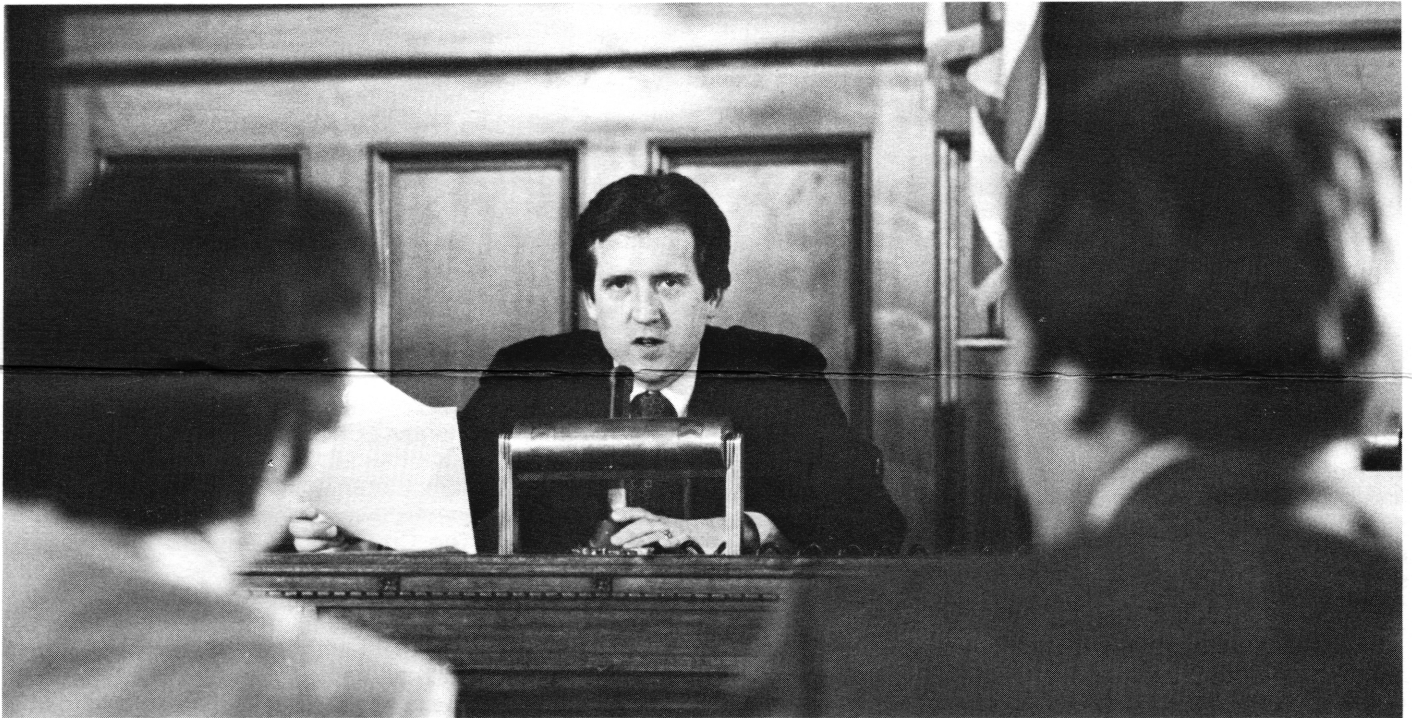


O'DONNELL LEGISLATIVE REPORT

For A City Of
Neighborhoods



Bob O'Donnell addresses the House Appropriations Committee.

- ✓ **Criminal Sentencing**
- ✓ **Consumer Protection**
- ✓ **Discrimination Against Senior Citizens**
- ✓ **Jobs**
- ✓ **Abandoned Houses**
- ✓ **Funding for Special Education**
- ✓ **Funding for Higher Education**
- ✓ **Insurance Redlining**
- ✓ **Tax Exemptions for Neighborhood Groups**
- ✓ **Teacher Safety**
- ✓ **Antitrust**

These are critical issues. In the past year State Legislator Bob O'Donnell has sponsored bills to deal with all of them.

And through the past year's crises—on the state budget, school financing, and political corruption—he has consistently represented the public interest. He has spoken out on these concerns persistently, and his comments on these problems start on page 2.

Criminal Sentencing

Bob O'Donnell has sponsored two bills to toughen criminal sentencing. H.B. 196 and 197 would restrict the discretion of trial courts in sentencing. This would eliminate excessive leniency and the wide variations among sentences imposed by different judges.

