COMMONWEALTH OF PENNSYLVANIA

Legislative Iournal

THURSDAY, DECEMBER 1, 1977

Session of 1977

161st of the General Assembly

HOUSE OF REPRESENTATIVES

The House convened at 11 a.m., e.s.t. THE SPEAKER (K. LEROY IRVIS) IN THE CHAIR

PRAYER

REVEREND DOCTOR DAVID R. HOOVER, chaplain of the House of Representatives and pastor of St. Paul's Lutheran Church, McConnellsburg, Pennsylvania, offered the following prayer:

Almighty God, our Heavenly Father, we trust Thee and place our confidence in Thy tender mercy and loving care. We cannot understand the reason Thou dost share with us so graciously, nor the resolve with which Thou dost deal with us so tenderly; however, we do not question Thy protective motives, and the providential bounty we receive from Thy hand. We humbly pray that we may always continue in the shelter of Thy love, and the extension of Thy grace. We ask Thee to look with special favor upon these representatives of Thine, and bestow upon them the competency of Thy divine wisdom, the relevancy of Thy divine counsel, and the constancy of Thy divine grace. Amen.

JOURNAL APPROVAL POSTPONED

The SPEAKER. Without objection, approval of the Journal for Wednesday, November 30, 1977, will be postponed until printed.

MASTER ROLL CALL RECORDED

The SPEAKER. The Chair is about to take the master roll call. Again the Chair wishes to reiterate to the members and ask their support in this matter, that we have a very accurate master roll and only those people physically present be voted on the master roll. Even if you have seen your fellow seatmate in the hall of the House, please do not vote him or her. Vote only yourself on the master roll so that we may have an accurate master roll.

We will keep the master roll open until the members have had a chance to arrive on the floor of the House.

The following roll call was recorded:

Gallen

Gamble

Garzia

Gatski

YEAS-191

Abraham Anderson Armstrong Barber

Madigan Manderino Manmiller **M**cCall

Salvatore Scanlon Scheaffer Schmitt

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Bellomini	Geisler	McClatchy	Schweder
Beloff	George, C.	McIntyre	Scirica
Bennett	George, M.	McLane	Seltzer
Berlin	Giammarco	Mebus	Shuman
	Gillette	Meluskey	Shupnik
Bittinger	Gleeson	Milanovich	Sirianni
Bittle	Goebel	Miller	Smith, E.
Borski	Goeder Goodman	Milliron	
Brandt		Miscevich	Smith, L.
Brown	Gray	Moehlmann	Spencer
Brunner	Greenfield		Spitz
Burd	Greenleaf	Morris	Stairs
Burns	Grieco	Mowery	Stapleton
Butera	Halverson	Mrkonic	Stewart
Caltagirone	Hamilton	Mullen, M. P.	Stuban
Caputo	Hasay	Mullen, M. M.	Sweet
Cassidy	Haskell	Musto	Taddonio
Cessar	Hayes, D. S.	Novak	Taylor, F.
Cianciulli	Hayes, S. E.	Noye	Tenaglio
Cimini	Helfrick	O'Brien, B.	Thomas
Cohen	Hoeffel	O'Brien, D.	Trello
Cole	Honaman	O'Connell	Valicenti
Cowell	Hopkins	O'Donnell	Vroon
Davies	Hutchinson, A.	O'Keefe	Wagner
DeMedio	Itkin	Oliver	Wansacz
DeVerter	Johnson	Pancoast	Wargo
DeWeese	Jones	Parker	Wass
DiCarlo	Katz	Peterson	Weidner
Dietz	Kelly	Petrarca	Wenger
Dininni	Kernick	Piccola	White
Dombrowski	Klingaman	Pievsky	Wiggins
Donatucci	Knepper	Pitts	Wilson
Dorr	Kolter	Polite	Wilt
Doyle	Kowalyshyn	Pott	Wise
Duffy	Kukovich	Prendergast	Wright, D.
Dumas	Laughlin	Pyles	Wright, J. L.
Englehart	Lehr	Ravenstahl	Yahner
Fee	Letterman	Reed	Yohn
Fischer, R. R.	Levi	Renwick	Zeller
	Levin	Rhodes	Zitterman
Fisher, D. M.	Lincoln	Richardson	Zord
Flaherty		Rieger	Zwikl
Foster, A.	Livengood	Ritter	DMIKI
Foster, W.	Logue	Ruggiero	Turria
Freind	Lynch Maalaamahi		Irvis, Speeken
Fryer	Mackowski	Ryan	Speaker
Gallagher			

NAYS-0

NOT VOTING-12

Arthurs	Harper	Pratt	Taylor, E.
Berson	Hutchinson, W.	Rappaport	Williams
Geesey	McGinnis	Shelton	Zearfoss

The SPEAKER. One hundred ninety-one members having indicated their presence, a master roll is established.

NO LEAVES OF ABSENCE REQUESTED

The SPEAKER. The Chair recognizes the majority whip. Mr. GREENFIELD. Mr. Speaker, I have no requests for leaves of absence.

Vol. 1, No. 106

The SPEAKER. The Chair recognizes the minority whip.	No. 1785, printer's No. 2292, entitled:
Mr. RYAN. Mr. Speaker, I have no requests for leaves of	An Act amending the "Public Utility Law" approved May 28,
absence. The SPEAKER. The Chair thanks the gentlemen.	1937 (P. L. 1053, No. 286), providing procedures for discontinuing service to landlords and providing for rights of tenants.
CALENDAR	And said bill having been considered the second time and
INSURANCE BILLS ON SECOND CONSIDERATION	agreed to, Ordered, to be transcribed for third consideration.
Agreeable to order,	
The House proceeded to second consideration of House bill	Agreeable to order,
No. 1782, printer's No. 2165, entitled:	The House proceeded to second consideration of House bill No. 1834, printer's No. 2293, entitled:
An Act amending the act of June 5, 1968 (P. L. 140, No. 78), entitled "An act regulating the writing cancellation of or re- fusal to renew policies of automobile insurance; and imposing powers and duties on the Insurance Commissioner therefore"	An Act providing for notice and the right to cure landlords default to avoid the termination of utility service to tenants.
further providing for the contents of the notice of cancellation or failure to renew.	And said bill having been considered the second time and agreed to,
And said bill having been considered the second time and	Ordered, to be transcribed for third consideration.
agreed to, Ordered, to be transcribed for third consideration.	BUSINESS AND COMMERCE BILLS ON
	SECOND CONSIDERATION
Agreeable to order, The House proceeded to second consideration of Senate bill	Agreeable to order,
No. 594, printer's No. 1241, entitled:	The House proceeded to second consideration of House bill
	No. 1821, printer's No. 2219, entitled:
An Act amending the act of May 17, 1921 (P. L. 789, No. 285), entitled as amended "The Insurance Department Act of one thousand nine hundred and twenty-one" revising and department the mercer is the mercer is being a state of the state of	An Act naming the convention center under construction in Pittsburgh the David Leo Lawrence Convention Center.
clarifying the procedures with regard to rehabilitation and liquidation of insurers and providing sanctions.	And said bill having been considered the second time and agreed to,
And said bill having been considered the second time and	Ordered, to be transcribed for third consideration.
agreed to,	
Ordered, to be transcribed for third consideration.	Agreeable to order, The House proceeded to second consideration of Senate bill
Agreeable to order,	No. 563, printer's No. 593, entitled:
The House proceeded to second consideration of Senate bill	
No. 987, printer's No. 1303, entitled: An Act amending the act of July 19, 1974, (P. L. 489, No. 176), entitled "Pennsylvania No-fault Motor Vehicle Insurance	An Act amending the act of January 30, 1974 (P. L. 13, No. 6), entitled "Loan Interest and Protection Law" changing disclosure requirements for certain costs charges and for mort- gage payments.
Act" further providing for a rate filing.	And said bill having been considered the second time and
And said bill having been considered the second time and	agreed to,
agreed to, Ordered, to be transcribed for third consideration.	Ordered, to be transcribed for third consideration.
LABOR RELATIONS BILL ON SECOND CONSIDERATION	EDUCATION BILLS ON SECOND CONSIDERATION
Agreeable to order,	Agreeable to order,
The House proceeded to second consideration of House bill	The House proceeded to second consideration of Senate bill
No. 1630, printer's No. 2349, entitled:	No. 1038, printer's No. 1218, entitled:
An Act amending the "Pennsylvania Unemployment Compensation Law" approved December 5, 1936 (2nd Sp. Sess. 1937, P. L. 2897, No. 1), further providing for authorities.	An Act amending the act of March 10, 1949 (P. L. 30, No. 14), entitled "Public School Code of 1949" further providing for persons not to be employed by school districts.
And said bill having been considered the second time and	And said bill having been considered the second time and
agreed to,	agreed to, Ordered, to be transcribed for third consideration.
Ordered, to be transcribed for third consideration.	
CONSUMER AFFAIRS BILLS ON	Agreeable to order, The House proceeded to second consideration of Senate bill
SECOND CONSIDERATION	No. 1048, printer's No. 1433, entitled:
Agreeable to order,	An Act amending the act of July 5, 1947 (P. L. 1217, No.
	498), entitled "State Public School Building Authority Act"

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Hutchinson, A.

providing for the private sale of refunding bonds in certain circumstances

And said bill having been considered the second time and agreed to.

Ordered, to be transcribed for third consideration.

LIQUOR CONTROL BILL ON FINAL PASSAGE

Agreeable to order.

The House proceeded to the consideration on final passage of House bill No. 1579, printer's No. 2374, entitled:

An Act amending the "Liquor Code" approved April 12, 1951 (P. L. 90, No. 21), providing for one-half fee for permits to sell on Sunday when ninety days or less remain in the license year further providing for special occasion permits harmonizing language of existing amendments exempting certain units of national veterans' organizations from licensing quota and authorizing the use of driver's licenses as a means of identification.

The SPEAKER. This bill has been considered on three different days and agreed to and is now on final passage.

The question is, Shall the bill pass finally?

Mr. A. C. FOSTER offered the following amendments:

Amend Title, page 1, line 21 by inserting after "QUOTA", prohibiting the licensure of establishments within three hundred feet of a ramp of an interstate limited access highway Amend Bill, page 7, by inserting after line 30 Section 4. The act is amended by adding a section to read: Section 475. Establishments Proximate to Interstate Highways Not to be Licensed.-(a) No license for the sale of liquor or malt or brewed beverages in any quantity shall be granted to the proprietor, lessee, keeper or manager of an establishment any part of which is located within three hundred feet of any part of a ramp of an interstate limited access highway. (b) This section shall not apply to existing licenses, nor be deemed to affect the right of an existing licensee to reinstate-

ment or renewal of his license.

Amend Sec. 4, page 8, line 1 by striking out "4." and inserting 5. Amend Sec. 5, page 11, line 14 by striking out "5." and insert-

ing 6. Amend Sec. 6, page 11, line 19 by striking out "6." and

inserting 7 Amend Sec. 6, page 11, line 19 by striking out "4" and insert-

ing 5 Amend Sec. 6, page 11, line 20 by striking out "4" and insert-

ing 5

On the question,

Will the House agree to the amendments?

The SPEAKER. The Chair recognizes the gentleman from York, Mr. Foster, on the amendment.

Mr. A. C. FOSTER. Thank you, Mr. Speaker.

This is essentially the same amendment that I offered yesterday and subsequently withdrew pending further information from the Liquor Control Board and PennDOT.

Upon questions from the floor, I checked with the Liquor Control Board. This area is not covered in the code at the present time. I also checked with PennDOT and it is not covered in the Federal Highway Act or under their regulations.

They attempt to do the same thing by certain departmental | amendments were agreed to.

criteria, but there is nothing hard and fast in their regulations at the present time.

I would therefore ask an affirmative vote on the amendment.

