

## 2011-12 State Budget is Tough, But Reins in State Spending

On June 30, Gov. Tom Corbett signed the *FY 2011-12 State Budget* on schedule for the first time in eight years. The \$27.15 billion spending plan represents a 4 percent reduction from the current fiscal year, and it achieves a delicate but necessary balance between the revenues available and the priorities, collectively decided, that will be funded. The loss of federal stimulus funding and a \$4 billion structural deficit complicated the decision-making process in order to rein in spending and produce an on-time budget; cuts will have to be made in many programs. Some of these cuts will affect residents who rely on the services provided by state government. If there had been more true revenue dollars available for these important programs, then they might have been spared, but there were no revenue streams that increased, nor any new and sustainable revenue dollars; the General Assembly is committed to spending only the dollars it actually has.

No legislator was happy with the total cuts in funding, which will result in much belt-tightening. However, the House led the fight to restore significant funding to education, and at the same time, preserve a \$10 billion welfare safety net for those who truly require it. In fact, even in these harshest of economic times, there are increases in funding for: inpatient care; rape crisis and domestic violence services; trauma centers, burn centers, critical care hospitals, and obstetric and neonatal hospitals; as well as a flexible funding stream for county officials to use for various social service needs. The Governor's original budget proposed to eliminate these items or reduce their funding drastically.

During the budget process (March through June), the budget debate focused on efforts to increase state spending by using the \$700 million in unanticipated revenue which had been collected. Some legislators called this money a "surplus" and wanted to spend it; however, a portion of this \$700 million represented one-time revenue to the General Fund. Along with a majority of her colleagues, Rep. Watson voted to reserve these funds to enable the Commonwealth to make at least a partial payment on its looming liabilities/debts which include: \$3.7 billion owed to the federal government for extended unemployment compensation benefits; \$716 million which has been awarded by the Commonwealth Court to replace misappropriated MCare funds; \$3.5 billion for repairs to the backlog of roads and bridges across Pennsylvania that demand attention; plus additional billions in pension and debt service obligations.

Moving forward, it appears there are two more difficult budget cycles ahead for Pennsylvanians, because the economy has yet to demonstrate real growth. Rep. Watson has said that she is not satisfied with all of the priorities versus cuts in this year's budget but collectively it does keep the Commonwealth moving forward and surviving these terrible economic times, without raising taxes on residents.

One of the focuses of this year's budget discussion was public education, which always receives a substantial portion of state funding. **(See pie graph.)** This year, however, funding education at the same levels as the previous governor was next to impossible because of two main reasons.

First, for the last three state budget cycles, education received unsustainable increases, funded in large part by federal stimulus dollars. Second, when the previous administration factored in federal money, it dramatically reduced state support and that void was backfilled with stimulus funding. Simply put, in many cases, schools were receiving less state aid during the latter years of the Rendell administration but they received overall increases due to federal stimulus funding.

Because the federal stimulus funding had stopped, the state's projected education budget was left with huge funding gaps to fill and no increasing sources of revenue to fill them. Anticipating this inevitability, many legislators, including Rep. Watson, had warned their local school districts over the last two years not to spend the inflated state subsidies on recurring programs or salaries, because it was doubtful that this level of funding could be maintained with real state dollars. Some districts chose not to heed the warning; others were mindful of the one-time stimulus funding.

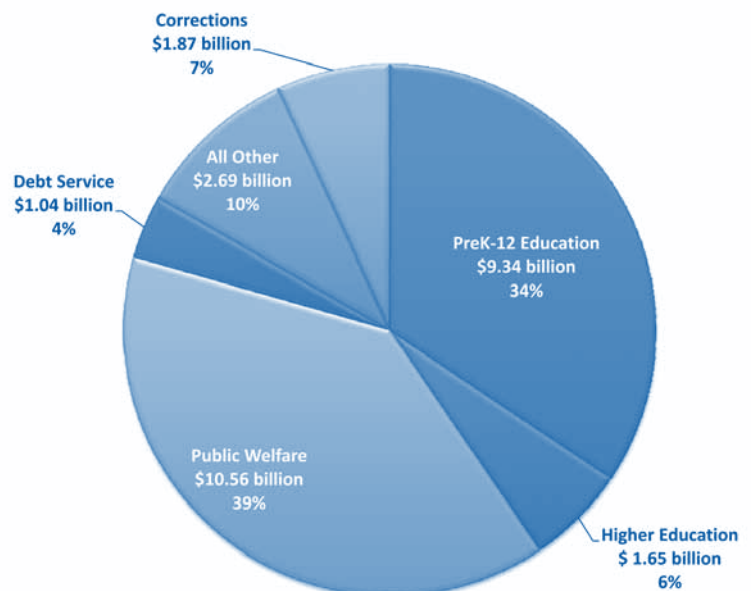
In the end, the *FY 2011-12 Budget* reflected a reasonable compromise. Basic education subsidies were increased at or above 2008-09 levels, which was about \$230 million more than the Corbett budget proposal. The General Assembly also added \$100 million to the very successful *Accountability Block Grant* program, which allows districts to use the money as they see fit. It is the collective opinion of the Legislature that this budget did the best it could financially for school districts, especially when they were cautioned repeatedly about how to use the federal stimulus money.