"Criminal sentencing has become dependent on the judges' personalities," O'Donnell said. "These bills aim to restore the principle of firm, even-handed justice. Another of my bills would prevent the Pennsylvania Supreme Court from stifling this issue." H.B. 1830 would overturn that Court's rule which prohibited candidates from open discussion of sentencing practices.

A fourth bill related to this issue sponsored by O'Donnell, H.B. 1599, would prohibit the existing practice of civil discharge of a defendant found incompetent to stand trial in a criminal case. "If a person is not competent enough to stand trial, he is not competent enough to be at large," O'Donnell said.

Consumer Protection

"When a buyer of goods is sued by the seller for the purchase price, the buyer has a defense if the goods are defective. If, however, the seller transfers the contract of the buyer to a finance company, a loophole may be
(Continued next page)

created whereby the finance company can collect from the buyer even though the goods are defective. This provision is called 'Holder in Due Course' and it has been one of the most unfair loopholes in commercial law," O'Donnell explained. He sponsored H.B. 1611 to eliminate this loophole.

H.B. 890 would require that at least one-third of the members of professional or occupational licensing boards be public members. "Too often regulating boards and commissions become captives of the industry they are supposed to regulate. Representation by consumers on these boards would achieve a much needed balance."

Discrimination Against Senior Citizens

"Persons over 40 years of age frequently are discriminated against by employers because of their age alone. Finding a new job, getting retraining or a promotion can be extremely difficult. The difficult becomes nearly impossible when one is forced into retirement at an arbitrarily fixed age."

H.B. 1068 would prohibit any discrimination based on age.

Jobs

H.B. 1473 would provide employment for young persons from age 14 to 21 by establishing a youth corps drawing primarily from city neighborhoods.

"Unemployment is the single biggest source of other social problems and our young people have even less job opportunities than the rest of society," O'Donnell said.

Abandoned Houses

"As public and private financing for rehabilitation of housing becomes available, a significant problem will remain. Houses that have been deserted over a long period by private owners do not re-enter the market," O'Donnell said. "This problem can be met by allowing a governmental authority to take over these houses by eminent domain and then marketing them to responsible new owners. H.B. 1964 provides the legal machinery to achieve this result."

Funding for Special Education

"Previous legislation held out the promise of full funding by the state for the special educational needs of children with severe emotional, mental and physical problems. Because of miscalculations of revenue in 1977, the state threatened to curtail this funding."

H.B. 1038 would appropriate the funds necessary to meet this deficit.

Funding for Higher Education

H.B. 444 raised the maximum possible scholarship from the Pennsylvania Higher Education Assistance Agency to \$1,500.00. During the debate before the bill's passage, O'Donnell argued that, "These scholarships are open to all Pennsylvania students based on financial need. It is a program which is our single best way to secure equality of opportunity in education."

Insurance Redlining

H.B. 1981 would require disclosure by insurance companies of the availability of insurance coverage in different areas within the state and city.

Tax Exemptions for Neighborhood Groups

H.B. 242 would exempt purchases by non-profit civic or community groups from the Sales and Use Tax. "Neighborhood groups are the organizations closest to local problems and need every possible support in their efforts to cope with these problems."

Teacher Safety

H.B. 1739 would provide some measure of financial protection for a teacher who lost time from school because of injuries inflicted by a student or in the course of a disturbance at school.

Antitrust

"The reach of the federal law does not extend to price fixing, bid rigging and similar practices that occur entirely within a state. H.B. 845 would provide Pennsylvania with its first Antitrust Law to remedy these problems."

Aid to Non-Public Education

Bob O'Donnell has voted for and supported every measure which would aid non-public schools. Many of these bills were sponsored by O'Donnell. These measures are under constant revision in an attempt to cope with each new ruling by the courts.

School Financing...

Our schools now confront the accumulated debts of ten years of bad planning, bad management and bad faith.

Although the City Charter was designed to protect us from financial irresponsibility, its purpose has been cynically subverted. The City Charter requires a "balanced budget" for the schools; that is, the expected spending must **not** be more than the expected income. But the effectiveness of this protection depends on an honest and accurate statement of what expenses and revenues can be expected. In recent history, the School Board has always spent more and received less than it "expected." This practice created deficits that were passed on from year to year. Mismanagement and overcommitment of funds to nonessential areas compounded the problem.