On the question recurring, Will the House agree to the amendments?

The following roll call was recorded:

YEAS-163

Abraham	Gallen	Manderino	Scanlon
Anderson	Gamble	Manmiller	Scheaffer
Armstrong	Garzia	McClatchy	Schmitt
Barber	Gatski	McIntyre	Shuman
Bennett	Geisler	Mebus	Shupnik
Bittinger	George, C.	Meluskey	Sirianni
Bittle	George, M.	Miller	Smith, E.
Borski	Giammarco	Milliron	Smith, L.
Brandt	Gillette	Miscevich	Spencer
Brown	Goebel	Moehlmann	Spitz
Brunner	Goodman	Mowery	Stairs
Burd	Gray	Mrkonic	Stapleton
Burns	Greenfield	Mullen, M. P.	Stewart
Caltagirone	Greenleaf	Mullen, M. M.	Stuban
Caputo	Grieco	Musto	Sweet
Cassidy	Halverson	Novak	Taddonio
Cessar	Hamilton	Nove	Taylor, F.
Cianciulli	Hasay	O'Brien, B.	Tenaglio
Cimini	Haskell	O'Brien, D.	Thomas
Cole	Hayes, S. E.	O'Connell	Trello
Cowell	Helfrick	O'Donnell	Vroon
Davies	Hoeffel	O'Keefe	Wargo
DeMedio	Honaman	Oliver	Wass
DeVerter	Hopkins	Pancoast	Weidner
DeWeese	Itkin	Parker	Wenger
DiCarlo	Katz	Peterson	White
Dietz	Kelly	Petrarca	Wiggins
Dininni	Kernick	Piccola	Wilson
Dombrowski	Klingaman	Pitts	Wilt
Dorr	Knepper	Polite	Wise
Dovle	Kowalyshyn	Pott	Wright, D
Duffy	Kukovich	Pyles	Wright, J.
Dumas	Laughlin	Ravenstahl	Yahner
Englehart	Lehr	Reed	Yohn
Fee	Levi	Renwick	Zeller
Fischer, R. R.	Lincoln	Richardson	Zitterman
Fisher, D. M.	Livengood	Rieger	Zord
Flaherty	Logue	Ritter	Zwikl
Foster, A.	Lynch	Ruggiero	
Foster, W.	Mackowski	Ryan	Irvis,
Freind	Madigan	Salvatore	Spea
Gallagher		Sarravoro	Sher
Series.			

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Schweder

Wansacz

NAYS-8

McLane McCall Milanovich

Letterman

NOT VOTING-32

rthurs ellomini eloff erlin erson utera	Geesey Gleeson Harper Hayes, D. S. Hutchinson, W. Johnson	Levin McGinnis Morris Pievsky Pratt Prendergast Bannaport	Scirica Seltzer Shelton Taylor, E. Valicenti Wagner Williams
utera	Johnson	Prendergast	Wagner
ohen	Jones	Rappaport	Williams
onatucci	Kolter	Rhodes	Zearfoss

The question was determined in the affirmative and the

HB 1579 PASSED OVER TEMPORARILY

The SPEAKER. The Chair is informed that Mr. Goebel's amendment has not yet been distributed and Mr. Garzia's amendment has not yet been distributed. The Chair will temporarily pass over HB 1579 as amended and will return to that bill when the amendments are ready for distribution.

MEMORANDUM SUBMITTED FOR THE RECORD

The SPEAKER. The Chair recognizes the gentleman from Delaware, Mr. Ryan.

Mr. RYAN. Mr. Speaker, on HB 1633, if I may, yesterday there was some discussion as to the constitutionality of HB 1633. I would like to submit for the record a memorandum with respect to that point.

The SPEAKER. The Chair will accept the gentleman's memorandum and it will be filed for the record.

Mr. RYAN submitted the following memorandum for the Legislative Journal:

HOUSE OF REPRESENTATIVES COMMONWEALTH OF PENNSYLVANIA HARRISBURG

November 19, 1977.

Honorable Matthew J. Ryan Republican Whip House of Representatives 329 Main Capitol Building Harrisburg, Pennsylvania

Dear Representative Ryan:

This is in response to your inquiry regarding the constitutionality of the possible enactment of House Bill 247 as amended by the Senate on November 16, 1977.

The problems that arise in this bill are two-fold and can be best characterized as attempting to do an unconstitutional act in an unconstitutional manner.

The bill in question is of course the tax bill increasing the personal income tax from 2.0 to 2.1% and also increasing the corporate net income tax from 9.5 to 11.0%. The problem is, that, tacked into the middle of the bill (in Section 359) is an attempt to "cap" the Philadelphia Wage Tax accessed against non-residents. Although one must admire the creativity that has gone into this attempt to disguise the unconstitutionality, the plan is defective for two reasons. The first reason upon which no elaboration will be made is the possibility that setting the Philadelphia Wage Tax rate at different levels, depending upon the place of residence of the taxpayer, will violate Article 8, Section 1 of the Constitution known as the Uniformity Clause which reads as follows:

All taxes shall be uniform, upon the same class of subject, within the territorial limits of the authority levying the tax, and shall be levied and collected under general laws.

The drafters of the bill, of course, recognize the possible unconstitutionality and have specifically included a severability clause in the same section to provide that the rest of the bill will stand if the courts subsequently declare the "cap" idea to be unconstitutional.

The second constitutional problem that exists with this enactment is of a more fatal nature and cannot and will not be cured by a severability clause.

Article 3, Section 3 of our Constitution says:

No bill shall be passed containing more than one

subject, which shall be clearly expressed in its title,

except a general appropriation bill or a bill codifying or compelling the law or a part thereof. (Emphasis added). The meaning "more than one subject" has been considered many times pursuant to House Rules in determining the germaneness of an amendment to a bill. Section 402.1 of Mason's Manual of Legislative Procedure states:

Every amendment proposed must be germane to the subject of the proposition or to the section or paragraph to be amended, and an amendment is not in order which is not germane to the question to be amended. This is, basically, a phase of the rule that each proposition have but one subject and that members have the right to vote separately on each question.

Possibly, even a more important part of Mason's is contained in the next paragraph, Section 402.2:

To determine whether an amendment is germane, the question to be answered is whether the question is relevant, appropriate, and in a natural and logical sequence to the subject matter of the original proposal.

The original proposal here is to increase the personal and corporate taxes to be collected by the Commonwealth of Pennsylvania. The amendment in question speaks to no such tax. There are many other taxes contained in the Tax Reform Code of 1971 besides the personal and corporate taxes, but they all accrue to the benefit of the Commonwealth as a whole. The "cap" amendment refers to an enabling act for a local tax which does not even include all the same incidences of taxation as the State Income Tax. The inclusion or exclusion of the "cap" amendment will have no affect on the operations, procedures, rights or responsibilities of the state or any taxpayer subject to the Tax Reform Code. Therefore, the amendment does expressly what the Constitution forbids. It addresses a different and completely new subject.

The argument will be raised that the amendment is constitutional because it merely suspends the validity of a certain portion of a tax enactment which the Commonwealth could, because of its sovereignty, suspend altogether if it desired. The logic here is necessarily faulty.

The "saving" clause which permits local government to continue accessing an earned income tax is germane to an act that imposes an income tax at the state level. Unfortunately, the amendment to it goes further than allowable and substantively affects another statute; namely the Act of August 5, 1932 (Sp. Sess. P. L. 45, No. 45) referred to as the Sterling Act. The amendment invalidates and then revalidates a tax based on the residence and amount of the rate imposed by the Local Government. Though disguised, the amendments amend a different act and a different subject in substantive manner.

Another argument that will undoubtedly be brought up by the uninformed will be the citing of the "Enrolled Bill Doctrine" which has been debated so thoroughly on the floor of the House in recent session weeks. The problem is that if this bill is enacted and subsequently tested in court, as it most certainly will be by the corporate community which feels that it is being wronged by a more than 15% increase in its corporate tax rate, the Enrolled Bill Doctrine will be available to the defenders of the enactment.

The Enrolled Bill Doctrine means in essence that the courts will not look behind the enrolled bill to determine the constitutionality of its passage. This bill, like the Act of April 28, 1937, P. L. 475, No. 110, will be patently unconstitutional on its face and will not necessitate looking "behind" such bill to make the determination. In <u>Stewart v. Hadley</u>, 327 Pa. 66, 193

A. 41 (1937) the Court considered and act of the Legislature which, coincidently, amended the Philadelphia City Charter Act of 1919 by adding to the authority of the treasurer regarding the collection of taxes and also by abolishing the "Office of the Receiver of Taxes" of the city of the first class. While these two actions are related, even more so probably than the case at hand, the problem presented to the court was that the Office of the Receiver of Taxes had not been established by the City Charter Act and hence cannot be abolished by amending that Act.

The Court in holding that the contention was well taken and that the bill was unconstitutional said:

The title of the act relates to two unrelated subjects.

One is the amendment of the City Charter Act and the other is the abolition of an office not created by the City Charter Act and the incumbent of which performs vitally important duties for the city, the county, and the school district within the territorial limits of the city.

No specific argument is submitted by appellant's able counsel to meet the contention of appellees that the act is unconstitutional because the title contains two subjects. We take for granted that this is so because the argument cannot be made. If the title does

contain two subjects, and we think it does beyond

question, necessarily the statute falls because of the

constitutional mandate that it shall contain only one (Const. art. 3, \$3). (Emphasis added).

Under our organic law, the Legislature is forbidden to pass any bill containing more than one subject which shall be clearly expressed in its title. This mandate in passing the amending act the Legislature did not heed, and, therefore, the act is unconstitutional and void. 'An act of assembly is void, because the title to the bill which by legislative sanction becomes a law offends the constitutional provision.'

It is clear that the holding in Stewart v. Hadley speaks pre-

cisely to the objection raised herein. The statute struck down in 1937 clearly related both subjects in its title though the title purported to amend only one act. The Court could tell merely from reading the title that two subjects were addressed in this legislation. A copy of that Act is attached hereto. House Bill 247, if enacted and enrolled, would have the exact

House Bill 247, if enacted and enrolled, would have the exact same defect. It should be pointed out also that no manner of severability clause will help since it is not the substance of the statute that is being struck, but the procedure of its enactment. Hence, the Court cannot say that one part is unconstitutional and let the rest stand as it could if it just construed the Uniformity Clause defect as related earlier, but must strike down the law in its entirety because it, in its entirety, was enacted in an unconstitutional manner.

It is therefore my opinion, based on constitutional precedent, that House Bill 247, as amended by the Senate, would be held unconstitutional by the courts if enacted into law.

Further, it is suggested that in order to save the Commonwealth of Pennsylvania from fiscal chaos at a later date, the Philadelphia Wage Tax Cap Amendment should be removed from this bill and enacted separately.

> Very truly yours, JOSEPH W. MURPHY Chief Counsel to the Republican Caucus

URBAN AFFAIRS BILL ON THIRD CONSIDERATION

Agreeable to order,

The House proceeded to third consideration of House bill No. 1600, printer's No. 1924, entitled:

An Act amending the act of December 22, 1959 (P. L. 1978, No. 728), referred to as the Pennsylvania Harness Racing Law further providing for the disposition of pari-mutuel pools and Pennsylvania Fair Funds.

On the question,

Will the House agree to the bill on third consideration?