In addition, higher education funding was increased to levels above the Governor's original proposal, which cut the previous year's appropriation by 50 percent. The 2011-12 allocation for the state-owned universities totaled \$412 million, restoring 82 percent of the prior funding level. The state-related universities, including Penn State, Temple, Lincoln and Pitt, received \$559 million, or a restoration of 81 percent of last year's funding level. Community colleges are receiving 90 percent of last year's funding.

These funding restorations (above the Governor's proposed budget plan) were made possible by the reprioritization of funding that was originally directed to the Department of Public Welfare (DPW). By adjusting DPW's line items to account for the documented error rate, as well as cases of waste, fraud and abuse as reported by the Auditor General, \$404 million will be redirected to education funding. DPW will still receive more than \$10.5 billion to provide services to Pennsylvania's most vulnerable citizens.

For a detailed review of the *FY 2011-12 State Budget*, go to Rep. Watson's website, [KathyWatson144.com](http://KathyWatson144.com).

**GENERAL FUND SPENDING: \$27.15 BILLION**



## ‘Certificate of Birth Resulting in Stillbirth’ Becomes Law

After many years seeking official recognition of their children, parents of stillborn children now have a way to document and recognize that their child had been anticipated to be born and thrive. The “Certificate of Birth Resulting in Stillbirth” provides the official state documentation that families have been requesting. Gov. Tom Corbett signed this legislation into law on July 7, as **Act 62**. It takes effect in 60 days.

**Senate Bill 326** passed the House on June 24. The Senate legislation was identical to **House Bill 958** authored by Rep. Watson which passed the House on June 13. The certificate will be available upon request by the parent at a cost of \$9; it will contain the name of the stillborn child, date and county of delivery, mother’s name and birthplace, father’s name and birthplace, and the statement: “This certificate is not proof of live birth.” A parent may obtain a certificate of stillbirth by submitting an application for a certified copy of a death record and writing “Certificate of Stillbirth” on the application under “Intended Use of Certified Copy.”

For more information regarding an application for a “Certificate of Birth Resulting in Stillbirth,” please visit [KathyWatson144.com](http://KathyWatson144.com) and click on the link “Birth and Death Certificates.”



*At a ceremonial signing, Gov. Tom Corbett penned his name to Senate Bill 326, making it **Act 62 of 2011**. Rep. Watson (seated at right) sponsored the House version of the legislation and joined Corbett for the signing, along with dozens of advocates and fellow lawmakers. Under the new law, Pennsylvania becomes the 31st state to recognize stillbirths by allowing the Department of Health to issue “Certificates of Birth Resulting in Stillbirth.” Until now, only fetal death certificates were issued to parents of stillborn children.*

## Watson Re-Introduces Legislation to Strengthen PA’s Teen Driving Law

Continuing her effort to strengthen Pennsylvania’s Graduated Driver Licensing Law (GDL), Rep. Watson has introduced **House Bill 9**. This initiative has widespread support across the Commonwealth, according to a recent poll commissioned by Allstate Insurance Company and conducted by Susquehanna Polling and Research. The poll showed that almost 60 percent of those polled support tougher laws for teen drivers and nearly three out of four would like to see passenger limits set for teen drivers. Vehicle crashes are the No. 1 cause of death for teenagers and account for one-quarter of total teen deaths nationwide.

In its original form, **HB 9**, which passed the House on May 10 by a vote of 175-21, included the following provisions: 1) increases behind-the-wheel training hours from 50 to 65 hours. Of these additional 15 hours, 10 hours of nighttime driving and 5 hours of driving in inclement weather would be required; 2) limits the number of passengers allowed in a vehicle operated by a teen driver holding a junior driver’s license to one, with exceptions for family members; 3) makes it a primary offense if the teen driver or any passenger under 18 years of age is not properly restrained (wearing a seatbelt) while travelling in the vehicle. A violation of the current booster seat law would become a primary offense under **HB 9**, as well.

However, **HB 9** was amended in the Senate Transportation Committee, making significant changes to the passenger restriction component of the bill. The Senate inserted a provision restricting a junior driver to one passenger under the age of 18 who is not an immediate family member only during the first six months of licensure, after which up to 3 passengers under the age of 18 would be permitted. In both cases, that number could increase if the junior driver is accompanied by a parent or legal guardian.

