dear Mr. Marchionna,

Thank you for your recent letter concerning auto insurance reform and House Bill 121. I found your comments to be both informative and insightful.

Presently, HB 121 is in the House Rules Committee, and it is difficult to say when the House will resume the debate on auto insurance reform. For the moment, it seems that this issue (as well as many others) is taking a backseat to the ongoing debate on abortion.

When we do resume the auto insurance reform debate, I will certainly keep your thoughts and wishes in mind--and will keep your letter as a reference as well. If in the meantime you'd care to relate anything else to me on this issue, or have any questions pertaining to this or any other legislative matter, please feel free to contact my office.

Sincerely yours,

Tom Scrimenti

State Representative



February 5, 1990

Dr. Mearl Henley Pastor Park United Methodist Church 30 North Lake Street North East, PA 16428 FEB U 6 1990,

The Honorable Thomas J. Scrimenti House of Representatives Capitol Building Harrisburg, PA 17120-0028

Dear Representative Scrimenti:

You are about to vote on ill-advised legislation that, if enacted, will harm Pennsylvania insurance consumers and businesses for years to come. H.B. 121 is a seriously flawed proposal that won't provide the rate relief citizens expect and deserve.

Insurance consumers need real reform, not hastily-drafted, political responses to problems of auto insurance affordability. This bill does not reduce the true cost problems for auto insurance in Philadelphia, and in fact exports the Philadelphia problem to the rest of the Commonwealth.

We also do not need more bureaucrats in Harrisburg meddling further into private industry and exporting a Philadelphia problem to the whole Commonwealth.

Before the politicians disrupt the auto insurance market I urge you to at least study this situation further. Certainly a few days or weeks looking at the legislative language is the least you can do before there is potential havoc imposed on all insurance consumers.

Respectfully,

Dr. Mearl Henley

[Sample]

HB121

#### COMMITTEES

AGRICULTURE & RURAL AFFAIRS MILITARY & VETERANS AFFAIRS GAME & FISHERIES

TOM SCRIMENTI
STATE REPRESENTATIVE
9 WEST MAIN STREET
NORTH EAST, PENNSYLVANIA 16428
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9 WEST WASHINGTON STREET CORRY, PENNSYLVANIA 16407 PHONE: (814) 664-9126

HOUSE POST OFFICE BOX 96 25B, EAST WING HARRISBURG, PENNSYLVANIA 17120-0028 PHONE: (717) 787-9475



# House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG

February 13, 1990

Dr. Mearl Henley Pastor Park United Methodist Church 30 North Lake Street North East, PA 16428

Dear Dr. Henley:

Thank you for your recent timely communication regarding the auto insurance reform legislation contained in the conference committee report on House Bill 121. As you know that legislation came before the House last week.

Insurance rates in Pennsylvania need attention: I don't think anyone disagrees on that. Like you, however, I had great concerns about numerous sections of House Bill 121 and its operation. You specifically requested consideration of a motion to send the bill back to a select committee for review and revision. That motion was made on the House floor by Representative Strittmatter and after deliberation and debate I voted to send the bill to the committee for consideration. Unfortunately, the majority of the House on a 100-to-96 vote disagreed.

Under the House rules a conference committee report cannot be amended. Therefore, after the Strittmatter motion failed, House members were faced with the choice between supporting or opposing House Bill 121, with no alternative. On balance, and with some reluctance, I supported it based on its automatic 10% premium reduction and the fraud and abuse provisions.

As you know, this matter is now in court and, in any event, will be the subject of ongoing review and study. I assure you I will continue to follow the matter and consider changes to improve the system as they are offered.

Sincerely,

Tom Scrimenti State Representative

#### John T. Colwell, Jr. CIC



Thomas E.Wolf

April 16, 1990

The Honorable Thomas Scrimenti House Post Office Main Capitol Harrisburg, PA 17120

#### Dear Representative Scrimenti:

I am writing as a constituent, insurance agent and small businessman to voice my concerns about the ramifications of Act 6, the recently enacted automobile insurance "reform" legislation.

I am not requesting any action on your part at this time, because I fully understand the politics surrounding this issue. I do hope, however, that you will come to appreciate, if you do not already, that the bill promises far more than it can deliver and will impose unnecessary hardships on consumers, companies and agents across the Commonwealth.

The law's primary defect is that it reduces rates more than it cuts costs. Although some find pleasure in blaming "insurer greed" for high auto insurer rates, thoughtful observers know that rates cannot genuinely be lowered until their underlying costs are reduced. These include soaring vehicle repair costs, high medical costs, needless legal fees, growing auto theft and fraud. Unfortunately, Act 6's moves in this direction, while welcome, are inadequate compared to the mandated savings.

Mine is just a small business. I employ 6 people. Yet, a major carrier has already cut commission rates. The insurance market is confused and disrupted as it is in California following adoption of that state's Prop 103. The law is being challenged in the courts. Agents are not sure what to expect nor how to advise clients. It's hard to recall a more difficult business environment.

We may have no immediate alternative than to wait things out and hope that time -- and the courts -- will finally clarify the situation and restore order to the auto insurance market. For the long-term, however, I urge you and your colleagues to enact a <u>real no-fault bill</u>. Such legislation holds the most promise for true relief from high auto insurance rates.