Mr. DORR offered the following amendments:

Amend Sec. 1, page 1, line 16 by striking out "The first paragraph of section 15 and" and inserting Section 15,

Amend Sec. 1, page 1, line 17 by removing the comma after "16" and inserting and section 25,

Amend Sec. 1 (Sec. 15), page 2, line 5 by inserting after "deposits" of regular one horse wagers and less twenty-one per centum of the two and three horse wagers Amend Sec. 1 (Sec. 15), page 2, line 23 by striking out all of said line and inserting

(1) At the close of each of the racing days any permit holder shall be licensed to conduct harness racing in any calendar year within any school districts of the first class, the permit holder out of the amount retained on said day by said permit holder, shall pay, through the Department of Revenue into the State Treasury for credit to the State Harness Racing Fund, a tax of one and one-half per centum of the amount wagered each day, which tax is hereby imposed, and the permit holder shall pay the school district in which the harness horse race meeting is held a tax of four per centum of the amount wagered each day, which tax is hereby imposed for general school purposes and as to other permit holders, the permit holder during any year, out of the amount retained on said day by said permit holder shall pay, through the Department of Revenue into the State Treasury for credit to the State Harness Racing Fund a tax of five and one-half per centum of the amount wagered each day which tax is hereby imposed. In addition, each permit holder shall deposit three and four tenths per centum of the amount retained on said racing day by said permit holder through the Department of Revenue for the credit of the Pennsylvania Sire Stakes Fund which is hereby appropriated to the Pennsylvania Harness Racing Commission for distribution in accordance with the terms of this act.

(2) In addition, each permit holder shall be allowed to retain the odd cents of all redistribution to be made on all mutuel contributions exceeding a sum equal to the next lowest multiple of ten, subject to a tax of fifty per centum of the total sum of such odd cents, which tax is hereby imposed and shall be paid by the permit holder to the Department of Revenue for credit to the Pennsylvania Sire Stakes Fund, which fund is hereby appropriated to the Pennsylvania Harness Racing Commission for distribution in accordance with the terms of this act.

Amend Bill, page 3, by inserting between lines 12 and 13

Section 25. Appropriation of Funds of Pennsylvania Sire Stakes Fund.-(a) After deduction of sufficient funds to cover the commission's cost of administration of the provisions of this section [seventy-five per centum of all] the sum of three hundred twenty-five thousand dollars (\$325,000) in the Pennsylvania Sire Stakes Fund shall be divided equally among those agricultural fairs conducting harness horse races for two year old and three year old harness horses. Each fair receiving such funds shall divide the total amount equally among all eligible races for two year old and three year old harness horses and shall apply the funds solely as additional purse funds. Only races to which entry is restricted to Pennsylvania bred or foaled horses shall be eligible and the commission shall make such provisions and regulations as it shall deem necessary for the proper administration of the eligibility restriction. All remaining moneys in the Pennsylvania Sire Stakes Fund shall be divided equally among the licensees licensed under section 7 of this act.

(b) As an additional condition of the grant of a license under section 7 of this act, each licensee shall accept such amount, to be used solely as purses for the following races, which each licensee shall sponsor at some time during its licensed meeting:

(1) [Four] <u>Eight</u> two year old races—[one] <u>two</u> pace for colts, [one] <u>two</u> pace for fillies, [one] <u>two</u> trot for colts, and [one] <u>two</u> trot for fillies;

(2) [Four] <u>Eight</u> three year old races—[one] <u>two</u> pace for colts, [one] <u>two</u> pace for fillies, [one] <u>two</u> trot for colts, [one] <u>two</u> trot for fillies;

Entry for these races shall be limited to harness horses which were sired by a standard-bred stallion regularly standing in Pennsylvania; and each such race shall be designated a Pennsylvania Sire Stakes Race. The commission shall make such provisions and regulations as it shall deem necessary for the proper administration of the entry restriction.

(c) Each licensee shall divide the funds received hereunder equally for each of the two year old races, and for each of the three year old races, each such allotment shall provide purse money for the respective races. Such purse money shall be in addition to any entry fees or other funds available.

(d) Each licensee shall schedule such races subject to the right of the commission to prevent conflicts in the event of contemporaneous meetings.

[(e) The remaining moneys in the Pennsylvania Sire Stakes Fund shall be divided equally among those agricultural fairs conducting harness horse races for two year old and three year old harness horses. Each fair receiving such funds shall divide the total amount equally among all eligible races for two year old and three year old harness horses and shall apply the funds solely as additional purse funds. Only races to which entry is restricted to Pennsylvania bred or foaled horses shall be eligible and the commission shall make such provisions and regulations as it shall deem necessary for the proper administration of the eligibility restriction.]

On the question,

Will the House agree to the amendments?

The SPEAKER. The Chair recognizes the gentleman from York, Mr. Dorr.

Mr. DORR. The amendment is an effort to increase funds payable to the Pennsylvania sire stakes fund. Pennsylvania sire stakes fund provides additional prize money in harness races involving Pennsylvania-bred horses. It deals only with the standard-bred horses, not the thoroughbred.

The problem, Mr. Speaker, arises because in 1968 or 1969, when the sire stakes fund was initiated, it was initiated by Pennsylvania, one of the first if not the first in the nation to do so. Pennsylvania has been and is still today the leading standard-bred horse-breeding state in the world.

In my district or in the general area of my district are two of the outstanding and world's largest standard-bred breeding farms in the world. There are many in the state; I think at least three of the top five in the world and there are about 650 breeders of standard-bred horses in this state.

We in Pennsylvania, Mr. Speaker, are rapidly losing our place as number one in this industry. It is not in that sense unlike many of the other industries which are leaving Pennsylvania. The reason in this case is that the sire stakes idea, which is a boon to the breeding industry, has been picked up and done one, two, three, four, five, six, seven times better by other competing surrounding states and, in fact, by areas in foreign countries. For example, Mr. Speaker, in New York in the present legislative session, New York has increased the sire stakes fund of their state to the point where they will have more than \$7 million in that fund to be raced for in any given year. From the standard of number one in the nation in sire stakes, Pennsylvania has now fallen to, I believe, seventh or eighth in the nation.

It is impossible for those breeders in Pennsylvania who are maintaining the current quality of racing or breeding in this state to do so in the face of competition where horses or owners of horses can have their horse bred to a horse in New York making the foal eligible for \$7 million in prize money, as opposed to having that horse bred in Pennsylvania where the foal would be eligible, therefore, for only \$1.3 million. Because of the quality that is existent in this state today, we can compete if we can only increase our sire stakes to some level that is generally competitive. We do not have to go so far as \$7 million, and the fact that we could not is because we do not have off-track betting, largely; but we must increase the sire stakes fund if we intend to keep the breeding industry in Pennsylvania. It is as simple as that.

In fact, the amendment would compromise, in a sense, the takeout provisions of the proposed bill. The proposed bill would increase the takeout from 17 to 19 percent on two-horse bets; that is, the portion taken out of the pool before the bettor receives his money back and would decrease the take on three-horse bets from the proposal in the bill at 25 percent takeout down to 21 percent. So there is a 21-percent takeout on all of what we might call the exotic betting.

The pool increase or the takeout is thereby increased from \$4 million proposed in the bill to \$5.2 million proposed in the amendment. The division of that which we have requested would go: \$1.5 million to the sire stakes fund; \$3.7 million, instead of the \$4 million in the bill, to the race tracks.

In addition, Mr. Speaker, we increased, in the amendment, by double the number of sire stake races, so that the person racing his horse in a sire stake race is not eligible for double the money, but he is eligible to double the number of races. Thus the fund is spread out among more Pennsylvania horses.

Now, Mr. Speaker, we have a problem. We have, in fact, two problems, Mr. Speaker. Number one, as I understand it, the Democratic caucus has not met concerning this amendment. Number two, there is a strong lobby in this state which has convinced its members to talk to many of the members of the House from back home based on false information. Many of you have probably heard from the County Fair Association and its people in your local area.

The basis for that contact was that the amendment being proposed would increase the amount of money in county fair sire stake races by a substantial amount. In fact, the amendment was specifically drawn so that that would not happen. However, I refuse, Mr. Speaker, to put the members of this House in a position where they must choose between the truth on the one hand and the misinformed advice of people back home on the other. Therefore, Mr. Speaker, in a moment I intend to withdraw the amendment.

I think that the members of this House deserve an opportunity to vote on a clear case and not based on advice from back home which is misinformed. We have not had the time, and it would require a substantial amount of time, in order to allow that lobbying group to have meetings of its committees and members and be informed fully as to what the amendment does in order to turn that around and get the information back out to the local people so that they would have an opportunity to change the members' advice. Therefore, we cannot, at this point, accomplish that, and I, as I said before, do not intend to put the members through that kind of a test. In view of the situation, therefore, Mr. Speaker, I intend to withdraw the amendment. However, I see a couple of other people up and I would like to give them the opportunity to talk on the amendment or say what they have to say, if it requires that the amendment be on the books prior to withdrawing it.

The SPEAKER. If the gentleman withdraws his amendment, then the discussion of the amendment is futile, and the House will go immediately to consideration of the bill.

The gentleman, Mr. Dorr, has withdrawn the amendment?

Mr. DORR. No. Mr. Speaker, I do not withdraw the amendment under those circumstances. I would not like to withdraw the amendment until everyone has had a chance to have his say on the amendment.

The SPEAKER. No, we are not going that route. If the gentleman is going to submit the amendment and we are going to hear debate on the amendment, then we are going to put it to a vote. If the gentleman's intention ultimately is to withdraw it, then the Chair would suggest that the gentleman do so rather than to waste the time of the House in fruitless debate on what we are not going to vote on.

Mr. DORR. Mr. Speaker, I disagree with the Speaker that the debate is fruitless. However, the members that were up have sat down, so I assume that it is all right to withdraw the amendment at this point.

The SPEAKER. No. The Chair does not wish to impose his will on the gentleman. If the gentleman is serious about his amendment, then the Chair will listen to the debate and will call for the debate. But if the gentleman has already decided that he is not going to put the amendment to the vote, then he is wasting the time of the House by having us debate something which he has already decided is not going to be voted on. That is the Chair's position.

AMENDMENTS WITHDRAWN

Mr. DORR. That is fine, Mr. Speaker. I said I disagree with that. I think it is important that the members have the opportunity to hear the reason why we are withdrawing the amendment, but it is pointless to argue that point because nobody wants to debate anymore. I thought they did. So I will withdraw the amendment, Mr. Speaker.

On the question recurring,

Will the House agree to the bill on third consideration? Bill was agreed to.

The SPEAKER. This bill has been considered on three different days and agreed to and is now on final passage.

The question is, Shall the bill pass finally?

The SPEAKER. The Chair recognizes the gentleman, Mr. Dorr, on final passage.

Mr. DORR. Mr. Speaker, for the reasons that I have already explained, that I think it is important that this state have the opportunity to address the sire-stake-fund matter in an atmosphere which is not represented by false information in front of the members, I would request a negative vote on the bill, so that the time is available to us to turn this matter around. I think it is important that we cannot stand in this state the situation anymore where we deliberately throw industry out of this state, and by refusing to address the matter of the sire stakes fund, we are throwing the breeding industry out of this state, Mr. Speaker. I request a negative vote on the bill.

The SPEAKER. On final passage of the bill, the Chair recognizes the gentleman, Mr. Englehart.

Mr. ENGLEHART. Mr. Speaker, I request an affirmative vote on the bill. I do not agree with the gentleman, Mr. Dorr. If there is any confusion or if there is anybody who does not know what we are doing, this bill or something like it had been before this legislature last July. This particular bill has been on the calendar for 11 days. We have been waiting patiently for the gentleman's amendment, and he elected not to offer the amendment, which is, of course, his choice.

The County Fair Association favors the bill as it is for reasons that they have given everybody. There is no confusion. We have been on this thing all summer. We want to do exactly the same for the harness tracks that we did last July for the thoroughbred tracks, and I request an affirmative vote.

On the question recurring, Shall the bill pass finally?

Gatski

Geisler

Grav

Grieco

Hasay

Haskell

Hoeffel

Jones

Katz

Kelly

Kolter

Levi

Lincoln

Logue

Lynch

McCall

George, C.