**HB 9**, as amended, awaits consideration by the full Senate. Rep. Watson would like to acknowledge the leadership of House Majority Leader, Rep. Mike Turzai, whose efforts were instrumental in bringing **HB 9** to a floor vote. In addition, she recognizes the support of Bucks County Sen. Robert Tomlinson, with whom she has worked on teen driving and distracted driving legislation (**HB 8**), as well as Senate Transportation Committee Chairman Sen. John Rafferty whose leadership in moving the teen driving bill out of that committee to the Senate floor is greatly appreciated.

For more information regarding the Statewide Teen Driver Safety poll, visit Rep. Watson’s website, [KathyWatson144.com](http://KathyWatson144.com) and click on the box labeled “Teen Driver Safety.” To view the full text of **HB 9** or any legislation, please visit the General Assembly’s website at [www.legis.state.pa.us](http://www.legis.state.pa.us). Click on “Session Information” under the section labeled “Find.”

## We’d Like Your Opinion

Several important topics are under discussion in the General Assembly. Two issues receiving media attention are the **Marcellus Shale Impact Fee/Extraction Tax** and the **Privatization of the State Liquor Control Board system**.

If you are interested in sharing your views on one or both of these topics, please visit Rep. Watson’s website at [KathyWatson144.com](http://KathyWatson144.com) to complete the survey posted. If you do not have computer access, or would prefer to fill out a printed survey, please call Rep. Watson’s Warminster or Hilltown office to request a paper copy be mailed to you. We look forward to your input.

# Crimes Code Legislation

Early in the 2011-12 legislative session, Rep. Watson again introduced legislation (**House Bill 1370**) which would amend the Crimes Code (Title 18) to establish a penalty for people in police custody who harass law enforcement officers by knowingly or intentionally causing the officer to come into contact with blood, seminal fluid, saliva, urine or feces by throwing, tossing, spitting or expelling such fluid or material. This legislation is modeled on existing law which establishes the same penalty of a third-degree felony for prisoners who knowingly or intentionally cause or attempt to cause guards and other law enforcement or prison administrative personnel to come into contact with these materials in the same manner.

Knowing of his interest in the same topic, Rep. Watson collaborated with Rep. Keith Gillespie of York County on new legislation which reflected the changes in language and penalties both envisioned. **House Bill 1618** broadens the definitions used in **HB 1370** to include the enhanced definition of a law enforcement officer "in the performance of his duty." This change will make it easier to establish that the officer was "in the performance of his duty" as opposed to the officer having the person actually "in custody."

Additionally, **HB 1618** provides that a person harasses a law enforcement officer if he/she intentionally or knowingly causes or attempts to cause the officer, while in the performance of his duty to come into contact with blood, seminal fluid, saliva, urine or feces by throwing, tossing, spitting or expelling such fluid or material when the person knew, or had reason to know, that the person was infected with a communicable disease, including HIV or hepatitis B. This offense is graded as a second-degree felony carrying a maximum penalty of 10 years imprisonment and/or a \$25,000 fine.

The bill passed the House unanimously and is now awaiting consideration in Sen. Stewart Greenleaf's Senate Judiciary Committee.

## Telemarketer Registration Act

Rep. Watson again introduced her legislation, **House Bill 1197**, which would amend the Telemarketer Registration Act, commonly known as the "Do Not Call List" law.

Her legislation prohibits all telemarketing calls from being made on federal legal holidays. **HB 1197** was amended into **House Bill 382**, sponsored by Rep. Jim Cox. The underlying bill gives consumers the ability to sign up for the Do Not Call List without requiring them to re-register every five years. The bill removes the time period completely, thus allowing consumers to register one time only, as long as they own that particular telephone number.

The standard list of federal holidays which would be exempt from any telemarketer calls and are included in the amended bill are: Labor Day, Veterans' Day, Thanksgiving Day, Christmas Day, Presidents' Day, Good Friday, Columbus Day, Martin Luther King Day, New Year's Day, Independence Day and Memorial Day.

**The amended HB 382** passed the House unanimously, and is awaiting action in the Senate Consumer Protection and Professional Licensure Committee, chaired by Bucks County Sen. Robert Tomlinson.

## Transportation Funding Advisory Commission Report

When the Legislature returns to session in late September, transportation funding will be one of the major topics of discussion. The Governor's Transportation Funding Advisory Commission has completed its report and made its recommendations. To review the report and the strategies suggested, go to Rep. Watson's website at **KathyWatson144.com**. Click on "Transportation Funding Advisory Commission."

## Legislative Redistricting Update

With the 2010 Census data recently certified by the Legislative Reapportionment Commission, the process of redrawing Pennsylvania's House and Senate districts has begun. Every 10 years, legislative boundaries are redrawn based on population numbers provided by the federal Census.

