

REPRESENTATIVE
PAUL SEMMEL
REPORTS TO THE PEOPLE
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Local Tax Reform

The House and Senate have passed differing local tax reform proposals. My efforts will be directed toward reducing the reliance of local school boards and governments on the property tax for funding. Following is an update on action taken by the General Assembly.

A First Step in the House

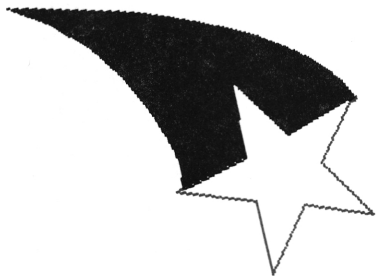
The House has approved legislation known as the Primary Residence Exemption (PRE) as a first, necessary step toward local tax reform. Approval of the PRE measure is the foundation upon which other aspects of local tax reform will be built. A day after the House's approval, the Senate passed a slightly different version. So now we must work to achieve a compromise between the two bills, keeping in mind that the Pennsylvania Constitution  requires that taxes be applied uniformly. Because the goal of tax reform is to lower rates on residential property with individual income and sales taxes making up the difference, amending the Constitution is necessary to allow for a differing property tax rate on business properties. Therefore, to take the first step, changes to the Constitution must be made and that requires approval by two consecutive sessions of the General Assembly and then voter approval in a statewide referendum. House Bill 1362, amending the  Constitution, has been approved by the House.

The House Looks at a Senate Proposal

The House Finance Committee chairman has appointed several members to the committee's Special Task Force on Local Tax Reform to help with analyzing a comprehensive local tax reform proposal passed by the Senate.  Senate Bill 2 would radically alter Pennsylvania's local tax structure. The job that lies ahead for the task force is to put this bill under the  microscope and assess its impact on taxpayers and local governments. We want to make sure that SB 2 would deliver real local tax reform. The task force will be preparing impact assessments of SB2 using a number of communities and local governments throughout the state -- urban, suburban and rural -- as models to determine the effect the proposed local changes would have on taxpayers.  There have been a number of tax reform proposals offered in the General Assembly over the last several sessions. In the past, legislators have been asked to vote on local tax reform proposals without knowing how the taxpayers and local governments in their districts would fare. That won't happen again.

*Our Future . . .
Our Past . . .
Join Hands*

Representative Paul Semmel enjoys program of the Shaynah Kinner at the Kutztown Seniors Center Thanksgiving Celebration.



On Tap for 1996

1996 will be an equally busy and productive year with the following issues coming to the forefront of our agenda:

- ☆ Continuing work to revamp Pennsylvania's costly workers' compensation system;
- ☆ Creating uniform standards defining tax-exempt charities;
- ☆ Providing free college tuition for children of law-enforcement officers and firefighters killed in the line of duty;
- ☆ Requiring insurers to cover 48-hour hospital stays for mothers and newborns;
- ☆ Allowing landlords to attach the wages of tenants who damage rented apartments;
- ☆ Strengthening the state's vehicular homicide laws;
- ☆ Setting reporting requirements for parents whose children receive public-assistance benefits.



Governor Signs Semmel Co-sponsored Bill

HB 882 -- Rep. Semmel (far right) was present with Governor Ridge and Rep. Durham (seated) for the bill signing on June 1, 1995 for the acquisition of water and sewer utilities.

1995: A Review

Funding Higher Education

- Increased assistance to college students by \$27 million, and funding for community colleges increased by \$5 million.

Elderly Care

- Passed law to require criminal record checks of all prospective employees of nursing homes, hospitals, and other care facilities.
- Passed law requiring notification of abuse or neglect to responsible state agencies.
- Created a registry of perpetrators of elder abuse.
- Required Nurses to have abuse prevention training.

Fighting Breast Cancer

- Passed legislation providing for a state income tax check-off option to enable taxpayers to donate a portion of their refunds to breast and cervical cancer research.

Special Session on Crime -- 37 New Laws

- During the Special Session on Crime, 37 new crime-fighting laws were enacted by the General Assembly, focusing on tougher sentences for violent criminals, ensuring that juveniles who commit adult crimes are treated as adults and guaranteeing crime victims a role in parole proceedings.

Cutting Taxes

- \$284 million saving to Pennsylvania taxpayers and businessowners
- Repealed 2 percent annuities tax and 3 percent widow's tax
- Passed bare-bones budget and increased spending by 2.7 percent, substantially less than the rate of inflation

Creating and Retaining Jobs

- Expanded Pennsylvania Export Partnership Act to more effectively promote the state's products abroad.



Ag Progress Days

Rep. Paul Semmel (far left), Beverly Gruber, Pennsylvania Farm Show Commission and Charles Brosius, Secretary of Agriculture take a break at this year's annual Ag progress days, and annual exhibition held at Penn State, highlighting Pennsylvania's farming industry and introducing new technology.