Agreeable to the provision of the Constitution, the following roll call was recorded:

YEAS--141

McLane

Meluskev

Mebus

Barber Beloff Bennett Bittinger Borski Brown Brunner Burd Burns Caltagirone Caputo Cassidy Cessar Cianciulli Cimini Cowell DeMedio DeWeese DiCarlo Dininni Dombrowski Donatucci Doyle Duffy Dumas Englehart Fee Fischer, R. R. Fisher, D. M Flaherty Foster, W Freind Frver Gallagher Gamble Garzia

Abraham

Anderson

Bittle Brandt

Cole

Davies

Armstrong

George, M. Milanovich Milliron Giammarco Goodman Morris Mullen, M. P Greenfield Mullen, M. M. Musto Hamilton Novak O'Brien, B. O'Brien, D. Hayes, D.S. O'Connell Hayes, S. E. O'Donnell O'Keefe Hopkins Oliver Hutchinson, A. Pancoast Parker Peterson Petrarca Pievsky Knepper Polite Kowalyshyn Pott Laughlin Prendergast Letterman Pyles Ravenstahl Reed Livengood Renwick Richardson Rieger Madigan Ritter Manderino Ruggiero Manmiller Ryan Salvatore McClatchy Scanlon Schmitt McIntyre

Schweder Shupnik Sirianni Smith L. Spencer Stairs Stapleton Stewart Stuban Sweet Taddonio Taylor, F. Tenaglio Thomas Trello Wansacz Wargo Wass Weidner White Wiggins Wilson Wilt Wise Wright, D. Wright, J. L. Yahner Yohn Zeller Zitterman Zord Zwikl Irvis, Speaker

NAYS-39

Gallen	Kukovich	Pitts
Gillette	Lehr	Rhodes
Goebel	Mackowski	Scheaffer
Greenleaf	Miller	Seltzer
Halverson	Miscevich	Shuman
Helfrick	Moehlmann	Smith, E.
Honaman	Mowery	Spitz

LEGISLATIVE JOURNAL—HOUSE

Dorr

DeVerter Dorr Foster, A.	Itkin Kernick Klingaman	Mrkonic Noye Piccola	Vroon Wenger
	NOT V	OTING-23	
Arthurs Bellomini Berlin Berson	Dietz Geesey Gleeson Harper	Levin McGinnis Pratt Rappaport	Taylor, E. Valicenti Wagner Williams

Johnson

Hutchinson, W.

The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative.

Zearfoss

Scirica

Shelton

Ordered, That the clerk present the same to the Senate for concurrence.

REMARKS ON VOTE

The SPEAKER. The Chair recognizes the gentleman from Bedford, Mr. Dietz. For what purpose does the gentleman rise?

Mr. DIETZ. Mr. Speaker, to correct a vote. I am in the same position as Mr. O'Connell was a while ago. Had I been in my seat. I would have voted in favor of HB 1600.

The SPEAKER. The gentleman's remarks will be spread upon the record.

SENATE MESSAGE

AMENDED HOUSE BILL RETURNED FOR CONCURRENCE

The clerk of the Senate returned HOUSE BILL No. 274. with the information that the Senate has passed the same with the following amendments in which concurrence of the House of Representatives is requested:

Amend Section 1, page 1, line 8, by striking out after reason," the word "either" and by striking out after "in-"reason,' patient" all the remainder of said line; line 10, by inserting after "advised," the following: "unless her medical condition indicates otherwise,"; line 15, by inserting a period after "Health" and by striking out immediately thereafter all the remainder of said line; lines 16 through 19, by striking out all of said lines

Amend Section 1, page 2, lines 1 through 3 by striking out all of said lines; line 4, by striking out at the beginning of the line the following: "physician on the order sheet in the chart." and by inserting immediately thereafter the following:

In addition, she shall be advised that:

She may refuse the procedure.

(2) A physician may direct that the test not be given because her medical condition contraindicates the procedure.

(3) The test is not recommended if a screening of uterine cytology has been obtained in the previous 12 months which has been found to be normal.

Amend Bill, page 2, lines 12 through 19, by striking out all of said lines; line 20 by striking out after "Section" the number "3" and inserting "2"

On the question,

Will the House concur in the Senate amendments?

The SPEAKER. The Chair recognizes the lady from Philadelphia, Mrs. Kelly. What is the lady's recommendation?

Mrs. KELLY. Mr. Speaker, I ask for concurrence of this bill. The only thing that the Senate did is to remove the inpatient and just left it outpatient. It is a good bill and I hope for an affirmative vote on the bill.

On the question recurring.

Will the House concur in the Senate amendments?

Agreeable to the provisions of the Constitution, the following roll call was recorded:

YEAS-177

A	O all and an	M. J	C.L.
Abraham	Gallagher	Madigan Manderino	Salvatore
Anderson	Gallen		Scanlon
Armstrong	Gamble	Manmiller	Scheaffer
Barber	Garzia	McCall	Schmitt
Bellomini	Gatski	McClatchy	Schweder
Beloff	Geisler	McIntyre	Seltzer
Bennett	George, C.	McLane	Shuman
Berson	Giammarco	Mebus	Shupnik
Bittinger	Gillette	Meluskey	Sirianni
Bittle	Goebel	Milanovich	Smith, E.
Borski	Goodman	Miller	Smith, L.
Brandt	Gray	Milliron	Spencer
Brown	Greenfield	Miscevich	Spitz
Brunner	Greenleaf	Moehlmann	Stairs
Burd	Grieco	Morris	Stapleton
Burns	Halverson	Mowery	Stewart
Caltagirone	Hamilton	Mullen, M. P.	Stuban
Caputo	Hasay	Mullen, M. M.	Sweet
Cassidy	Haskell	Musto	Taddonio
Cessar	Hayes, D. S.	Novak	Taylor, F.
Cianciulli	Hayes, S. E.	Nove	Tenaglio
Cimini	Helfrick	O'Brien, B.	Thomas
Cole	Hoeffel	O'Brien, D.	Trello
Cowell	Honaman	O'Connell	Vroon
Davies	Hopkins	O'Donnell	Wansacz
DeMedio	Itkin	O'Keefe	Wargo
DeVerter	Johnson	Oliver	Wass
DeWeese	Jones	Pancoast	Weidner
DiCarlo	Katz	Parker	Wenger
Dietz	Kelly	Peterson	White
Dininni	Kernick	Petrarca	Wiggins
Dombrowski	Klingaman	Pievsky	Wilson
Donatucci	Knepper	Pitts	Wilt
Doyle	Kolter	Polite	Wright, D.
Duffy	Kowalyshyn	Prendergast	Wright, J. L.
Dumas	Kukovich	Pyles	Yahner
Englehart	Laughlin	Ravenstahl	Yohn
Fee	Laughin Lehr	Reed	Zeller
Fischer, R. R.	Letterman	Renwick	Zitterman
Fisher, D. M.	Levi	Rhodes	Zord
Flaherty		Richardson	Zwikl
	Lincoln		ZWIKI
Foster, A. Foster, W.	Livengood	Rieger	T
· ·	Logue Logue	Ritter	Irvis,
Freind	Lynch Maalaanalai	Ruggiero	Speaker
Fryer	Mackowski	Ryan	

NAYS-6

Hutchinson, A. Pott George, M. Piccola

Wise

NOT VOTING-20

Arthurs	Gleeson	Mrkonic	Taylor, E.
Berlin	Harper	Pratt	Valicenti
Butera	Hutchinson, W.	Rappaport	Wagner
Cohen	Levin	Scirica	Williams
Geesey	McGinnis	Shelton	Zearfoss

The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative and the amendments were concurred in.

Ordered, That the clerk inform the Senate accordingly.

Butera

Cohen

RESOLUTION

Mr. DOMBROWSKI called up HOUSE RESOLUTION NO. 150, entitled:

Speaker direct Committee on Insurance investigate increasing costs of automobile insurance.

On the question,

Will the House adopt the resolution?

The SPEAKER. The Chair recognizes the gentleman from Northampton, Mr. Kowalyshyn, on the question.

Mr. KOWALYSHYN. Mr. Speaker, I am having an amendment prepared to this resolution and request that this resolution be held over for the time being. Mr. Dombrowski is aware of the amendment.

The SPEAKER. The Chair recognizes the gentleman from Erie, Mr. Dombrowski.

Mr. DOMBROWSKI. Can I briefly interrogate the gentleman, Mr. Kowalyshyn?

The SPEAKER. Will the gentleman, Mr. Kowalyshyn, stand for interrogation?

Mr. KOWALYSHYN. Yes, I will, Mr. Speaker.

The SPEAKER. The gentleman, Mr. Kowalyshyn, indicates he will stand for interrogation. The gentleman, Mr. Dombrowski, is in order and may proceed.

Mr. DOMBROWSKI. Mr. Speaker, the amendment that you are having drafted, would it not fall under this category or would it be necessary for the amendment? Your aide had told me it had something to do with the assigned-risk part of auto insurance. Would that not fall under the same category as the whole resolution?

Mr. KOWALYSHYN. I am sorry, I did not quite get the question.

Mr. DOMBROWSKI. I have been informed that the amendment you are having drafted has to do with the assigned-risk section of auto insurance. Would that not fall under the same category as the complete resolution dealing with auto insurance?

Mr. KOWALYSHYN. As this resolution? Yes. Last Wednesday, November 23, the Insurance Commissioner approved a substantial rate increase in the assigned-risk program. This has a very serious impact on the costs to the insureds who are part of that program now in Pennsylvania. Since your resolution complains about skyrocketing costs of premiums for auto insurance, I believe we should spell this out, because this is an immediate problem that we want to direct our attention to as an insurance committee.

I think it would be very proper to include reference to this last order of the Insurance Commissioner so that we can undertake a study of this particular rate increase which he has just approved.

Mr. DOMBROWSKI. Mr. Speaker, I have no problem with the amendment. I am just wondering if it is necessary. The reason I am trying to get the resolution passed is so we can get to work on it, but if you feel it is necessary to outline this one section in the resolution, fine. I will not object to it, but I just did not think it was necessary.

HR 150 PASSED OVER

The SPEAKER. Without objection then, the House will pass over HR 150, making it available for an amendment to be offered by the gentleman, Mr. Kowalyshyn, and you should so mark your calendar.

BILLS REPORTED FROM COMMITTEE AND TABLED

HB 1838, PN 2243

By Mr. BRUNNER

An Act amending the "Motor Vehicle Sales Finance Act," approved June 28, 1947 (P. L. 1110, No. 476), further providing for the rate of finance charge for mobile homes.

Finance.

HB 1839, PN 2244

By Mr. BRUNNER

An Act amending the "Motor Vehicle Sales Finance Act," approved June 28, 1947 (P. L. 1110, No. 476), providing for the payment of obligations, under certain circumstances.

Finance.

REQUEST TO INTERROGATE

The SPEAKER. The Chair recognizes the minority whip. For what purpose does the gentleman rise?

Mr. RYAN. Mr. Speaker, I am not sure just what your calendar calls for or your schedule, but before you would close off for the recess, I would like the opportunity to interrogate Mr. Pievsky.

The SPEAKER. The gentleman will be given that opportunity.

HOUSE BILLS INTRODUCED AND REFERRED TO COMMITTEES

No. 1929 By Messrs. A. K. HUTCHINSON, SCHMITT and PETRARCA

and PETRARCA An Act providing for certain medical insurance benefits to be

included in certain policies.

Referred to Committee on Insurance.

No. 1930 By Mr. VROON, Mrs. TAYLOR, Messrs. PITTS, E. H. SMITH, PYLES, McCLATCHY, GREENLEAF, WENGER, HOPKINS and GIAMMARCO

An Act requiring the use of safety tire racks in certain instances.

Referred to Committee on Transportation.

