

## **Pennsylvania Conference of Teamsters**

Strength in Numbers 95,000

William Hamilton, President & Eastern PA Legislative Coordinator – Joseph Molinero, Sec.-Treasurer & Western PA Legislative Coordinator – Tim O'Neill, Consultant – Dan Grace, Trustee & Legislative Advisor – Robert Baptiste, Esq. Legal Advisor

## LEGISLATIVE ACTION ALERT

#### **PA HOUSE BILL 861 LABOR & INDUSTRY**

PA Rep. 'Grove's bill has been introduced and is HB 861. Presently we are not aware of any immediate plans by Republicans to run it.

Rep. Grove's Release: During the history of the Commonwealth of Pennsylvania, labor policy has been adopted at the state level to ensure uniform workplace policies and a predictable economic environment across the state. However, in recent years local governments, sometimes in violation of state law, have been adopting local ordinances on labor policy.

Representative Grove's release: Local ordinances like these are problematic for our economy as they ignore the simple fact that not all businesses are the same. Additionally, these local mandates create an uneven playing field for the businesses located inside Pennsylvania while raising the cost of compliance

inside the municipality. This cost increase further hurts businesses operating separate locations inside and outside the municipality as they comply with separate policies on the same topic.

In order to address this problem, I plan to introduce in the near future legislation which would preempt local governments from passing labor policies. Not only do these local mandates increase cost, but they create an unequal foundation for Pennsylvania's economy. As a result, the state's revenue along with our budget is impacted by the decision of local governments. Attached is a copy of PA HB 861.

# (American Health Care Act) WHAT YOU NEED TO KNOW ABOUT THE OBAMACARE REPLACEMENT BILL

- Up to 24 million more people will lose their health insurance, many of whom got it for the first time under the Affordable Care Act
- Planned Parenthood funding will be TOTALLY cut off
- It allows insurers to levy a 30% surcharge for a year on the premiums of those who let their coverage lapse
- With Medicaid reductions and smaller tax credits, this bill would clearly result in fewer people insured than
  under the ACA," said Larry Levitt, senior vice president at the Kaiser Family Foundation. "The replacement
  proposal seeks to reduce what the federal government spends on health care, and that inevitably means more
  people uninsured





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- It would end the enhanced federal Medicaid funding for new enrollees starting in 2020. Those already in
  the program could stay as long as they remain continuously insured. But since up to half have a break in
  coverage each year, it's likely participation would fall off quickly, said Jocelyn Guyer, managing director at
  Manatt Health, a consulting firm
- This bill would go beyond just eliminating Medicaid expansion. It would overhaul the whole program, which covers more than 70 million people, by sending states a fixed amount of money per enrollee, known as a per-capita cap. This would limit federal responsibility, shifting that burden to the states. However, since states don't have the money to make up the difference, they would likely either reduce eligibility, curtail benefits or cut provider payments
- Older Americans could have to pay more. Enrollees in their 50s and early 60s benefited from Obamacare because insurers could only charge them three times more than younger policy holders. The bill would widen that band to five-to-one
- The health care bill raises premiums for older, poor Americans by more than 750%
- The American Health Care Act would make a low-income 64-year-old in the individual market pay more than half his/her income for health insurance

A new report by the Congressional Budget Office estimates that a 64-year-old making \$26,500 per year would pay \$14,600 under the proposed American Health Care Act. Additionally, the non-partisan Congressional Budget Office says under the current Republican health care bill 14 million more people will be uninsured by 2018. The number of uninsured would rise to 24 million by 2016 according to the CBO. The CBO says some of this number will be people who can't afford to pay higher premiums. Part of that number will be people who buy insurance now to avoid the government penalty for not having it. Reductions in Medicaid enrollment under the GOP plan would create more uninsured. The CBO says the number of uninsured people under the Republican bill relative to the number under current law would rise to 21 million in 2020 and then to 24 million in 2016.