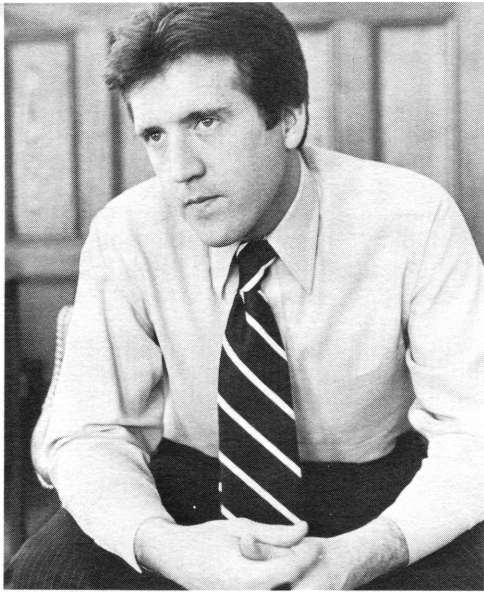
Instead of seeking a sound-management solution, a political "strategy" was adopted. The problems were left to accumulate and a periodic crisis would result. This would force someone else (usually the legislature) to step in and act. Such a strategy was morally and fiscally unsound; but, unfortunately, it became a yearly event. Hard decisions continued to be avoided. Meanwhile, an attitude developed that the school situation was not a problem to be solved—that no one had that responsibility. (In fact, the schools were treated as if they were a spoils system to be divided by as many interest groups as possible.)

As the school system was sinking, the city government raised taxes by the biggest increase in history. But they devoted only a negligible amount of the new revenue to the schools and effectively wiped out any additional revenue base available for the schools from within the city.

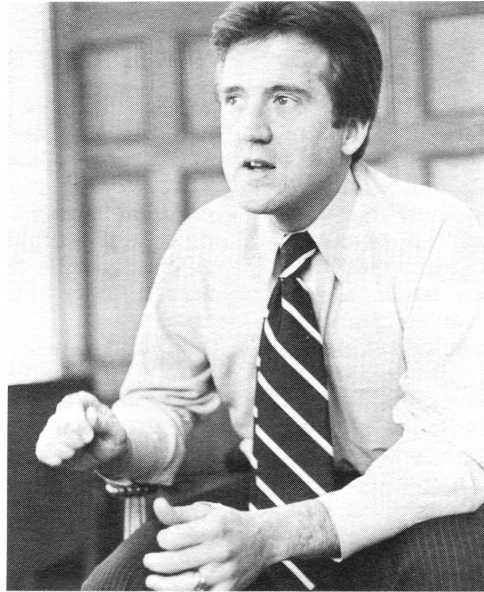
The response of the State Legislature in the summer and fall of 1977 was to make an outright grant of \$14 million, spread out repayment of a \$30 million loan, change the law to permit the Board to borrow \$50 million and change the basic subsidy law to increase benefits for Philadelphia.

This response was necessary to prevent the schools from closing; but there was no confidence that the crisis would not recur, and that the taxpayers would not be blackmailed again the next year.

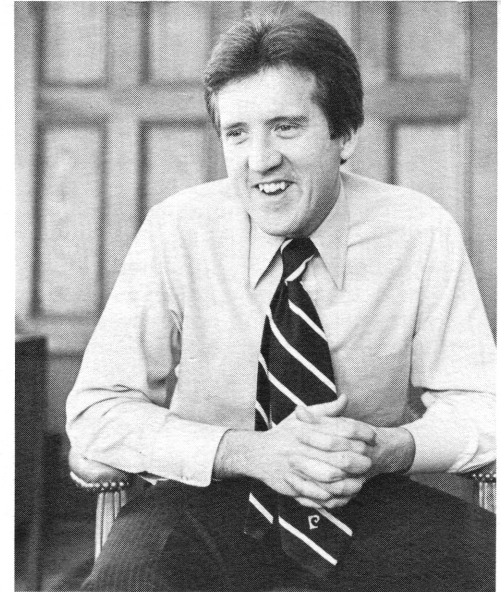
I supported every bail-out of the system, but this has got to stop. We must develop a workable basis for a long-term solution. Accordingly, I sponsored a resolution which was approved by the House of Representatives mandating an investigation of the fiscal affairs of the



"I fought against this device . . . but eventually, the taxes were passed."



". . . We can break the cycle of corruption."



". . . There are signs of positive change."

Philadelphia School Board. I am a member of that committee and will vigorously pursue the investigation.

I believe we can move toward a better school system worthy of the support of our people; and I expect our investigation to produce a clear program for presentation to the new Legislature and State Administration.

The State Budget . . .