No. 1931 By Messrs. DAVIES, W. D. HUTCHINSON, FREIND, LYNCH, MILLER and BURNS

An Act lapsing certain funds from prior years and appropriating the proceeds for the purpose of offsetting interest charges and making additional appropriations to Staterelated universities.

Referred to Committee on Appropriations.

No. 1932 By Messrs. GARZIA, D. R. WRIGHT and LIVENGOOD

An Act amending "The Second Class Township Code," ap-

proved May 1, 1933 (P. L. 103, No. 69), providing for civil serv-Ber ice protection for employes and establishing a penalty. Ro Ber

Referred to Committee on Local Government.

No. 1933 By Messrs. NOYE, LETTERMAN, BRUNNER, YAHNER, WILT, HALVERSON, R. R. FISCHER, HASAY, DeVERTER, ARMSTRONG, CESSAR, HASKELL, BITTLE, KLINGAMAN, MILLER, THOMAS and ANDERSON

An Act amending the "Tax Reform Code of 1971," approved March 4, 1971 (P. L. 6, No. 2), excluding firewood from the tax for education.

Referred to Committee on Finance.

HOUSE RESOLUTION INTRODUCED AND REFERRED

By Messrs. A. K. HUTCHINSON, M. P. MULLEN and PETRARCA

HOUSE RESOLUTION No. 175

The House of Representatives of the Commonwealth of Pennsylvania memorializes Congress to take the necessary action that may be necessary to provide for the election of the Federal District Court Judges by the electors of the district.

Referred to Committee on Federal-State Relations.

REPORT OF COMMITTEE OF CONFERENCE

Mr. LAUGHLIN presented the Report of the Committee of Conference on HOUSE BILL No. 767.

The SPEAKER. The report will be laid over for printing under the rules.

CALENDAR

FINANCE BILL ON THIRD CONSIDERATION

Agreeable to order,

The House proceeded to third consideration of House bill No. 1570, printer's No. 1891, entitled:

An Act amending the "Tax Reform Code of 1971" approved March 4, 1971 (P. L. 6, No. 2), further providing for an emergency exclusion from the tax for education.

On the question. Will the House agree to the bill on third consideration? Bill was agreed to.

The SPEAKER. This bill has been considered on three different days and agreed to and is now on final passage.

The question is, Shall the bill pass finally?

Agreeable to the provision of the Constitution, the roll call will now be taken.

YEAS-182

Abraham	Gallagher	Mackowski	Ruggiero
Anderson	Gallen	Madigan	Ryan
Armstrong	Gamble	Manderino	Salvatore
Bellomini	Garzia	Manmiller	Scanlon
Beloff	Gatski	McCall	Scheaffer

Bennett	Geisler	McCla
Berlin	George, C.	McInt
Berson	George, M.	McLar
Bittinger	Giammarco	Mebus
Bittle	Gillette	Melus
Borski	Gleeson	Miland
Brandt	Goebel	Miller
Brown	Goodman	Milliro
Brunner	Gray	Miscev
Burd	Greenfield	Moehl
Burns	Greenleaf	Morris
Caltagirone	Grieco	Mower
Caputo	Halverson	Muller
Cassidy	Hamilton	Muller
Cessar	Hasay	Musto
Cianciulli	Haskell	Novak
Cimini	Hayes, D. S.	Noye
Cole	Hayes, S. E.	O'Brie
Cowell	Helfrick	O'Brie
Davies	Hoeffel	O'Con
DeMedio	Honaman	O'Don
DeVerter	Hopkins	O'Kee
DeWeese	Hutchinson, A.	Oliver
DiCarlo	Johnson	Panco
Dietz	Jones	Parker
Dininni	Katz	Peters
Dombrowski	Kelly	Petrar
Donatucci	Kernick	Piccola
Dorr	Klingaman	Pievsk
Doyle	Knepper	Pitts
Duffy	Kolter	Polite
Dumas	Kowalyshyn	Pott
Englehart	Kukovich	Prend
Fee	Laughlin	Pyles
Fischer, R. R.	Lehr	Raven
Fisher, D. M.	Letterman	Reed
Flaherty	Levi	Renwi
Foster, A.	Lincoln	Rhode
Foster, W.	Livengood	Richar
Freind	Logue	Rieger
Fryer	Lynch	Ritter
,	-	

cClatchy Schmitt cIntvre Schweder cLane Seltzer ebus Shuman eluskey Shupnik lanovich Sirianni iller Smith. E. illiron Smith, L. iscevich Spencer oehlmann Stairs orris Stapleton owery Stewart ullen, M. P. Stuban ullen, M. M. Sweet Taddonio usto ovak Taylor, F. Tenaglio Brien, B. Thomas Brien, D. Trello Connell Vroon Donnell Wansacz Keefe Wargo liver Wass ncoast Weidner rker Wenger terson White etrarca Wiggins Wilson ccola evsky Wilt Wise lite Wright, D. Wright, J.L. endergast Yahner Yohn venstahl Zeller Zitterman nwick Zord iodes Zwikl chardson eger Irvis,

Speaker

NAYS-2

Spitz

NOT VOTING-19

Arthurs	Harper	Pratt	Valicenti
Barber	Hutchinson, W.	Rappaport	Wagner
Butera	Levin	Scirica	Williams
Cohen	McGinnis	Shelton	Zearfoss
Geesey	Mrkon ic	Taylor, E.	

The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative.

Ordered, That the clerk present the same to the Senate for concurrence.

INTERROGATION

Mr. RYAN requested and obtained unanimous consent to interrogate Mr. PIEVSKY.

Mr. RYAN. Mr. Speaker, there is, in your committee, SB 1187?

Mr. PIEVSKY. That is correct, Mr. Speaker.

Mr. RYAN. Would the gentleman advise the House how much money is represented in that bill that is a saving to the present budget? How much is represented in that bill?

Mr. PIEVSKY. Are you talking about the budget cuts, Mr. Speaker?

Itkin

Mr. RYAN. The whole package.

Mr. PIEVSKY. Approximately \$82 million.

Mr. RYAN. Eighty-two million dollars?

Mr. PIEVSKY. Yes.

Mr. RYAN. My figures, and I would like you to correct me if I am wrong, indicate that to fund the nonpreferreds approximately \$300 million is necessary. Is that fairly accurate?

Mr. PIEVSKY. Approximately.

Mr. RYAN. The three major institutions, Penn State, Pitt and Temple, as I have the figures, total \$140.2 million. Does that seem fairly accurate?

Mr. PIEVSKY. Yes, Mr. Speaker.

Mr. RYAN. In your experience, if SB 1187 were brought from your committee and passed and signed by the Governor, would the Governor and the legislature be in a position, at that point, to spend the 80-plus millions of dollars contained in SB 1187?

Mr. PIEVSKY. It is a possibility, Mr. Speaker.

Mr. RYAN. No, I am not asking you whether it is a possibility. Would we be capable of doing this? We would, would we not? There would be nothing to prevent us under the constitution, which requires a balanced budget—there would be nothing to prevent us—from spending it as we see fit. Is that not accurate?

Mr. PIEVSKY. Yes.

Mr. RYAN. Mr. Speaker, I am sure that you have had called to your attention any number of times, because of your close proximity to Temple University, by any number of letters, correspondence, telephone calls and personal interviews from students and parents wondering when they are going to be relieved financially of the threat that is presently facing them and I am sure members on your side of the aisle and our side of the aisle all have shared that same experience with the various institutions of higher learning that are awaiting funding. Can you tell my why we should not today bring SB 1187 out and pass it as quickly as possible so that the 80-and-some millions of dollars that is presently available under that bill could be distributed either equally to all of the nonpreferreds so that approximately half of that need would be immediately met, or to the Temple, Penn State and Pitt situations which are critical situations right now? Can you tell me why we should not apply that \$85 million to meet their current needs so that these students and their parents can get through this period of time secure in the knowledge that their immediate funding problems are met? I guess, simply stated, why is SB 1187 being held hostage with 80-some millions of dollars sitting in it that could be immediately made available to meet approximately 50 percent of the needs of all of the nonpreferreds or about 75 percent of the needs of Penn State, Pitt and Temple?

Mr. PIEVSKY. Mr. Speaker, first of all, you know as well as I that the nonpreferreds have not passed the other body. Number two, in my office I have a stack of amendments that the Appropriations Committee reported out, to SB 1187. Those amendments are there to not cut the budget but to increase the budget, Mr. Speaker. Before I will bring that bill out, and I would think before the Appropriations Committee will bring that bill out, we would want to know what the funding package

is. We would like to pass a tax package to fund SB 1187 rather than to increase it at this time.

Mr. RYAN. Mr. Speaker, may I suggest to the chairman that the members of this House today are concerned enough about funding the schools and hospitals that are contained in the nonpreferreds that I would think there could be a general resolution of the entire membership in order to meet the immediate crisis and the immediate needs of these people. There would be no amendments offered. There could be a general agreement to defeat all amendments so that this \$80 million could be immediately applied to take care of the critical situation that exists in your city at Temple University, at Pitt and at Penn State.

The only way you can find that out is to bring it out and let us see. Let us find out whether or not the members of this House are going to try and reduce that \$80 million worth of savings or whether they are willing to take the \$80 million and apply it to the needs of the nonpreferred institutions. There is only one way to find that out and that is to bring it out.

Mr. PIEVSKY. Mr. Speaker, I know that that bill will be increased. I, for one, am not happy with SB 1187. I have an amendment prepared that would increase SB 1187, and for this reason, unless I know what the funding is going to be, unless I know whatever the bill is going to be to fund this Commonwealth, that is when we will report out SB 1187. It will not be done piecemeal. The bills are ready. Give me a funding bill and the other bills will come out. There are three bills in that committee, with the constitutional amendment that this problem will not happen again, that will be reported out. The utility tax bill will be reported out and also SB 1187.

Mr. RYAN. Mr. Speaker, may I suggest to you that if you are sitting in the wings ready to reduce those cuts so that there is less money available, then there is no way anyone will ever know how much taxes are needed, if any, if these things are going to continue.

I am suggesting to you that the people in this House are responsible enough knowing the situation of the nonpreferred institutions, Pitt, Penn State, Temple and the others, that if that \$80-some million were made available today through SB 1187 that we could pass that and alleviate those needs to the extent that those moneys are available, and that will not affect what you are talking about. The tax questions still remain; the constitutionality question, the constitutional-amendment problem still remains; the utility tax still remains; your amendments, that problem, still remains, but the \$80 million that the Senate has okayed when they sent that bill over here could be spent this week and Temple, Pitt, Penn State and all of the others would have at least half of their problems solved.

The other half of the problem would still be up in the air, but that \$80 million could be applied today, this week. That \$80 million could be spent this week and sent to Pitt, sent to Temple, sent to Penn State. These kids and their parents and the employes of these various institutions would not be waiting and wondering in doubt the way the welfare recipient and the state employe waited in doubt all summer.

Why do we not bring the \$80 million out and put it where it belongs and then continue our battle without holding these peo-

ple hostage? That is my question.

In my judgment, you are taking too much upon yourself as a committee chairman, if, indeed, you are doing it on your own, by holding these bills up. Bring them out and let us alleviate the problem to the extent that we can do it today, that is, 80some million dollars worth of the problem.

Mr. PIEVSKY. Mr. Speaker, you know that the \$80 million will not solve the problem. It will only solve one-third of the problem. By your own admission you know how much was involved. Also, the Senate did not pass the nonpreferreds. So I do not know how you are going to spend money unless we have it.

Mr. RYAN. That is true, the Senate did not pass it. The reason the Senate did not pass it, I am told, is because they do not know how to fund it. The Governor has the right to veto without a balanced budget.

