



STATE SENATOR  
**Pat Browne**

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# INSIDE THE SENATE

*A special report from*  
**State Senator Pat Browne**

December 2005 • 16th Senatorial District

Dear Friend,

The Senate acted on several important issues over the past few weeks. We passed bills that would cut income taxes, cap state spending, and heard proposals to reduce the burden of property taxes.

As always, if you have questions about any state issue, call my Allentown District Office at (610) 821-8468, my Northampton County Office at (610) 502-1567, or my Monroe County District Office at (570) 402-1499. Or, visit my website at [www.senatorbrowne.com](http://www.senatorbrowne.com).

Regards,

*Pat Browne*  
Pat Browne

## Senate Approves Income Tax Cuts

I am pleased to report that the General Assembly recently approved a measure to provide tax relief to families and small businesses while promoting economic development and job creation. As of the time that this newsletter went to print, House Bill 515 was before the Governor for his signature and enactment into law.

HB 515 would reduce the state Personal Income Tax, which is levied on individual wage earners and small businesses in the Commonwealth, from the current level of 3.07 percent to 3.05 percent in 2007. Previously, Senate Republicans had amended HB 515 to provide a two-step reduction that would have reduced the PIT rate to

2.98 percent in 2008.

While we had hoped that the Senate Republican package would be the one sent to the Governor, we also recognized that it is essential to provide relief to taxpayers and small businesses. This is a step forward in rolling back the tax rate.

Other cuts are intended to help businesses establish themselves in Pennsylvania – including high-tech firms that often have long start-up periods and heavy losses early on. Once established, these businesses typically expand rapidly and create good-paying jobs for skilled workers. It's a positive economic development cycle for business and families alike.

## Legislation Would Cap State Spending

On October 26, the Senate overwhelmingly approved legislation which would limit state government spending and set aside surpluses in a new fund to reduce the state Personal Income Tax.

Senate Bill 4, the Taxpayer Fairness Act, would hold state spending increases to inflation by statute. A companion measure, Senate Bill 884, would make the spending limits part

of the state constitution.

In addition to restricting state spending growth, the bills would set aside half of surplus revenues in the state's Rainy Day Fund for use in times of economic necessity, and half in a new Taxpayer Fairness Fund to reduce the state Personal Income Tax.

Thirty states have spending controls, revenue controls or both. The measure would restrict state spending growth to

the lesser of: the average annual rate of change of personal income in Pennsylvania for the three preceding years; or the average rate of inflation plus the average percentage change in state population for the three preceding years.

Exceeding the spending limit would require the support of two-thirds of the General Assembly.

## Bill Would Protect Personal Identity

**A**s we rely more and more on computerized records and financial transactions, identity theft is becoming an increasingly serious problem for many people.

Recognizing that, the Senate approved Senate Bill 601 on October 19. This legislation would place more safety controls to prevent the unauthorized release of personal information, particularly social security numbers. Specifically this bill would prohibit a person, entity, state agency or political subdivision from:

- Publicly posting or displaying an individual's social security number;
- Printing an individual's social security number on any card required for the individual to access products or services provided by the person, entity, state agency or political subdivision;
- Requiring an individual to transmit his or her social security number over the internet unless certain safeguards are in place;
- Printing an individual's social security number on any materials that are mailed to the individual unless federal or state law requires the social security number to be on the document to be mailed; or
- Disclosing in any manner the social security number of an individual who applies for a hunting or fishing license.

These provisions would apply to the use of social security numbers on or after July 1, 2006, unless a use is specifically exempted. The Attorney General and county district attorneys would have the authority to investigate and institute criminal proceedings for any violation of the act. A violation of the act would be deemed a summary offense punishable by a fine ranging from \$50 to \$500.

Fines would be distributed equally

between the Crime Victim's Compensation Fund and the Office of Attorney General. The Office of Attorney General would be required to use fine revenues for identity theft prevention efforts. The provisions of the act would not apply to certain financial institutions and other entities enumerated in the legislation.



## Property Tax Freeze Would Help Low-Income Residents

**A** few weeks ago, the Pennsylvania General Assembly convened a Special Session to consider proposals to ease the burden that escalating taxes places on property owners in the Commonwealth.

As the General Assembly has proceeded with the Special Session, we have heard the merits of a number of proposals that would provide property tax. However, Senate Bill 28, a measure that I recently introduced and is advancing through the Senate, is somewhat different from the other bills being considered because it is directly based on income and uses an established benchmark for determining who would be eligible for assistance.

Under my legislation, the Department of Revenue would work with local school districts to help low-income property owners under a system patterned after the state Personal Income Tax Forgiveness Program.

Those who qualify for Personal Income Tax Forgiveness would be eligible to receive the same percentage of relief from any increase in their property taxes, up to a yearly maximum payment of \$500. A family of four with an income of \$32,000 would receive a 100-percent tax exemption, as well as a senior citizen couple with up to \$13,000 in taxable income, excluding social security and pension.

By providing a sliding scale of relief based on income and family size, the PIT forgiveness program is significantly different from many of Pennsylvania's other programs, where relief is provided on an all-or-nothing basis. Under those hard-line income caps, an increase of just a few dollars in income can result in a loss of service or assistance.

## "Roaming Office" Program Begins

**I**t's not always convenient for many people to get to Allentown or Harrisburg, so I set up a "roaming office" program that will take me to various locations on the first Thursday and first Friday of each month.

I want to make it as easy and convenient as possible for the constituents of the 16th Senatorial District to receive the state services and information that they deserve. The roaming office schedule is as follows:

### FIRST THURSDAY OF THE MONTH 9 a.m. – noon

East Allen Township Building,  
5330 Nor-Bath Boulevard,  
Northampton.

### 2 – 5 p.m.

Monroe County District Office,  
Routes 115 & 209, Saylorsburg.

### FIRST FRIDAY OF THE MONTH 9 a.m. – noon

North Whitehall Township Building,  
3256 Levans Road, Coplay.

### 1:30 – 4:30 p.m.

Upper Macungie Township Building,  
8330 Schantz Road, Breinigsville.

## Home School Bill Approved

**A** bill that would open extracurricular activities to home educated students was signed into law on November 10.

The House concurred with Senate Amendments to Senate Bill 361 and sent the legislation to Governor Rendell for his consideration.

Under SB 361, the state Public School Code was amended to give home schooled students the opportunity to participate in extracurricular activities such as clubs, music ensembles, sports and theatrical productions.

According to Department of Education statistics from the 2003-04 School Year, 24,076 students were enrolled in home education programs.

In fact, out of Pennsylvania's 501 school districts – only two districts, Austin Area in Potter County and Clairton City in Allegheny County, reported no home education students in 2003-04.

The Department of Education report for the 2003-04 school year showed that 237 districts – or 47.3 percent – allowed home schooled students to participate in curricular programs and 270 districts – or 53.9 percent – allowed them to participate in extracurricular activities. Overall, five more schools opened their extracurricular activity programs to home schooled students during the last school year.

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