The crippling fiscal crisis that faced Pennsylvania in 1977 had its roots in an outdated tax base, irresponsible spending by the executive and judicial branches, and deep divisions within the legislature on how to respond to these problems.

This chaos should not be permitted to happen again. I and a number of legislators have joined together to support comprehensive budgetary reform. This will include reform of the management of the finances of the House of Representatives itself. We have also put the executive branch on notice that we will no longer tolerate the spend-now, pay-later government that brought the state to its knees.

(It should be noted that the sources of revenue for state and local government—unlike those of the federal government—grow very slowly compared to increases in costs and inflation. That is a fact of life, and would take federal effort to change; but my first concern is with the shortcomings of government inside Pennsylvania.)

The legislature has the responsibility to raise taxes and fund government at adequate levels. An important part of this function involves oversight of the executive and judiciary budgets. However, these branches managed to avoid that oversight function in recent years by spending first and then presenting the legislature with accomplished acts and bills to be paid.

By July 6, 1977, the Philadelphia School Board had spent \$67 million more than it had, and the Shapp Administration had spent \$90 million more than it had.

Where were these deficits to be made up? As the process worked, the burden of filling these deficit holes and financing the 1977-78 budget came to rest on the last item to be considered, the last bill to be paid: funding for colleges which are not state owned.

In short, the problem of funding these institutions—Temple, Penn State, Medical College of Pennsylvania among them—became tied to an increase in taxes.

I fought against this device of using higher education as a hostage in the budget struggle; but eventually, the taxes were passed.

Political Corruption . . .

Story after story about corrupt public officials has had a sickening impact.

The people have lost confidence in government. And government without the support of the people is paralyzed, unable to deal with even the most pressing social need.

This can't go on. Thankfully, there are signs of positive change. The people of Philadelphia, practically on their own initiative, removed a District Attorney; and officials at high levels of government—not just the small fish, as in the past—have been successfully prosecuted.

Vigorous prosecution must be supported by the public and by those of us who can provide prosecutors with more effective legal tools. I support grand jury investigative power, limited surveillance, and wider immunity for witnesses. I am working on legislation in these areas in cooperation with the Crime Commission, the House Judiciary Committee, and the Office of the District Attorney of Philadelphia.

In addition to prosecutorial efforts, several other measures are necessary:

- I sponsored a Comprehensive Ethics Bill (H.B. 546) for public officials and employees. This bill would also create an independent commission to investigate and enforce its provisions;
- Reform amendments to the election code (H.B. 404), which I sponsored, have passed the House and are presently in the Senate. These measures would require extensive disclosure of campaign financing before election day. The people could then find out what special interests—and potentially corrupting influences—were supporting a candidate, and the people could vote accordingly;
- I have also supported extension of the Sunshine Act and reforms of the Rules of the House of Representatives. These measures, taken together, would diffuse the present concentration of power into the hands of a greater number of Representatives and make the whole process more visible, open, and accountable.

But more than legal measures must be considered. I am concerned with some underlying attitudes that foster both an acceptance of, and a temptation towards, corruption.

Too pervasive today is the view of government not as workable Democracy, not as a fair and honest process,

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but as a system of "spoils" to be captured. Evidence of a public official's misconduct is received with a forlorn defense, "Hey, he may be a crook, but he's **our** crook."

Even Philadelphia has come to regard itself as a special interest group with little concern for how its legislators behave as long as they "deliver." If power is concentrated in an unhealthy way in a few hands it is held to be acceptable as long as those hands are in Philadelphia and not in western Pennsylvania. This is as shortsighted and corrupting as acceptance of a dictatorship just because it is benevolent.

A fair and honest system may not always reward us with favors. Should we then "bend" the rules to achieve our goals? Would we achieve our own ends at the expense of enhancing the power of the corrupt?

Say a Chairman of the Board wants a new wing built

on his hospital. Certain politicians will help get the money from government to finance construction in exchange for selection of their firms doing part of the work. Should the Chairman of the Board take the risk of failure with an honest system or should he make that deal and guarantee the result? Historically the "effective" Chairman **has** made the deal, and then later has written angry Letters to the Editor about someone else's corruption.

If you were in his place, what would you do? Few of us will become Chairman of the Board but all of us have some interest which we want government to satisfy. Do we want that interest satisfied regardless of how unfairly or dishonestly it is done?

If we can answer **no**, we can break the cycle of corruption.



O'Donnell family distributing voter registration forms.

**The new address for Bob O'Donnell's Legislative Office is:
414 W. Cheltenham Ave.
Phila., Pa. 19144
Phone: 843-1700**