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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE RESOLUTION

No. 568 Session of  
2008

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INTRODUCED BY DePASQUALE, YUDICHAK, CAPPELLI, BELFANTI,  
BLACKWELL, BOBACK, CALTAGIRONE, CURRY, DALEY, FREEMAN,  
GEORGE, GINGRICH, GOODMAN, HENNESSEY, HERSHEY, HORNAMAN,  
KIRKLAND, KORTZ, LONGIETTI, McILVAINE SMITH, MELIO, MYERS,  
NAILOR, PALLONE, PASHINSKI, PETRONE, READSHAW, SHIMKUS,  
SIPTROTH, STURLA, SWANGER, THOMAS, WANSACZ AND YOUNGBLOOD,  
JANUARY 29, 2008

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REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JANUARY 29, 2008

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A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to study  
2 and make recommendations for the establishment and  
3 administration of a voluntary, opt-in Statewide system for  
4 health care and other employment-related benefits, including  
5 and excluding pensions for purposes of comparison, for  
6 uniformed and nonuniformed employees of local government  
7 units.

8 WHEREAS, There has been extensive discussion in many public  
9 and private forums of the potential risks and benefits of  
10 consolidating certain functions of local government units within  
11 this Commonwealth; and

12 WHEREAS, The debt of certain larger government units may  
13 preclude their actual merger with surrounding municipalities;  
14 and

15 WHEREAS, Many local government units throughout this  
16 Commonwealth struggle to meet their obligations to their  
17 employees without limiting services to residents; and

18 WHEREAS, The continuing failure of local government units to

1 share provision of services and financing of employee benefits  
2 is widely perceived as creating a risk for future tax increases;  
3 and

4 WHEREAS, County, city, borough and township officials are  
5 searching for ways to reduce taxpayer expenses without cutting  
6 employee benefits or residential services; and

7 WHEREAS, In some regions of this Commonwealth, social  
8 services and public health services are provided by one central  
9 authority for many surrounding municipalities, thus providing  
10 one model for consolidation; and

11 WHEREAS, It is unknown whether a group benefits purchasing  
12 and financing system would save significant revenue; and

13 WHEREAS, It is unknown what type of group purchasing system  
14 for health care and other employee benefits is the most cost  
15 effective; and

16 WHEREAS, It is unknown which participation rates or other  
17 financial thresholds are the most economically viable; and

18 WHEREAS, It is unknown what sort of Statewide plan would  
19 reduce member expenses and standardize costs, benefits and  
20 administrative policies; and

21 WHEREAS, It is unknown how many different ways local  
22 governmental service and benefits are calculated; and

23 WHEREAS, It is unknown whether a Statewide system which  
24 standardizes costs and benefits would reduce benefits or  
25 increase contributions for some member employees; and

26 WHEREAS, It is unknown what percentage of employees of local  
27 government units are represented through collective bargaining  
28 agreements, what terms and conditions exist under those  
29 agreements and when those agreements expire; and

30 WHEREAS, It is unknown what range of choices, participation

1 levels, contribution levels and benefits portability, including  
2 transfer of assets and transfer of benefits, would encourage  
3 maximum enrollment in a Statewide system; and

4 WHEREAS, It is unknown whether a Statewide system should be  
5 administered through an existing State agency or through a newly  
6 created administrative body and, if so, how the administrative  
7 body should be constituted; therefore be it

8 RESOLVED, That the House of Representatives direct the  
9 Legislative Budget and Finance Committee to commence a study to  
10 investigate existing benefits models within and without this  
11 Commonwealth upon which legislation might be drafted to create a  
12 voluntary, opt-in Statewide system for group purchasing of  
13 health care and other employee benefits for uniformed and  
14 nonuniformed employees of local government units; and be it  
15 further

16 RESOLVED, That the House of Representatives direct the  
17 Legislative Budget and Finance Committee to make recommendations  
18 on ways to establish such a group benefits purchasing and  
19 financing system, including, but not limited to, any necessary  
20 legislation; and be it further

21 RESOLVED, That the Legislative Budget and Finance Committee  
22 submit a report of its findings and recommendations to the House  
23 of Representatives within one year of the adoption of this  
24 resolution.