Marketing Pennsylvania -- The Business Resource Center

Legislation creating The Pennsylvania Business Resource Center, which will help give Pennsylvania businesses a competitive edge, was recently approved by the House. The legislation will create a one-stop, state-of-the art, multi-media business assistance center that will combine information systems, management services and intellectual capital. Linking state government, private industry and higher education, the center will ultimately provide an effective, efficient means for Pennsylvania businesses to explore expansion, and for prospective businesses to research potential locations across the Commonwealth, the country and the continents. To keep abreast of what's going on in the world market, the center will have the capability to access Pennsylvania's foreign trade offices in Europe and Asia.

Avoiding Heating Oil Tank Woes

DEP offers the following tips to prevent problems with storage tanks:

- Conduct a visual inspection of the tank, checking all structural supports and the tank itself for leaks, cracks or signs of rusting;
- Check the fill line and feed line to the furnace for leaks. Any wet spots or odors may signal a problem;
- Ask your oil company to check inside the tank for the presence of water if you think the tank was submerged by flooding waters;
- Once your furnace is operational, keep a close eye on oil usage so that the leak does not continue undetected;
- If your storage tank is outdoors and underneath a roof with icicles either cover the tank area with plywood or safely knock the ice away.

IF you detect a fuel spill has already occurred, do the following:

- Notify emergency response officials or the closest DEP office if the spilled material is highly flammable, such as gasoline or kerosene;
- Check with your local fire department or emergency management officials to determine if absorbent pads or other assistance is available;
- Small spills can be absorbed with kitty litter or a similar material, which can be placed in the trash for disposal;
- For assistance with a larger spill, consult a private contractor.



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Rep. Paul Semmel, Governor Tom Ridge, Miss Pennsylvania Deborah Green and her father Thomas Green.

Congratulations, Miss Berks!

Deborah Green of Kutztown, a junior at Kutztown University and reigning Miss Berks County 1996, recently received special recognition for her musical talent and her involvement with "Speak Out," a program geared to inform local schools about the latest technology and information about the best diagnostic care for children with speech impediments.

Look Who's Talking

One of the most rewarding aspects of my job is meeting and talking to the people I represent. As a lawmaker, reaching out to you is an invaluable tool that keeps me in touch with your opinions on issues facing us as a community and

ings have proven to be an excellent way for me to listen and learn from you directly.

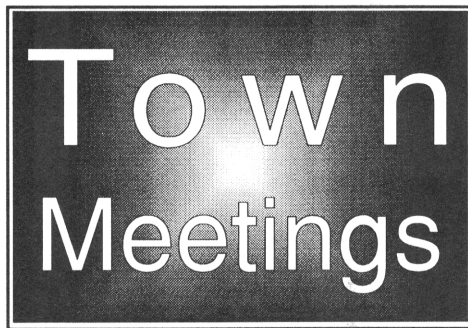
At one of these meetings, representatives of non-profit organizations, libraries, hospitals, school district and municipalities, gathered to learn more about the 1995-96 Commonwealth budgeted pending issues that may impact next year's spending priorities.

Talking about spending...I met with Lehigh Valley physicians, podiatrists, nurse-midwives, and hospitals to discuss the increase in the emergency sur-charge for the Medical Catastrophe Loss Fund. More than 100 people, including the director of the CAT Fund, attended the meeting.

In another Town Meeting, I met with area emergency medical providers to discuss the new services and programs in place under the Ridge Administration. Among the topics talked about were the need for volunteers and competition from for-profit ambulance services.

Along those lines, volunteer firefighters and I discussed several issues including fire training and the cooperative efforts necessary among fire companies, municipalities and various state agencies.

These meetings were a complete success and I will certainly be holding more in the future. If you or an organization you represent would like to schedule a meeting, please don't hesitate to call me.



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Act 35

Highlights of the new welfare reform law include:

- A one-year residency requirement to be eligible for general assistance and 90 days for health benefits.

- Recipients must sign an "Agreement of Mutual Responsibility" which would outline specific goals they must fulfill in return for receiving benefits.

- Recipients would be required to look for work from their first day on assistance. After 24 months, they would be required to work an average of 20 hours per week or lose benefits.

- Single, able-bodied people, ages 21 to 59, will only be eligible for medical benefits if they work at least 100 hours a month and earn less than \$5,100 per year.

- All those receiving welfare health benefits will have to pay a \$150 annual deductible, similar to what many working Pennsylvanians must pay under their health plan.

Freedom

Welfare

...Meeting the

Encouraging Independence

“This initiative is about people....

empowering them....

encouraging them...

elevating them...

to their God-given potential.”

Rep. Paul Semmel, 1996

“It was once said that the moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life -- the sick, the needy and the handicapped.”