If we send the \$87 million back there, having concurred in this, at that point the Senate could pass the nonpreferreds in the nature of a stopgap, if you please, or a temporary funding and pay whatever that percentage is, one-third, 40 percent, 50 percent, whatever the number is, then the Governor could sign it within the confines and the restrictions of the constitution that requires a balanced budget. In fact, the Governor could do that on his own now by lapsing some of the expenditures that are contained in our 1977-78 budget and fund the nonpreferreds, if the Senate passed the nonpreferred bills. The problem then would be on the Senate to pass the nonpreferreds. If we send them 80-some millions of dollars, I daresay that they are going to be hardpressed to come up with an excuse as to why they should not fund these nonpreferred institutions.

Right now they have an excuse, that is, they do not have the money. If we send them \$85 million, let it sit on their conscience as to why the students at Temple, the employes at Temple, the parents of the students at Temple are worried and concerned as to why they are not going to have school openings and why they are being issued script instead of real money. Let the people in the Senate worry about that. Our responsibility, among others, is to send them what we can. What we can send them is the \$80 million sitting in your committee.

Mr. PIEVSKY. Mr. Speaker, we should solve the problem. There is no doubt about that. Your strategy, I think, will not do that.

Mr. RYAN. We are not talking about strategy; we are talking about people. Right now you are sitting with \$80 million in the bank. Temple is borrowing money. They are issuing script, according to the newspapers. As of the first of December, payments will be paid with Monopoly money at Temple and we have it within our power to put \$80 million on the street, \$80 million into those institutions, so that these people are paid with real money and not Monopoly money. Yet the \$80 million sits in your committee while you refuse to bring that bill out and let us pass it.

Mr. PIEVSKY. That Monopoly money is past, Mr. Speaker. They have real money now until the middle of January.

I still think we ought to solve the problem once and for all, not piecemeal.

Mr. RYAN. I take it then, Mr. Speaker, that the gentleman is saying the agony, worry and concern of these students, their

parents and the employes of the various institutions shall take second place to the majority leader's strategy to solve the entire problem.

STATEMENT BY MAJORITY LEADER

The SPEAKER. The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, the majority leader's attempt to follow what he thinks and what other leaders in the Democratic Party feel is the best way to solve this budget crisis.

Mr. Ryan keeps talking about passing the budget; looking at cuts in the budget; looking at what we are going to spend our money for first and then deciding on the taxes. Mr. Ryan, I asked your side of the aisle the other day to take a look at Mr. Butera's remarks when we passed the budget. He was saying exactly the opposite. He was saying, let us decide what revenues we can raise and once that has been decided, let us put it into place in the line items.

What you are asking us to do, quite candidly and frankly, is to do what you were not willing to do in August. You want us to begin to solve the problem piecemeal by making available, as you call it, through cutting the budget, \$80 million and leaving the rest to hang in the balance. What is the rest to hang in the balance? The rest to hang in the balance, according to your technique, your strategy-and that is what it is-is additional budget cuts; additional budget cuts that you were unable to make in August; additional budget cuts that you were unwilling to put your votes up for in August, unwilling to put on the bargaining table a couple of days ago and are still unwilling to indicate where you are going to find \$300 million in cuts. That is what you are asking, but we will not follow that course. We will continue to follow the course that will fund the universities; that is, to raise the additional moneys that are necessary to fund those universities.

Until we put a tax vehicle in place, an additional revenue measure in place or several revenue measures in place that will do that, this problem is not going to get solved.

You can stand there and talk about on whose shoulders it hangs. It really hangs on the shoulders of those who know that this state needs additional revenues. It hangs on the shoulders of those who demonstrated that they knew this state needed additional revenues when they proposed a budget that was out of balance by at least \$156 million, and that is your side of the aisle. You would not have proposed that budget being out of balance by \$156 million and needing new revenues of \$156 million if you could have found the budget cuts that you say we are going to find and we are going to get the votes to find it. The votes are not there unless you are willing to provide them all.

There are 88 members of my caucus who say that is not the way to go. We do not think we should cut the services and cause 15,000 to 25,000 layoffs. The budget that you introduced this summer, which still needs \$156 million in new revenues, caused 15,000 layoffs in 2 years. Now cut the additional \$156 million and you are probably in a 25,000-layoff situation. That is a guess on my part, I am sure. But I know when we calculated

that in the budget that needed \$156 million in new revenues, it certainly meant 15,000 layoffs.

You were unable to do it in August. You are unable to show us where the money could be cut line by line so that no new taxes were needed. You are unable to do it today. You are unwilling to do it today and you are also unwilling to face the reality that if you cannot do that, you have got to raise additional revenues. How much do you want to cut? Where do you want to cut it? Put it down line by line. We have asked you to do that a number of times, and you are unable to do it and you will continue to be unable to do it.

The best course is to take the plan that was given to us, tailor it if we must in some minor measure, put in the temporary selfdestruct mechanism to make the temporary tax that you have been yelling about. This represents a compromise. It raises \$82 million less than the budget that was passed. It takes \$50 million less out of the business community than what the Senate passed.

That is what we put up before you yesterday. I heard more than three members of that other side telling me how we were socking it to business with HB 247. You make a lot of eloquent speeches. When it came time for you to do something about it and change the program, there were three votes.

Well, you continue in that kind of a posture and the responsibility for schools' closing and universities not being funded, that decision will not be made by you or me, where the responsibility rests. It will be made by those people who are affected. I am willing to live with the decision they make. I hope you are willing to live with it.

The SPEAKER. I will suggest to the members that what is being debated is very important and if those members who have become uneasy under the pressures of the debate feel they must converse, then the Chair would suggest that you absent yourself and that those of us who remain, remain quietly.

The Chair recognizes the minority whip.

Mr. RYAN. Mr. Speaker, I was just told, and I do not know the accuracy of this report, but supposedly it was reported last night and today that the major universities have borrowed some \$77 million to carry them on through until the middle of January or the first of February. I do not know whether that is so or not.

On the assumption that the report that I received is accurate, we find ourselves in the position of permitting our schools, the major institutions that did borrow this \$77 million, we find ourselves in the position of forcing them to borrow \$77 million while we sit here with \$80-some million in the bank. So what Mr. Pievsky and the Appropriations Committee are doing by keeping that bill tied up is keeping \$82 million or \$85 million sitting in the state coffers while the schools of higher learning are out borrowing \$77 million at interest.

Why do we not take that \$80 million, send it to the schools, and let them get away without having to pay interest on money that we are morally obligated to give them? If what we can give them at this time is \$80 million, then let us give it to them. Why should they go to the bank and pay high interest rates or whatever the interest rates are while we sit with \$80 million sitting in the Appropriations Committee, which I am confident ¹difference is accounted for in the proposition that I explained

can be passed and sent to the Senate and the Senate can appropriate it to these institutions. The loans can be retired and the interest payments will stop. That is the thought I leave with Mr. Pievsky today. The \$77 million, if indeed this is accurate, is in the hands of these schools now. The schools are evidently going to remain open at least for another 2 or 3 months based on those loans. We sit here with their money in our bank while the commercial banks are giving the money to these colleges and charging them interest for it. Think that one out. That is a super-Christmas present we gave them. We are sitting there with the presents under our tree.

The SPEAKER. The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, very briefly, the gentleman well knows that we do not have any money in the bank. He can talk about the money in the bank and the presents under the Christmas tree. It just is not so, and you know it is not so. You know that we appropriated in August all of the revenue that was coming in. We appropriated it in the budget that only increased 6 percent over last year's budget, less than the rate of inflation. You know that we provided in that budget new programs. You know that we provided a \$30-million loan to Philadelphia School District. You know that we picked up \$30 million in the State Police. And you know that more than half of your caucus voted for \$105 million in new spending for the schools of this Commonwealth in basic education, 1 to 12 years. Now you know all of that.

Mr. RYAN. No, I do not.

Mr. MANDERINO. And you know, Mr. Speaker, and I wish you would not interrupt me as I did not interrupt you. Mr. Speaker, you know, well that this Commonwealth is operating on a frugal budget. You know that last year's budget was so frugal that all the leaders of this Assembly, Democrat, Republican, House and Senate, sent a letter to the Governor and the departments saying to them that we expected them to live within that budget. And we did that because we knew how tight it was, and they lived within it. They did not overexpend what we appropriated to them in what we thought was a frugal budget.

Now what you are saying is: I know we need new money this year, but I do not want to raise it because I am afraid to raise it. That is what you are really saying, if you own up to what you are really saying. I am afraid to raise it because the people do not want a tax increase.

Well, the people never want a tax increase and we here in the Assembly never want to raise taxes. It becomes necessary to provide the needs of this Commonwealth from time to time to adjust our tax rates. That is because our economy grows at a faster rate than our revenues. I detailed that for you in August.

I told you that since that last tax decrease in this Commonwealth in 1974, when the last tax change was made, by every dollar that the economy grew, our tax revenues grew 85 cents. Periodically, because of the tax structure in this Commonwealth, we find it necessary to adjust the rates. I detailed for you that the people of Pennsylvania, out of their paycheck in 1975, were paying 11.7 percent of their income for state and local government.

In 1976, that percentage went down to 11.5 percent. That

that our tax revenues do not grow the way the economy grows. Those are simple facts, and we must adjust that rate just to keep up, just to continue to provide the same kinds of services that we have provided in this Commonwealth for our people.

I detailed here for you in chapter and verse and a litany of all the bills that raised the budget from 1971 to 1977 in the 30 programs in the Education Department and the Welfare Department where \$1.6-billion or the \$2-billion increase since 1971 has occurred. I demonstrated that both caucuses voted for those programs and that the minority leader voted for 99.44 percent of those programs—like the Ivory Soap commercial. I did not check your record, Mr. Ryan, but I will.

Mr. RYAN. Thank you.

Mr. MANDERINO. I will tell you what you did.

Mr. RYAN. Can I have a copy of it?

Mr. MANDERINO. Because I suspect you followed your leader and I suspect you did exactly what Mr. Butera did, and then when it comes time to pay the bill, you are unwilling to do it.

Where do you want to take out? Your want to take it out of the hide of the people who were down here in the summer. That is whose hide you want to take it out of, the state workers, who you are going to lay off with \$300 million more in cuts. You are going to take it out of the hides of the welfare recipients across this state by cash grants, medical assistance. Those were the people whom you showed no compassion for in the summer and you are showing no compassion for now in your plan to cut \$300 million more out of the budget. You are showing no compassion for the people in the universities and colleges and those students, because, certainly, I think in the fairness that you display, you would not want to cut \$300 million out of the budget without cutting something out of the nonpreferreds, which are not state agencies. You know, fair is fair.

If you are going to cut back 10 percent in state government, which is about what you are going to have to cut, is it not fair to cut 10 percent out of those schools and those agencies? What kind of a tuition increase is that going to mean to the students - \$100, \$150, \$200 a semester? If you want to really show your concern and your compassion not only for the students in the universities and the people working in those universities—and Temple, I think, is probably the largest single employer in the city of Philadelphia—this would be how it would be.

We are talking about high stakes, Mr. Speaker. We are talking about doing the job that you were elected to do. And if in fact, if in fact, those things that cost us money, those line items in the budget that were there last year are still there this year and if in fact those line items are just because of inflation and because of Act 195 in paying the employes, which we all voted for, which was sponsored by Senator Frame who was one of your men, a Republican, if we have to pay a higher tab for those same services this year, we have got to find the money to pay that higher tab.

Now if the proposition that we had put before you was the large gross-tax increase that you are talking about, I could understand where you are coming from. But we have put propositions before you that would take out of a \$15,000

wage earner, \$15 a year, a little better than a dollar a month.

You screamed about what we are doing. Well, it is necessary to adjust those tax rates. I would like to see a better tax structure in this Commonwealth that grew with the economy, not at 85 percent of the economy. Then it would not be necessary for you, when you are in the majority or our party when we are in the majority to periodically adjust those rates. But we must periodically adjust those rates just to keep up.

