



January 2007

Dear Friend,

In this edition of *Inside the Senate*, we will look at the rule changes and reforms adopted by the Senate for the 2007-08 Legislative Session. I will also discuss my new committee assignments and some of the bills that I am reintroducing for the new session.

As always, if you have questions about any state issue, call my Indiana Office at 724-357-0151/toll free 866-357-0151, my Kittanning Office at 724-543-3026/toll-free 866-366-9448 (1-866-DON-WHITE), or my Murrysville Office at 724-327-2422/toll-free 866-736-9448 (1-866-SEN-WHITE).

Sincerely,


Don White

Looking Forward to New Committee Assignments

I am pleased to report that I received several new Committee assignments for the 2007-08 Legislative Session including the Chairmanship of the Banking and Insurance Committee and Vice Chairmanship of the Transportation Committee.

It was especially humbling that Joe Scarnati, our new Senate President Pro Tempore, gave me a tremendous vote of confidence when he appointed me to take over the Banking and Insurance Committee.

"Considering the scope and importance of the legislation considered by the Banking and Insurance Committee, it is essential that the chairman has a strong understanding of those areas. Don has the understanding, drive and dedication necessary to lead this important committee and I believe he will be a strong advocate for the people of the Commonwealth," Senator Scarnati said in a release announcing my appointment.

I've served as a member of the Banking and Insurance committee in the past and I know the issues that are before the Commonwealth. Certainly, one of our key jobs must be to find solutions to the rising cost of health insurance

in order to lessen the burden on families and employers.

The Committee will also consider many other issues that affect Pennsylvania's economic viability and I look forward to working with the members to find consensus solutions to these problems.

I am also pleased to be appointed to serve as Vice Chairman of the Senate Transportation Committee. This panel plays an important role in setting the Commonwealth's agenda for highway maintenance/construction projects. It also promotes and regulates rail, air and maritime services in the Commonwealth.

Local projects such as the Route 22 widening, the Route 119 upgrade, and the completion of the A-15 bypass have shown us that investments in upgrading our highways pay rich dividends for the community while improving public safety. Those types of projects must continue and receive priority consideration from the state.

Continued on Page 2

New Rules Open Senate Actions to Public Review

As some of its first actions of the 2007-08 Legislative Session, the state Senate adopted a new set of rules intended to make the legislative process more open to the public.

I am encouraged by these reforms. They show the Senate has heard the voices of the voters when they demanded reform and change in state government. These rules show we are committed to a fresh approach in the way the General Assembly conducts business.

Under the new rules:

- Session times will be limited to between 8 a.m. and 11 p.m.
- Amendments will be posted to the Internet before being offered on the Senate floor.
- The Senate will wait at least six hours before voting on an amended bill or a conference committee report.
- All roll call votes will be posted on the Internet as soon as possible after a vote, but always within 24 hours of a vote.
- Committee votes on bills will be posted on the Internet within 48 hours of the vote.
- The Senate's *Legislative Journal* – which includes the full text of all floor debates – will be posted on the Internet upon Senate approval of the Journal or within 45 days, whichever is earlier.
- An updated fiscal note will be prepared if a bill is amended after consideration by the Senate Appropriations Committee, if the amendment has a fiscal impact.

Reintroducing “Important Bills” Left on the Table

Unfortunately, several important bills were still on the table when the General Assembly wrapped up its session last year. That’s why I am reintroducing three bills that were not enacted prior to the end of the 2005-06 Session. These bills include legislation to encourage mergers of volunteer fire departments; require confiscation of false ID cards; and, clarify tax laws regarding bank mergers.

We are starting with a clean slate and there are many changes in place for the 2007-08 Session. I believe these bills deserve consideration and, hopefully, enactment into law.

ENCOURAGING FIRE COMPANY REGIONALIZATION EFFORTS

Senate Bill 96 would establish a program funded by using a portion of the successful \$100 million bond issue approved in 2002 for the purpose of improving the delivery of volunteer fire and emergency services within the Commonwealth. The bill, also introduced last session, received strong bi-partisan support with 22 co-sponsors.

