

## **The Inside Track**

### **Legislative Update for the Horsemen's Benevolent & Protective Association**

As May approaches, so does the height of Pennsylvania budget season. Though the commonwealth just finally put a 2015-2016 budget in place, the fiscal year will end on June 30, and a spending plan for the 2016-2017 fiscal year is required to be enacted by July 1.

#### ***Put Through Its Paces: 2015-2016 State Budget***

Though it was to have been completed by June 30, 2015, the 2015-2016 state budget wasn't finally adopted until just recently. After vetoing or partially vetoing three General Appropriations (GA) bills from June through December of last year, Gov. Wolf finally let H.B. 1801 (Irvin, R-Centre) lapse into law late last month. The General Assembly passed the bill on March 17, and it became law on March 28, by virtue of the governor's failure to take action on the bill within the constitutionally required 10 days.

Though the governor allowed the GA bill to become law, he vetoed H.B. 1327 (Peifer, R-Pike), which would have amended the commonwealth's Fiscal Code to provide for implementation of the 2015-2016 GA bill. Absent a Fiscal Code bill, which can best be described as the instructions for the GA bill, the governor drove out funding according to his own directives, prompting the General Assembly send Wolf yet another Fiscal Code bill, H.B. 1589. That bill amends the Fiscal Code to provide funding for agricultural programs for the current (2015-2016) fiscal year. The bill would transfer \$25,659,000 from the Race Horse Development fund as follows:

- \$6.1 million to the State Racing Fund;
- \$5.350 million for the Animal Health and Diagnostic Commission;
- \$5.309 for the PA Veterinary Lab;
- \$4 million for state fairs; and
- \$5 million for the Farm Show.

H.B. 1589 became law on April 25 without the governor's signature.

Despite all of the attendant controversy, it can now finally be said that Pennsylvania has a budget for the current fiscal year, and work on the budget for the upcoming fiscal year is expected to begin sometime soon.

#### ***Running Against the Clock: 2016-2017 State Budget***

May and June should be busy months in Harrisburg, as the General Assembly and the administration take up work on the 2016-2017 state spending plan. The governor's wish list includes an 8-percent tax on promotional play at casinos, but a tax on the sale of horses has not yet been proposed. Also, the governor proposes transferring \$30.659 million from the Race Horse Development Fund, as follows:

- \$4 million for state fairs;
- \$5 million for the Farm Show;

- \$11 million to the State Racing Fund (\$5.5 million of which is for the Equine Toxicology and Research Laboratory);
- \$5.309 million to Pennsylvania's veterinary laboratories; and
- \$5.35 million to the Animal Health and Diagnostics Commission.

### ***Across the Finish Line: Legislation Enacted***

On February 28, the governor signed H.B. 941 (Regan, R-Cumberland). The bill (now Act 7 of 2016) amends the Administrative Code and includes provisions to restructure the Horse Racing Commission and Harness Racing Commission into a single commission. It also includes updated guidelines for the oversight of horse racing and pari mutuel operations in the commonwealth.

Read the bill here:

[http://www.legis.state.pa.us/cfdocs/billInfo/bill\\_history.cfm?year=2015&sind=0&body=H&type=B&bn=941](http://www.legis.state.pa.us/cfdocs/billInfo/bill_history.cfm?year=2015&sind=0&body=H&type=B&bn=941)

Also, on March 16, the House of Representatives adopted H.R. 616 (Causer, R-Cameron), which would direct the Joint State Government Commission and the Independent Fiscal Office to study the regulations and policies concerning Pennsylvania's horse racing industry and report their findings by Feb. 1, 2017.

Read the resolution here:

<http://www.legis.state.pa.us/cfdocs/billInfo/billInfo.cfm?sYear=2015&sInd=0&body=H&type=R&bn=0616>

### ***Off to a Running Start: Proposed Legislation***

In anticipation of possible technical errors and issues in H.B. 941, Senate Agriculture and Rural Affairs Chairman Elder Vogel (R-Beaver) has circulated a co-sponsorship memo for a bill that will include corrective amendments to the Administrative Code. The bill is not yet available but the memo can be read here:

<http://www.legis.state.pa.us/cfdocs/Legis/CSM/showMemoPublic.cfm?chamber=S&SPick=20150&cspOnId=20031>

### ***The Winners' Circle: Appointments and Elections***

#### ***Appointments:***

Names have been submitted to the governor for his consideration for appointments to commissioner positions on the new State Horse Racing Commission. Congratulations to HBPA's own Clovis Crane, who is among those being considered.

#### ***Elections:***

Pennsylvania's primary was held on Tuesday, April 26. The entire House of Representatives and half of the State Senate were up for re-election. Sen. Rob Teplitz (D-Dauphin) defeated opponent Alvin Taylor to win the Democratic nomination; John DiSanto defeated Andrew Lewis on the Republican side. Teplitz and DiSanto will square off in November's general election. Elsewhere in Dauphin County, Tom Mehaffie defeated Jonathan Keeler in the Republican primary to replace Rep. John Payne (R-Dauphin) who announced his retirement earlier this year. Payne currently serves as the chairman of the House Oversight Committee. Expect not only a new member in his district, but a new chairman for the committee come January.

Across the state in Erie, Rep. Flo Fabrizio (D-Erie) sailed through his primary election with no opposition, but will face Republican Patrick Fuller in November's general election. Sen. Sean Wiley (D-Erie) also cruised through the primary unopposed, but will face Republican Daniel Laughlin in the fall.

All three of Pennsylvania's row offices were up for re-election this year. Since Kathleen Kane isn't running for re-election, the commonwealth will have a new attorney general next year. Josh Shapiro (D), chairman of the Montgomery County Board of Commissioners and chairman of the Pennsylvania Commission on Crime and Delinquency, defeated Stephen Zappala (Allegheny County District Attorney) and John Morganelli (Northampton County District Attorney) in the Democratic primary. On the Republican side, state Sen. John Rafferty (R-Montgomery) defeated Joe Peters (former prosecutor).

Primary races for the other row offices were virtually non-existent. None of the candidates had a primary challenger, paving a clear path to the general election. Joseph Torsella (D) will face Otto Voit III (R) in the Pennsylvania treasurer race. Current Treasurer Tim Reese (D), who replaced Rob McCord (D) after his resignation, is leaving office after his term expires. Pennsylvania Auditor General Eugene DePasquale (D) is seeking a second term and is challenged by John Brown (R) in the general election.

Finally, former chief of staff to Gov. Wolf, Katie McGinty (D), defeated Joe Sestak, John Fetterman and Joseph Vodvarka for the Democratic nomination for U.S. Senate. She will face incumbent Sen. Pat Toomey (R) in the fall.