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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE RESOLUTION

No. 347 Session of  
2017

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INTRODUCED BY PASHINSKI, CALTAGIRONE, DONATUCCI AND KORTZ,  
MAY 23, 2017

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REFERRED TO COMMITTEE ON COMMERCE, MAY 23, 2017

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A RESOLUTION

1 Urging the Congress of the United States to study and take  
2 action to ensure the effectiveness of the merger review  
3 process and the Premerger Notification Program to foster fair  
4 market competition and prevent anticompetitive, monopolistic  
5 merges.

6 WHEREAS, A fair and competitive marketplace, free from  
7 monopolies, strengthens our economy and insulates the public  
8 from damage caused when large companies and mergers fail; and

9 WHEREAS, In recent decades, the nation's economy has seen an  
10 influx of high-profile and potentially troublesome mergers in a  
11 variety of industries and sectors of the economy, including the  
12 telecommunication, pharmaceutical, banking and insurance  
13 industries; and

14 WHEREAS, The Premerger Notification Program was established  
15 under the Hart-Scott-Rodino Antitrust Improvements Act of 1976  
16 to prevent large companies from substantially lessening market  
17 competition or creating a monopoly; and

18 WHEREAS, The Federal Trade Commission and the United States  
19 Department of Justice review most of the proposed transactions

1 that affect commerce in the United States and are over a certain  
2 size, and either agency can take legal action to block deals in  
3 the interest of the economy; and

4 WHEREAS, Each year more than 95% of all acquisitions and  
5 proposals are cleared during the initial review period; and

6 WHEREAS, A 15-day initial review period for cash tender and  
7 bankruptcies is an insufficient amount of time to determine  
8 anticompetitive effects of a merger; and

9 WHEREAS, A 30-day preliminary review period is an  
10 insufficient amount of time to determine anticompetitive effects  
11 of a merger; and

12 WHEREAS, In 2005, the Federal Trade Commission established  
13 the Merger Process Task Force to assess and make recommendations  
14 regarding the merger review process; and

15 WHEREAS, Significant reform to the merger review process has  
16 not been made since the 2006 reform as a result of the Merger  
17 Process Task Force; and

18 WHEREAS, Reform of the merger review process and the  
19 Premerger Notification Program is necessary to adapt to current  
20 legal standards and technology; and

21 WHEREAS, A system of accountability must be implemented to  
22 ensure that mergers are not negatively impacting fair market  
23 competition; therefore be it

24 RESOLVED, That the House of Representatives of the  
25 Commonwealth of Pennsylvania urge the Congress of the United  
26 States to study and take action to ensure the effectiveness of  
27 the merger review process and the Premerger Notification Program  
28 to foster fair market competition and prevent anticompetitive,  
29 monopolistic merges; and be it further

30 RESOLVED, That copies of this resolution be transmitted to

1 the presiding officers of each house of Congress and to each  
2 member of the Pennsylvania Congressional Delegation.