Sen. Hubert H. Humphrey, 1977

Reform

The Agreement of Mutual Responsibility

Moral Test

What it Doesn't Do

This initiative **does not** affect current benefits to families with dependent children, pregnant women, disabled person, people 59 and older, or single individuals ages 21-58 who work 100 hours per month. It applies to single, able-bodied people age 21-58 who are not working or who are working fewer than 100 hours per month.

Welfare recipients will agree to:

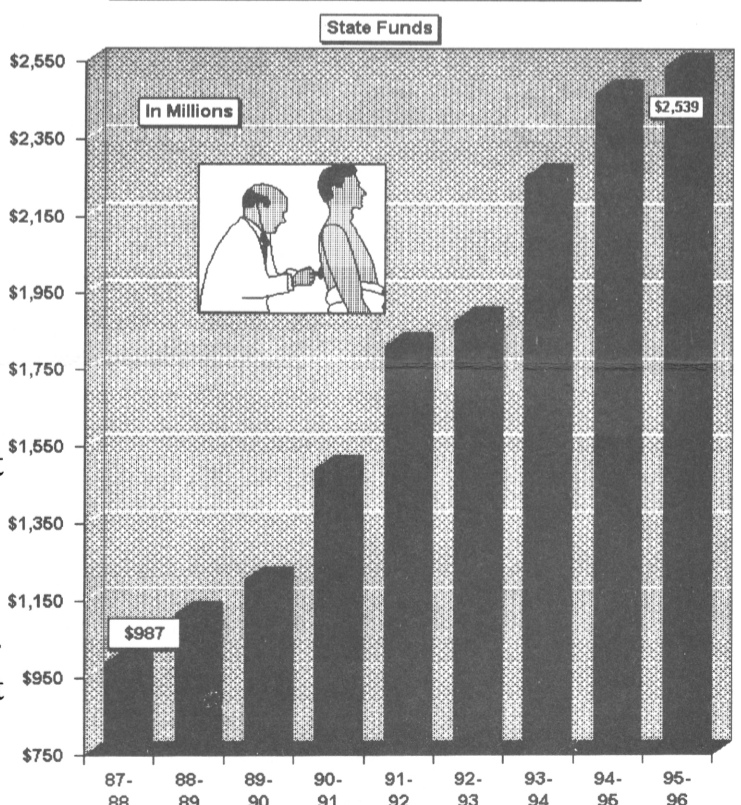
- Actively seek work from the first day they sign up for welfare;
- Work at least 20 hours a week after two years on taxpayer-funded welfare;
- Stay in school until age 18;
- Make sure their children attend school;
- Remain drug and alcohol-free after completing drug and alcohol addiction programs.

Promoting Self-Sufficiency

Medical Assistance

Act 35 also changes Pennsylvania's Medical Assistance, preserving the health care safety net for those who 'are in the shadows of life' -- the truly vulnerable citizens. The changes made will help stop the runaway costs of welfare healthcare and is expected to save \$220 million in the first year and an estimated \$1.3 billion in the next five years. In the past decade, the cost of health care for welfare recipients has more than doubled, from \$943.5 million in 1978-87 to \$2.5 billion by the end of the current fiscal year. The Medical Assistance, the federal/state health care program for welfare recipients, consists of hospital in-patient services, out-patient services, managed care, and long-term care (nursing homes). The state pays about 53% and the federal government pays 47% of these costs. Runaway Medical Assistance costs threaten to crowd out all new revenues, leaving scant funds for public schools, crime-fighting or other essential services. If nothing were done to curb these runaway welfare costs, taxpayers would be saddled with an additional \$1.3 billion in the next five years.

MEDICAL ASSISTANCE INCREASES 1987-96





Joining with fellow lawmakers, I supported and co-sponsored legislation to authorize the state Public Utility Commission (PUC) to reject any takeovers not considered to be in the public interest. The legislation would give the PUC broader discretion to reject hostile takeovers of electric companies with assets of \$2 billion or more. In order to gain approval, the company making the maneuver would have to meet several criteria, including proof that the takeover would result in long and short term benefits to ratepayers, employees and the local economy. The legislation would prohibit a company from passing on the cost of a merger to its customers.

Rep. Paul Semmel stands up against PECO takeover of PP&L at Capitol rally.



Students representing the Parkland High School Chorus recently visited with Rep. Semmel in Harrisburg. Rep. Semmel enjoys hosting hometown groups and extends an invitation to all.

Veterans Memorial

Lehigh County has been chosen as the site for the Korea/Vietnam Memorial National Education Center. I am proud that this center will be built in the Valley on land donated by the county and to help offset the cost of the project, I co-sponsored HB 1922, now Act 105 of 1996, allowing individuals to donate \$1 of their state income tax return to go toward funding the center's construction.

Staying in Touch with Rep. Paul Semmel

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