Emergency responders are having a difficult time making ends meet. Many are scrambling just to keep their stations open. With vehicles costing hundreds of thousands of dollars and basic personal equipment such as turnout coats and breathing apparatus costing thousands more, it’s hard for many companies to be prepared for all of the emergency situations they may face.

My legislation outlines a new program to provide private, non-profit volunteer fire companies/departments or EMS organizations funds for the following activities:

- The creation or formation of new or expanded organizations through merger, consolidation, regionalization, or other recognized partnerships.
- Education and/or informational programs designed for recruitment and/or retention of existing members.
- Other innovative approaches to partnerships that would be considered on a case-by-case basis and evaluated by the Department of Community and Economic Development.

CRACKING DOWN ON FALSE IDs

Senate Bill 95 would require any person who is authorized to sell alcoholic beverages to confiscate an identification card when they have a reasonable suspicion that it is fraudulent. Confiscated identification cards would then be forwarded to law enforcement.

I find it extremely disturbing that under Pennsylvania’s current laws minors can flash a false ID and those at the front lines in the war against underage drinking can only turn them away. Currently, liquor licensees and state store clerks have no legal authority to confiscate the identification card.

CLARIFYING BANK MERGER LAWS

Senate Bill 97 will clarify that the bank shares tax should not be imposed upon the goodwill generated under the purchase method of accounting for acquisitions.

In 2001, the Financial Accounting Standards Board (FASB) issued a ruling (FAS 141 Business Combinations) which made purchase accounting mandatory for business combinations after June 30, 2001.

As a result of the purchase accounting rules, taxable equity and goodwill are now taxable when banks are merged.

This change is necessary as banks headquartered in Pennsylvania are taxed for ‘goodwill’ while other states with similar bank tax structures do not impose the tax on goodwill. By taxing goodwill, Pennsylvania is encouraging banks to move headquarters out of state. Moreover, banks who remain headquartered in Pennsylvania find this tax to be a discouragement for future mergers and acquisition.

With the strong presence of banking institutions in the 41st Senatorial District, I believe it is vital to the regional economy to provide a positive environment for community banks to grow and prosper.

Senate to Review Health Proposal

Recently, Governor Rendell announced his proposal to expand health care options in Pennsylvania. Many of the 47 bills that he is proposing could end up in my Banking and Insurance Committee for review, so this is certainly an issue that I will examine closely.

I believe there is a clear consensus and a strong interest among the members of the General Assembly in reviewing the quality of health care provided to the citizens of the Commonwealth, but at this point it is impossible to unequivocally support the Governor’s proposal since it was not developed in an open and bipartisan manner with the Senate Republican Caucus and has yet to be presented in legislative form. However, I believe we can use the Governor’s proposal as a starting point, a basis upon which we can begin our review and open our debate on how to improve the quality of health care for our citizens and, just as importantly, how to pay for those improvements without placing a heavier burden on Pennsylvania’s working families. I look forward to working with Governor Rendell to achieve what I believe is the common goal: Providing the citizens of this Commonwealth with access to quality and affordable health care through initiatives that promote consumer choice and quality care in an affordable fashion.

New Committee Assignments

Continued from Page 1

Additionally, a key objective of the Senate Transportation Committee will be to identify viable revenue sources to support new projects such as improvements to Route 422 and Route 28. Innovative ideas such as leasing the Turnpike will be fully considered and I look forward to taking an active part in the process.

Unfortunately, I had to give up the Chairmanship of the Veterans Affairs and Emergency Preparedness Committee, which I

have held since 2003. I have gained a deeper respect for our men and women in uniform and a greater appreciation for their service. While I am giving up the chair, I am pleased that I will still have the opportunity to serve as a member of the committee.

In addition, I will also serve as a member of the Community and Economic Development Committee, the Environmental Resources and Energy Committee, and the Labor and Industry Committee for this Session.