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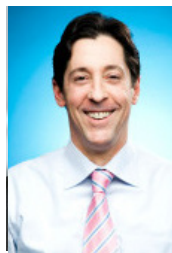
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## One-on-One with Pennsylvania Treasurer Joseph M. Torsella



*Government Affairs News sits down with Pennsylvania Treasurer Joseph M. Torsella.*

**Government Affairs News:** You're about 100 days into your term as treasurer. What accomplishments are you most proud of so far?

**Joseph Torsella:** As my first act on my first day in office, I instituted a complete ban on placement agents in Treasury investment contracts. For those who might not be familiar, placement agents are individuals who make an introduction between an investment manager seeking business and an asset owner (or investor), and who are then frequently rewarded with very lucrative payments from the investment manager if business is won.

Placement agents have been at the heart of several corruption scandals involving past-elected treasurers of the state (and implicated in similar schemes in other jurisdictions), and are symptomatic of a pay-to-play culture that isn't worthy of the Commonwealth. This needs to change, and I'm proud of taking a major step toward changing that culture.

**GAN:** What are your main priorities for the rest of your term?

**JMT:** One of the biggest questions Pennsylvania has to answer is how do we build a better future together. As treasurer, finding answers to that question is what drives me to serve the public every day. Every effort that we undertake at Treasury has to meet our three priorities: 1) to set the highest standards of ethics, accountability and transparency; 2) to be responsible stewards of taxpayer dollars; and 3) to build the financial security and empowerment of all Pennsylvanians.

There are specific programs and ideas we hope to launch to meet those ends, such as my plan to make sure we create a culture that embraces and empowers families to take advantage of higher education opportunities of all kinds, and to help people plan and save for their own futures. There are also a number of things Treasury already does that advance those goals, like the unclaimed property program, that we're going to try to do better. Additionally, we are working hard to develop a plan to meet the Commonwealth's essential needs in the event of a budget impasse.

But in short, we at Treasury can't be a department that just issues checks or keeps some things safe until we can find their owners. We have to be a force for opportunity and empowerment in Pennsylvania that drives our state to new heights in the years ahead. There were already great people and great ideas at Treasury, and I'm glad I have the chance to bring my own and see where we all can go together.

**GAN:** You've spoken quite a bit about the challenges in areas like higher education affordability. What types of things can be done to solve problems around entrenched issues like that?

**JMT:** There are some specific proposals I campaigned on that we need to get done. The cost of higher education has many parents in the Commonwealth deeply concerned, and rightly so. In addition to taking policy positions that keep those costs as low as possible, one of the most effective things we can do to help parents meet those needs is to make sure they open a 529 college savings account as early as possible. The earlier a parent or loved one can open a 529 account on behalf of a child, the more that account will benefit from the effects of compound interest. The longer that account has time to grow on its own, the less the burden on the family to contribute large amounts of money into the account.

To that end, we're working to bring to life a proposal for a pilot program for Keystone Accounts, which would establish 529 accounts at a very early age for every child born in Pennsylvania. Each account would be seeded with a modest deposit at opening.

Research has shown that just the presence of a college savings account for a child, no matter the monetary value, is correlated with a much greater likelihood of that child going on to higher education. And someone who has a postsecondary degree then earns approximately \$1 million more over the course of his or her working life.

If we can do this at scale, we're talking about potentially thousands of additional people going on to higher education over the next few decades, who otherwise may not be able to. These folks will earn much more over their working lives, money that can be spent in Pennsylvania raising their own families and supporting businesses. This also has the potential to broaden and stabilize more of our tax base as a state, as we build an economy that is more resilient to structural changes.

That's the kind of future I envision, with Treasury's help. While Keystone Accounts is a long-term project that will take a lot of

work, I'm thrilled to already be making headway toward making this come to life.

**GAN:** We recently have seen information about a new program called PA ABLE. What does that program do, and what should people know about it?

**JMT:** PA ABLE stands for the Pennsylvania Achieving a Better Life Experience savings program, and it's really a standout example of how we can help empower individuals to live to their fullest potential. The program allows people with disabilities who meet certain criteria to save and accumulate wealth, usually for the first time in their lives. These funds can grow tax-free, and can be spent tax-free for a wide range of qualifying expenses. This gives people with disabilities the flexibility and independence to do so much. They can use this program to conveniently manage their own finances, to grow wealth or to have a convenient place for caregivers and loved ones to contribute to help meet future needs.

One of the best aspects of the program is that it doesn't reduce other forms of assistance. In many ways, we really have a perverse set of incentives for people with disabilities. We want folks to apply for and gain the help they need, but often that help comes with strings attached that say a person can't have much of anything built up in the way of assets. Rather than empowering someone we're trying to help, these kinds of limitations do the reverse.

Assets in a PA ABLE account do not count against the individual for other types of much-needed assistance. People with disabilities can perhaps get to a point where they have a part-time job, and perhaps start saving a little bit here and there, and they can watch that money grow and help them reach a place of independence without being worried they'll lose what they have.

This is one of the best examples of smart policy coming to life as a smart program, and I urge everyone to check out [www.patreaury.gov](http://www.patreaury.gov) (<http://www.patreaury.gov/>) and [www.paable.gov](http://www.paable.gov) (<http://www.paable.gov/>) to learn more and share the program with those who may be able to benefit from it. ■

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## People News



Chairman **William R. Sasso** was named to Philly Biz's 2017 "Top CEOs and CFOs" list. The prestigious recognition featured chief officers who are "the driving force behind some of Philadelphia's leading companies."



Partner **Val DiGiorgio** was elected chairman of Pennsylvania's Republican Party during the state party's convention in Hershey, Pennsylvania. Val previously served as Chester County Republican chairman for five years and also served two terms as the county's elected controller.



Attorney **Karl Myers** will be moderating the "Chancellor's Forum Decision 2017: Commonwealth Court Candidates," presented by the Philadelphia Bar Association and Pennsylvanians for Modern Courts on May 3 in Philadelphia. Candidates confirmed to participate include Timothy Barry, Hon. Ellen Ceisler, Hon. Joseph M. Cosgrove and Todd Eagen. The Chancellor's Forum will be an opportunity for members of the Bar Association and public to hear from the candidates and ask meaningful questions. The Forum will air live on Pennsylvania

Cable Network (<https://pcentv.com/>) starting at 4 p.m. on Wednesday, May 3.

Karl has been appointed secretary and treasurer of the Pennsylvania Bar Association's Appellate Advocacy Committee. The Appellate Advocacy Committee promotes communication and cooperation between lawyers who practice before state and federal appellate courts and members of the judiciary, and provides the opportunity to achieve quality practice in all manners of appeals.

Karl served as a co-host for the Pennsylvania Cable Network's televised coverage of the Pennsylvania Superior Court's March 21 en banc argument session in Philadelphia. The presentation was broadcasted on PCN. The court heard arguments in criminal and civil cases concerning the license to carry a firearm, Megan's Law, DUI checkpoints and recorded prison phone calls.



Partner **Cathy Ward** moderated a panel at Risk Management Technologies' Sustainable Property and Asset-Based Transactions CLE Conference in Philadelphia. Cathy's panel, "Infrastructure as a Catalyst to Redevelopment" discussed the ways in which both new infrastructure (such as the River Line) and old infrastructure (such as the High Line in New York City and the proposed Rail Park in Philadelphia) can bring economic revitalization in the communities where they exist.