When the amount of money paid in taxes by Pennsylvanians went down from 1975 to 1976 by .02 percent, you do the multiplication. You see what we have lost in terms of real purchasing power and that is what we have got to look at — the purchasing power of the tax revenues that come into this Commonwealth. Can they purchase this year what they purchased last year? If they cannot, how much more is needed? Did we receive that much more from our tax yields?

The facts just do not bear out that we have received that much more. You want to talk in generalities; you continue to talk in generalities. I will talk in specifics. I will tell you what the tax rate has grown. I will tell you how much money is coming out of the paychecks of the worker. If it has gone down so far as state and local government is concerned, which it has, then we have got to readjust those rates. And if we are not willing to readjust those rates, then it is incumbent upon those who are not willing to readjust those rates to sit down and point specifically to each and every line item that they want reduced and by what amount they want it reduced.

We gave you that opportunity in August, and you could not find the answer. The answer is not here today. It is not going to be here tomorrow. As long as you will not face up to the immediate problem, we are going to be here and the universities will be unfunded. And it is not because we have money in the bank or presents under the Christmas tree. It is because you will not live up to a responsibility that is yours. The people elected you to come up here and do the job properly. I do not think you are doing it.

The SPEAKER. The Chair recognizes the minority whip.

Mr. RYAN. Mr. Speaker, I was not an English major, but somewhere back in my high school or college days, I remember the expression: "Zounds, I have never been so bethumped by words." It would seem to apply here today. The other expression that I have heard from time to time is: "If you have a bad case, you boldly assert it and plausibly maintain it."

The problem that faces us today is, we have supposedly \$80some million sitting in the Appropriations Committee. Now, as Mr. Manderino explains it, even if this were passed, we are faking, we are kidding the people of the Commonwealth. We could pass all of this and still not have the money to send out a check. I guess that is what he is saying. He says we have no money to pay it anyway. So are we kidding these universities? Are we kidding these nonpreferred people?

I am advised there is some \$500 million sitting in short-term moneys owned by the Commonwealth. Perhaps these moneys could be used to pay the 80-some-odd millions of dollars to the nonpreferreds if we get them on the calendar and if we pass them and if the Senate will appropriate the money to alleviate the problems of the Temples and the Penn States and the Pitts.

The other thing that Mr. Manderino makes mention of is the \$15 a year on the \$15,000-a-year wage earner. He seems to neglect to mention the fact that that \$15,000-a-year man is already paying \$300 to the Commonwealth under the present tax structure. He is paying sales tax. I do not have the Federal figures for accepted sales tax deductions, but I am going to guess that that amounts to another \$50 or \$100 a year on the \$15,000 family. He is paying gasoline tax. He is paying taxes indirectly when he buys anything because the businessman's tax is passed on through to the consumer. He is paying twice what he used to pay for his license and a good deal more than he used to pay for his automobile. He has fees all over the place. I do not think he needs the additional pressure of a tax raise from us, either directly upon his personal income or indirectly passed on to him through the business corporation.

The fact remains that there is 80-some-odd millions of dollars sitting in the Appropriations Committee. There is \$77 million, I am told, borrowed from the banks that we could pay off for the universities of the Commonwealth and save them that interest payment. And we hear rhetoric.

INTERROGATION

Mr. MANDERINO requested and obtained unanimous consent to interrogate Mr. RYAN.

Mr. MANDERINO. Mr. Speaker, do you believe that this Commonwealth needs any additional revenues to fund the general fund operations and pay for all of the nonpreferreds?

Mr. RYAN. At this time, Mr. Speaker, until the members of this House have had an opportunity to review the budget, which we did not have this summer because of parliamentary maneuvers, I am not prepared to say that we do need additional new funding.

I make this one reservation and that is this-

Mr. MANDERINO. I can understand your problem in answering the question, but I will wait.

Mr. RYAN. In the search of your records, if you want to spend the time and the people to go through my record the way you did through Mr. Butera's, I can save you a little trouble. I have recognized from time to time over the past 16 years the need for new taxes and have voted for them almost every time. Your income tax I voted for, because I thought at that time it was needed. The sales taxes I have voted for. You are not talking to an obstructionist who is afraid to vote for a tax. I have voted for them when they were needed.

I do not think at this time it is needed until we have exhausted every other remedy. I know how to vote for a tax and I know how to take the lumps for it. I also know the effect of a tax vote; it brings money in and it takes votes out. That is what it amounts to. But the fact remains that we have not shown that it is absolutely needed today. To put a permanent tax on the people of Pennsylvania to take care of that \$156-million deficit is positively needed. A temporary tax was suggested by Mr. Butera this summer. That may have been the answer this summer. That may still be the answer. I do not know that it was a temporary tax or a borrowing with a repayment over 2 years. That is something that has to be worked out, if that prin-

ciple is acceptable to you.

It was acceptable to you in the situation with Philadelphia where we allowed them to do it. Whether it is acceptable on a state level, I do not know.

You go back and examine that record. I voted for the income tax. And you will find that at that—

Mr. MANDERINO. Mr. Speaker-

Mr. RYAN. I have the floor, Mr. Speaker.

Mr. MANDERINO. I asked the gentleman a question and I wish he would address himself to the question: Does he think there are new revenues needed this year to fund the Commonwealth and the nonpreferred appropriations? Now that is a simple question. You can answer that "yes" or "no."

Mr. RYAN. Mr. Manderino, I was trained the same way you were trained, to give a long answer. It is my turn to "bethumpy" with words. If I may continue—

Mr. MANDERINO. You mean you have more answer?

Mr. RYAN. Sure.

Mr. MANDERINO. Would you stick to the question? This is my time we are using.

Mr. RYAN. No, it is not.

Mr. MANDERINO, Yes, it is.

Mr. RYAN. You asked me the question. It is my turn to bethump you with words.

Mr. MANDERINO. Mr. Speaker, I withdraw the question.

Mr. RYAN. He is afraid of the answers.

Mr. MANDERINO. No, I have heard enough. I thought I knew what your answer was. Now I may be wrong. Maybe it is not your answer. But the way I interpreted what you said was that you have not really had a chance to look yet to know whether we need new revenues to balance the budget. You have not really had a chance to look at it.

Well, I have looked at it from the time the Governor presented his budget document. He presented that same budget document to every member of this House. He presented it to your Appropriations Committee.

I hope that the staff of the minority Appropriations Committee, which receives every cent equal to what the majority Appropriations Committee receives to do its work, has done something to look at those books and to make some basic decisions.

I would hope that the leadership's position on the other side of the aisle comes from some recommendations that your staff made to you. I hope that that is really the way it is being done, because you receive the same amount of money that we receive to employ staff economists, budget analysts, et cetera.

I would hope that they looked at the budget and made decisions about it. I would hope that here in December when the budget should, by law, have passed June 30, I would hope that you did look at the budget and what the Governor was requesting and what the departments were requesting. I would hope that your Appropriations Committee staff made recommendations to the leadership. I would hope that they did that between the time we received the budget and the time we began working on the budget in earnest in the summer. I would hope that it was not done yesterday or the day before. I would certainly hope that it was done at sometime, but I am not sure I do know this: Several days ago, Mr. Seltzer, who was the chairman of the Appropriations Committee, was telling us how this program that we have here was not going to do a doggone thing for the universities and anybody who thought that is was was foolish. He was telling us that on tax anticipation notes, we could not borrow enough money, et cetera, et cetera, et cetera. He was telling us, and he pounded the desk when he was telling us, as I have occasion to do—

Mr. SELTZER. Mr. Speaker, would you ask the gentleman to speak into the mircophone. I heard my name mentioned, but I did not hear what he was saying about me.

The SPEAKER. He said you were pounding the desk.

Mr. SELTZER. I could not understand the Speaker, either.

The SPEAKER. He said you were pounding the desk.

Mr. MANDERINO. I do not remember whether it was with a shoe or with a fist.

Mr. SELTZER, If it were with a shoe, Mr. Speaker, I think we could smell the difference.

Mr. MANDERINO. Then we would not have to have the mikes on.

But I have occasion to do that, too; I have occasion to get wrapped up in what I believe. But I have difficulty finding out what the members on the other side of the aisle and their leadership believe.

Mr. Seltzer tells us that we would accomplish nothing. Mr. Ryan tells us we have money in the bank when he knows we do not. Mr. Butera tells us in the summer to decide on taxes first and then go to the budget. Mr. Ryan tells us this morning that he is not prepared to say whether we need new revenues in this Commonwealth, and it is December 1. I have difficulty with all that. I can understand it but it is not easy. It is not easy to raise additional revenues even after you know they are needed.

All that we are hearing is a resistance, an inability to show how it can be done without the needed revenues, because the revenues are indeed needed and we hear an unwillingness to raise the revenues that we know are needed.

That is where we are. It is as simple as that. And we will keep trying to achieve a solution to the problem. I think the measure that we ran through yesterday still has a chance of passage. The compromise that was offered that makes the tax temporary that reduces the corporate net income to 1 percent and a 2.2 percent on the personal income tax, I think is still a viable solution and one I am still willing to look at. It only received 83 votes but that is the first time that it went up. It may be a better proposition than HB 247.

I will continue to work to achieve what I think the majority of my caucus wants me to achieve. I will continue to make proposals that come close to what the majority of my caucus tells me they would like to achieve.

I would hope that we would hear proposals, not in generalities but in specifics, as I am forced to come forth with from the other side of the aisle of what they would like to see. And I do not think it does this legislature any good, both sides of the aisle, to say that on December 1 leaders of the minority party are not sure whether we need additional revenues or not. I would hope that really is not their position.

ANNOUNCEMENTS LUNCH AND DEMOCRATIC CAUCUS

The SPEAKER. The Chair recognizes the majority leader. Mr. MANDERINO. Mr. Speaker, I would ask that this House be in recess until 4 p.m. this afternoon. I would ask that the Democratic members of the House secure lunch between now and 1:15 and report immediately to the caucus room at 1:15.

Thank you, Mr. Speaker.

NO REPUBLICAN CAUCUS

The SPEAKER. The Chair recognizes the gentleman from Blair, Mr. Hayes.

Mr. S. E. HAYES. Thank you, Mr. Speaker.

For the information of the Republican Representatives, it is my understanding, after having talked with the Democratic floor leader, that it is possible that another effort will be made to secure votes for either the amendment offered by the gentleman to HB 1633 or possibly HB 247. So I would ask the Republicans to be prepared for such a vote.

With respect to the calendar, Mr. Speaker, several bills have been moved from second to third consideration. If we are in fact in session tomorrow, these bills could be considered at that time. At the present time I am working on the calendar so that there will be an analysis of each of those bills.

I also say to the Republicans that, in conversation with the Democratic floor leader, it is possible that we will be in session this evening.

There will not be a Republican caucus called at this time. Thank you, Mr. Speaker.

RECESS

The SPEAKER. This House will stand in recess until 4 p.m.

AFTER RECESS

The time of recess having expired, the House was called to order.

CALENDAR

LIQUOR CONTROL BILL ON FINAL PASSAGE

Agreeable to order,

The House resumed consideration on final passage of House bill No. 1579, printer's No. 2374, entitled:

An Act amending the "Liquor Code" approved April 12, 1951 (P. L. 90, No. 21), providing for one-half fee for permits to sell on Sunday when ninety days or less remain in the license year further providing for special occasion permits harmonizing language of existing amendments exempting certain units of national veterans' organizations from licensing quota and authorizing the use of driver's licenses as a means of identification.

On the question recurring,

Shall the bill pass finally?