If you are interested in following the progress and learning more about the redistricting process, click on the link "**2011 Pennsylvania Redistricting**" on Rep. Watson's website, **KathyWatson144.com**.

## New Faces in the 144th

The next time you are in the area, stop by either of our district offices and say "hello" to two new faces joining the 144th District -- **Sean O'Connor** in the Hilltown office and **Melissa Kilderry** in the Warminster office.

Sean is a graduate of Kutztown University with a degree in political science, and also brings several years of "real world experience" in the hotel industry's customer service. Melissa, a graduate of Chestnut Hill College, is working on a master's degree in education at Drexel University. She was our summer intern this year.

They are both ready, willing and able to assist you with state-related problems or issues. Welcome Sean and Melissa!

Unfortunately, notary services, that were once available at our Warminster office, will no longer be offered, due to a recent staff resignation.



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## IMPORTANT NEWS...

# SAVE THE DATE! THE 2011 SENIOR EXPO

*Sponsored by Rep. Watson and Sen. Chuck McIlhinney*

FRIDAY, OCT. 14

From 10 a.m. until 12:30 p.m.

In the Delaware Valley College Student Center

Plan to join us for a day filled with information, friends and fun!

Check your mailbox in mid-September for your invitation and further details.

Unfortunately, due to budget constraints, we are not able to provide hot dogs to our visitors as we have done in the past.

## 2010 Property Tax/ Rent Rebate Applications Available

Applications for the 2010 Property Tax/Rent Rebate are available at Rep. Watson's Warminster and Hilltown district offices. **Eligible applicants have until Dec. 31, 2011, to file for a rebate on property taxes or rent paid in calendar year 2010.**

To qualify, individuals must meet one of the following criteria:

- A person who is 65 years of age or older as of Dec. 31, 2010;
- A widow or widower 50 years of age or older as of Dec. 31, 2010;
- Individual under 65 years of age who resided in the same household with a spouse age 65 or older as of Dec. 31, 2010;
- Disabled Pennsylvanians, ages 18-64, as of Dec. 31, 2010.

**Total household income** from all sources may not exceed \$35,000 for homeowners or \$15,000 for renters. Only 50 percent of Social Security, Supplemental Security Income, and Railroad Retirement Tier 1 benefits must be included. For a complete list of income sources that must be reported, please refer to the *2010 Property Tax/Rent Rebate Program* application booklet.

Residents who have filed for a rebate may now check the status of an application online, **six weeks after the date of their submission**. To do so, please visit Rep. Watson's website at [KathyWatson144.com](http://KathyWatson144.com) and click on "Where's My Property Tax Refund?" Enter the claimant's Social Security number and date of birth to ascertain the status of a claim and when a rebate check may be expected.

For an application or additional information, please call Rep. Watson's Warminster or Hilltown district office, or visit her website and click on the box "Property Tax/Rent Rebate" in the center of the screen.

## Watson Introduces Two New Bills in the 2011-12 Session

Since the 2011-12 Legislative Session opened in January, Rep. Watson has re-introduced many of her bills from previous legislative sessions (teen driving, carbon monoxide detectors in care facilities, Energy-Efficient Home Assistance Program, etc.). The following are two additional bills offered early in the 2011-12 session:

**House Bill 20** will enable self-storage proprietors who obtain a limited license from the PA Insurance Department to sell contents insurance to renters who rent space at self-storage facilities. This insurance would cover loss or damage of items that an individual renter puts into storage.

**HB 20** is in the House Insurance Committee awaiting consideration.

**House Bill 1085** establishes the *Clean Transit Act*. This program creates the Clean Transit Program, a revolving loan program available to large mass transit agencies to help cover costs associated with converting buses to the use of compressed natural gas as a fuel source, or to purchase buses which run on compressed natural gas. **HB 1085** is part of a legislative package of bills called "Marcellus Works," the purpose of which is to clean up the environment, create jobs and promote the use of natural gas.

**HB 1085** is in the House Transportation Committee.

To view the full text of these bills or any legislation, please visit the General Assembly's website at [www.legis.state.pa.us](http://www.legis.state.pa.us) and click on "Session Information" under the section labeled "Find."

## Important Changes Regarding Passport Applications

The U.S. Department of State has made a significant change to the application requirements for passports. Please note that applicants now must provide a **certified long-form birth certificate; that is, one containing the full name of the applicant's parent or parents**. Therefore, if you are planning to travel out of the country and need a passport but don't have a certified long-form birth certificate, please apply for one **ASAP**. Because of the overwhelming number of pending long-form applications, it is taking **several months** to process these requests for long-form birth certificates. If you have any questions, please call the Warminster or Hilltown district office.

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