According to an article from *The Nation*© The GOP has repeatedly complained that the Affordable Care Act renders health care unaffordable. The monthly premiums are too high, and even if you pay them, the deductibles are also high. As Trump said in January, "You have deductibles that are so high that after people go broke paying their premiums, which are going through the roof,

the health care can't even be used by them because their deductibles are so high." He's not wrong, and you can understand why many people who rely on the ACA voted for Trump, assuming that his business experience would help him bring about better health-care access with lower costs. Yet as Andy Slavitt, the head of Medicare and Medicaid under Obama, writes, the likely new plan will result in still higher premiums and deductibles. It will end the individual mandate, as well as the risk-sharing between the healthy and the sick more generally, which will send premiums sky-high. It will also create plans that cover even fewer services and require people to carry even more risk themselves, which will result in higher deductibles. It will strip out subsidies for health care by income, which means more costs for working-class people. (That money will likely go toward a massive tax cut for the rich.) The current position of the IRS on health plans is- if an employer pays the cost of an accident or health insurance plan for his/her employees, including an employee's spouse and dependents, the employer's payments are not wages and are not subject to Social Security, Medicare, and FUTA taxes, or federal income tax withholding

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### THE GENERAL ASSEMBLY OF PENNSYLVANIA

# **HOUSE BILL**

No. 861

Session of 2017

INTRODUCED BY GROVE, BLOOM, PHILLIPS-HILL, ORTITAY, DUNBAR, IRVIN, RYAN, McGINNIS, ROTHMAN, MOUL, COX AND ZIMMERMAN, MARCH 16, 2017

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MARCH 16, 2017

#### AN ACT

- Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, in preemptions, providing for employer mandates by municipalities.
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- 6 Section 1. Title 53 of the Pennsylvania Consolidated
- 7 Statutes is amended by adding a section to read:
- 8 § 305. Employer mandates by municipalities.
- 9 (a) Regulation or enforcement prohibited. -- Notwithstanding
- 10 any other law to the contrary, a municipality may not in any
- 11 manner regulate employer policies or practices or enforce any
- 12 mandate regarding employer policies or practices.
- 13 (b) Applicability. -- This section shall not apply to a
- 14 mandate enacted by a municipality affecting an employee or class
- 15 of employees of the municipality itself.
- 16 (c) Effect.--
- 17 (1) This section shall not be construed to invalidate an
- 18 ordinance, rule or policy enacted by a municipality prior to

- 1 <u>January 1, 2015.</u>
- 2 (2) An ordinance, rule or policy enacted by a
- 3 municipality on or after January 1, 2015, in violation of
- 4 subsection (a) is void.
- 5 (d) Relief.--If, on or after January 1, 2015, a municipality
- 6 <u>enacts an ordinance</u>, rule or policy in violation of subsection
- 7 (a), a person adversely affected may seek declaratory or
- 8 <u>injunctive relief and actual damages in an appropriate court.</u>
- 9 <u>(e) Reasonable expenses.--</u>
- 10 (1) The court shall award reasonable expenses to a
- 11 person adversely affected by a violation of subsection (a) in
- 12 any of the following circumstances:
- (i) A final determination is granted by the court in
- 14 <u>favor of the person adversely affected.</u>
- 15 (ii) The underlying ordinance, rule or policy is
- rescinded, repealed or otherwise abrogated after an
- 17 action has been filed under subsection (d) but before the
- final determination by the court.
- 19 (2) If a person eligible for relief under subsection (d)
- 20 provides at least 30 days' written notice to the municipality
- of the intention to file an action under subsection (d) and
- 22 the municipality subsequently takes steps to provide relief
- 23 to the person, the person shall also be eliqible for
- reasonable expenses.
- 25 (f) Definitions.--As used in this section, the following
- 26 words and phrases shall have the meanings given to them in this
- 27 subsection unless the context clearly indicates otherwise:
- 28 "Employee." An individual employed by an employer.
- 29 "Employer." Any individual, partnership, association,
- 30 corporation, business trust or any person or group of persons

- 1 <u>acting</u>, <u>directly</u> or <u>indirectly</u>, <u>in the interest of an employer</u>
- 2 <u>in relation to an employee.</u>
- 3 "Employer policies or practices." Policies or practices that
- 4 <u>include</u>, but are not limited to, any of the following topics:
- 5 (1) Wages, other compensation or benefits.
- 6 (2) Hiring or termination of employees.
- 7 <u>(3) The workplace.</u>
- 8 <u>(4) The relationship between employers and employees.</u>
- 9 <u>(5) Sick and vacation leave for an employee.</u>
- 10 "Municipality." A county, city, borough, incorporated town,
- 11 township, home rule charter, optional charter or optional plan
- 12 <u>municipality</u>, school district or a similar general purpose unit
- 13 of government that may be created by the General Assembly.
- 14 <u>"Wages."</u> As defined in section 3(d) of the act of January
- 15 17, 1968 (P.L.11, No.5), known as The Minimum Wage Act of 1968.
- 16 Section 2. This act shall take effect immediately.