Thank you for considering my plight and that of thousands of agents across the Common-wealth. I plan to continue to keep you informed in the months ahead.

Very truly yours,

Thomas E. Wolf





TOM SCRIMENTI STATE REPRESENTATIVE '9 WEST MAIN STREET NORTH EAST, PENNSYLVANIA 16428 PHONE: (814) 725-8664 TOLL-FREE: 1-800-962-2304

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## House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG

May 10, 1990

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COMMITTEES

AGRICULTURE & RURAL AFFAIRS

MILITARY & VETERANS AFFAIRS

**GAME & FISHERIES** 

Mr. Thomas E. Wolf Rossbacher Insurance Service 133 Park Street Post Office Box 404 Corry, PA 16407

Dear Mr. Wolf:

Thank you for your letter of April 16, 1990 expressing concerns about the new auto insurance reform legislation.

I share the concerns you express regarding the confusion and disruption in the current auto insurance market. As you know, the new law is now subject to numerous court challenges. Hopefully after the courts have resolved the many challenges to the law we will better be able to evaluate the impact of auto insurance reform on all those involved. The law has yet to be given a true chance at demonstrating whether or not it can live up to its expectations.

In speaking to other members of the General Assembly there does not appear to be support at this time for further legislative action on this issue until current obstacles to the new auto law are resolved.

The legislation is currently out of the hands of the legislative branch, and until all court cases are resolved I do not expect to see any major changes to Act 6.

Thank you again for expressing the views of a small insurance business. I will keep your suggestions in mind if and when the issue becomes before the House again.

Sincerely,

Tom Scrimenti

State Representative



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#### PENNSYLVANIA AUTOMOTIVE ASSOCIATION

January 24, 2000

Honorable Thomas J. Scrimenti House of Representatives 25B East Wing Harrisburg, PA 17120

Dear Representative Scrimenti:

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YOUR BOT REMANS

Recently, certain manufacturers of new cars and trucks have launched programs to limit competition in the vehicle sales industry by directly owning and operating dealerships. Vehicle manufacturers unfairly competing in the retail sales component of the industry allows for the potential control of local markets and the limitation of consumer choice and ability to comparison shop. It also places franchised dealerships at a competitive disadvantage with their own supplier who may own a nearby dealership.

**Rep. Scot Chadwick** is introducing a bill to address this anti-competitive development in the new car and truck sales industry. The bill mirrors legislation enacted in 32 other states and prohibits manufacturers from owning and operating new car or truck dealerships, except in certain limited circumstances.

Pennsylvania state law regulates very closely the vehicle sales industry in the Commonwealth and, in the interest of the consumer public, oversees the practices of both vehicle manufacturers and dealers. The proposed bill would amend the State Board of Vehicles Act to provide Pennsylvania consumers with a fair and competitive new car and truck marketplace, and would protect franchised dealers from certain other unfair business practices employed by the manufacturers.

The Pennsylvania Automotive Association encourages your support of this important initiative and respectfully requests your co-sponsorship of the proposed bill. Rep. Chadwick's office is maintaining a list of House members wishing to co-sponsor the legislation and can be reached at 783-8238.

Please let me know if you desire additional information on this proposed bill. Because of the consumer impact of the issue, many legislators have expressed interest in this proposal and I will be contacting your office to answer any questions you or your staff may have. Thank you for your consideration of this important piece of legislation.

Sincerely,

Mark K. Stine

Director

Legislative Affairs

#### THOMAS J. SCRIMENTI

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### House of Representatives

COMMONWEALTH OF PENNSYLVANIA HARRISBURG COMMITTEES

AGING AND YOUTH
DEMOCRATIC CHAIRMAN OF THE
SUBCOMMITTEE ON AGING
PROFESSIONAL LICENSURE
AGRICULTURE AND RURAL AFFAIRS

February 4, 2000

Mr. Mark K. Stine Pennsylvania Automobile Association P.O. Box 2955 Harrisburg, PA 17105

Dear Mr. Stine: - Mana

Thank you for your recent letter concerning the issue of vehicle manufacturers entering the retail position of the industry. I very much appreciate your timely communiqué on this most critical matter. I am pleased to take this opportunity to address this situation.

It is difficult to comprehend why manufacturers seek to advance their way into this sector of the industry. Granted, in the short term, there may be significant financial benefits. However, in the long term, I see this as compromising the integrity of the already well-established sales components of the auto industry. It appears to be extremely shortsighted and myopic. We can site plenty of examples of businesses that have been previously been ruined by greed.

Legislation to address this anti-competitive strategy by the automobile manufacturers is most certainly in order and necessary. Unless curtailed, the potential for harm to the auto industry, and in the end the consumers, is indeed a real threat. I am delighted to inform you that I have already signed on as a co-sponsor of this legislation. As Pennsylvania unites with the majority of other states in prohibiting manufacturers from owning and operating dealerships, we may see such endeavors brought to a complete halt.

Again, thank you for your letter. If there is anything else that I may do for you, please feel free to contact my office.

Sincerely,

Thomas J. Scrimenti State Representative