Mr. GARZIA offered the following amendments

Amend Title, page 1, line 16, by inserting after "laws," " further providing for the issuance of licenses;

Amend Bill, page 1, by inserting between lines 24 and 25

Section 1. Section 404, act of April 12, 1951 (P. L. 90, No. 21), known as the "Liquor Code," amended September 2, 1971 (P. L. 429, No. 103), is amended to read:

Section 404. Issuance of Hotel, Restaurant and Club Liquor Licenses.-Upon receipt of the application, the proper fees and bond, and upon being satisfied of the truth of the statements in the application that the applicant is the only person in any manner pecuniarily interested in the business so asked to be licensed and that no other person will be in any manner pecuniarily interested therein during the continuance of the license, except as hereinafter permitted, and that the applicant is a person of good repute, that the premises applied for meet all the requirements of this act and the regulations of the board, that the applicant seeks a license for a hotel, restaurant or club, as defined in this act, and that the issuance of such license is not prohibited by any of the provisions of this act, the board shall, in the case of a hotel or restaurant, grant and issue to the applicant a liquor license, and in the case of a club may, in its discretion, issue or refuse a license: Provided, however, That in the case of any new license or the transfer of any license to a new location the board may, in its discretion, grant or refuse such new license or transfer if such place proposed to be licensed is within three hundred feet of any church, hospital. charitable institution, school, or public playground, or if such new license or transfer is applied for a place which is within two hundred feet of any other premises which is licensed by the board, or if such new license or transfer is applied for a place where the principal business is the sale of liquid fuels and oil: And provided further, That the board shall refuse any application for a new license or the transfer of any license to a new location if, in the board's opinion, such new license or transfer would be detrimental to the welfare, health, peace and morals of the inhabitants of the neighborhood within a radius of five hundred feet of the place proposed to be licensed, or, in municipalities with a population of seventy five hundred or

less, within a radius of two miles of the place proposed to be

licensed: And provided further. That the board shall not issue

new licenses in any license district more than twice each license year, effective from specific dates fixed by the board, and new licenses shall not be granted, except for hotels as defined in this act, unless the application therefor shall have been filed at least thirty days before the effective date of the license: And provided further, That nothing herein contained shall prohibit the board from issuing a new license for the balance of any unexpired term in any license district to any applicant in such district, who shall have become eligible to hold such license as the result of legislative enactment, when such enactment shall have taken place during the license term of that district for which application is made or within the thirty days immediately preceding such term, nor shall anything herein contained prohibit the board from issuing at any time a new license for an airport restaurant, or municipal golf course, as defined in section 461 of this act, for the balance of the unexpired license term in any license district: And provided further, That the board shall have the discretion to refuse a license to any person or to any corporation, partnership or association if such person, or any officer or director of such corporation, or any member or partner of such partnership or association shall have been convicted or found guilty of a felony within a period of five years immediately preceding the date of application for the said license.

Amend Sec. 1, page 1, line 25, by striking out "1." and inserting 2.

Amend Sec. 1, page 1, lines 25 and 26, by striking out ", ACT OF APRIL 12, 1951 (P. L. 90, NO. 21), KNOWN AS THE "LIQUOR CODE," and inserting of the act, Amend Sec. 2, page 4, line 22, by striking out "2." and

inserting 3.

Amend Sec. 3, page 6, line 23, by striking out "3." and inserting 4.

Amend Sec. 4, page 8, line 1, by striking out "4." and ment?

inserting 5.

- Amend Sec. 5, page 11, line 14, by striking out "5." and inserting 6. Amend Sec. 5, page 11, line 14, by striking out "3" and
- Amend Sec. 6, page 11, line 19, by striking out "6." and inserting 7.

Amend Sec. 6, page 11, line 19, by striking out "4" and inserting 5

Amend Sec. 6, page 11, line 20, by striking out "4" and inserting 5

On the question,

Will the House agree to the amendments?

The SPEAKER. The Chair recognizes the gentleman from Delaware, Mr. Garzia.

Mr. GARZIA. Mr. Speaker, this amendment is the same thing I tried to do yesterday to this bill. Instead of eliminating the requirements of where you have to live to testify for or against a transfer of a liquor license, I took Mr. Rappaport's suggestion and said that in a municipality with 7,500 people or less, within a radius of 2 miles in a borough or township, they should be allowed to testify in front of the commission when they ask for a transfer of a liquor license. It does not harm the big cities or even the smaller cities. Thank you, sir.

On the question recurring, Will the House agree to the amendments?

(Members proceeded to vote.)

The SPEAKER. The Chair recognizes the gentleman from Centre, Mr. Letterman.

Mr. LETTERMAN. Mr. Speaker, I would suggest that you wait until more people are here. There are people coming in who do not even know what they are voting on. They are just throwing their votes up there to bring them back. I think you should wait and have it explained again by Mr. Garzia.

The SPEAKER. Do you want to change the orderly processes of the House?

Mr. LETTERMAN. Yes.

The SPEAKER. Because normally that is the way we do these things

Mr. LETTERMAN. There are too many guys here who do not even know what the amendment does. They were not in their seats yet, and I think they should have the time and a chance to look at it.

The SPEAKER. The Chair will restate the question, although the Chair stated it and waited for about a full minute to see if anybody was ready to debate the issue. But if the gentleman feels that we have not given the members adequate notice, the clerk will strike the vote.

The question is, Will the House agree to the Garzia amendment?, which the gentleman, Mr. Garzia, has already explained.

Now the Chair does not mind restating a question, but the Chair is not going to restate the question if the members are going to continue to talk.

The question is, will the house agree to the Garzia amend-

The Chair recognizes the gentleman from Allegheny, Mr. Caputo

Mr. CAPUTO. Will the sponsor of the amendment permit himself to be interrogated?

The SPEAKER. The gentleman, Mr. Garzia, indicates he will stand for interrogation. The gentleman, Mr. Caputo, is in order and may proceed.

Mr. CAPUTO. Mr. Speaker, let me say preliminarily that I am not rising necessarily in opposition to the amendment, but I do think that both the sponsor and the House should be clear on it.

Mr. Speaker, does the sponsor of the amendment believe that the adoption of his amendment will make it impossible to have a licensed establishment within 2 miles of another licensed establishment in municipalities with a population of 7,500 or less?

Mr. GARZIA. No, Mr. Speaker. I suggested a 3-mile radius, but the Reference Bureau decided on 2.

All it does is allow someone in that 2-mile radius in a borough or township with less than 7,500 to testify for or against a transfer of a liquor license. That is all that means.

Right now if you do not live within 500 feet of a building that is getting a transfer of a liquor license, you cannot testify for or against the thing. This is what it does. It just widens that scope a little bit.

Mr. CAPUTO. Mr. Speaker, in his answer Mr. Garzia indicated that it would permit a person to testify. Do you mean, Mr. Speaker, that it would permit another licensee to testify?

Mr. GARZIA. Well, as long as you are registered in that borough or township, it will allow you to testify for or against, and it would be the decision of the Liquor Board to issue that transfer or not. Usually today it is just automatic anyway.

Mr. CAPUTO. Mr. Speaker, I ask Mr. Garzia to please listen to me and see if he can understand me.

Your amendment would not permit a resident who lived within 200 miles of an existing license to testify against the transfer of another license into that community?

Mr. GARZIA. No, it does not, Mr. Speaker; not 200 miles.

Mr. CAPUTO. Two miles.

Mr. GARZIA. Well, I understood 200 miles.

Mr. CAPUTO. I am sorry; I may have said that. I mean 2 miles.

Mr. GARZIA, No.

If you are familiar with the rural areas, you could have a bar on the corner of Main Street and High Street and the next house could be a mile away. But the way the law is now, if you do not live within 500 feet of the place, you cannot testify for or against the transfer.

All I did was say that people in a borough or township with 7,500 people or less, within a 2-mile radius, should be able to come in and testify for or against the transfer. That is all that means.

Mr. CAPUTO. That is what I am trying to explain to you, Mr. Speaker. Your amendment does not do what you intend to do, and I believe I know what you intend to do.

Mr. GARZIA. Mr. Speaker, what I am trying to do is I am trying to broaden that 500 feet. I think 500 feet is not enough. Cole

That is all right in the big cities, but it is no good in the rural areas

I gave you an example on this floor vesterday of one of the boroughs in my district. On one side is a junkyard, on the next side is a school, in the back is an open field, and across the street is a refinery. Only three people could have testified. I am trying to make this so that the whole borough, which I think is around 3,500 or 4,000 people, should have been able to testify if they took the time out to go to Philadelphia. That is all I am trying to do.

Mr. CAPUTO. Mr. Speaker, I do not think that the sponsor of the amendment is getting what he wants done if this amendment is passed. I tried to explain it. Let the House vote as they will.

The SPEAKER. The Chair recognizes the gentleman from Luzerne, Mr. O'Connell.

Mr. O'CONNELL. Mr. Speaker, I believe that the proposed amendment is entirely too restrictive. It is going to put a tremendous burden on the Liquor Board. It will also be an imposition to a good many licensees.

The present law may not be adequate, but this is totally and completely beyond the realm of being reasonable, and I would ask for opposition to it.

Thank you.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS-57

Anderson	Foster, A.	Lehr	Pott
Armstrong	Freind	Levi	Ryan
Berlin	Gallagher	Livengood	Shuman
Bittle	Garzia	Manmiller	Smith, E.
Brandt	George, M.	McClatchy	Spitz
Burd	Gillette	Milanovich	Taylor F
Cassidy	Greenleaf	Milliron	Tenaglio
Cohen	Haskell	Mrkoni c	Vroon
Cowell	Hayes, S. E.	Noye	Wass
Davies	Hoeffel	O'Čonnell	Wenger
Dietz	Honaman	O'Keefe	Wilson
Dorr	Kernick	Peterson	Wilt
Doyle	Kolter	Petrarca	Wright, D.
Fischer, R. R.	Laughlin	Pitts	Wright, J. L.
Flaherty			
	NA	YS-127	
Abraham	Geisler	McIntyre	Scanlon
Barber	George, C.	McLane	Scheaffer

Abraham	Geisler	McIntyre	Scanlon
Barber	George, C.	McLane	Scheaffer
Bennett	Giammarco	Mebus	Schmitt
Berson	Goebel	Meluskey	Schweder
Bittinger	Goodman	Miller	Shupnik
Borski	Gray	Miscevich	Sirianni
Brown	Greenfield	Moehlmann	Smith, L.
Brunner	Grieco	Morris	Spencer
Burns	Halverson	Mowery	Stairs
Butera	Hamilton	Mullen, M. P.	Stapleton
Caltagirone	Hasay	Mullen, M. M.	Stewart
Caputo	Hayes, D. S.	Musto	Stuban
Cessar	Helfrick	Novak	Sweet
Cianciulli	Hopkins	O'Brien, B.	Taddonio
Cimini	Hutchinson, A.	O'Brien, D.	Thomas
Cole	Itkin	O'Donnell	Trello

LEGISLATIVE JOURNAL—HOUSE

Johnson	Oliver	Valicenti
Jones	Pancoast	Wansacz
Katz	Parker	Wargo
Kelly	Piccola	Weidner
Klingaman	Pievsky	White
Knepper	Polite	Wiggins
Kowalyshyn	Prendergast	Wise
Kukovich	Pyles	Yahner
Letterman	Ravenstahl	Yohn
Levin	Reed	Zeller
Lincoln	Renwick	Zitterman
Logue	Rhodes	Zord
Mackowski	Rieger	Zwikl
Madigan	Ritter	
Manderino	Ruggiero	Irvis,
McCall	Salvatore	Speaker
		-
	Jones Katz Kelly Klingaman Knepper Kowalyshyn Kukovich Letterman Levin Lincoln Logue Mackowski Madigan Manderino	Jones Pancoast Katz Parker Kelly Piccola Klingaman Pievsky Knepper Polite Kowalyshyn Prendergast Kukovich Pyles Letterman Ravenstahl Levin Reed Lincoln Renwick Logue Rhodes Mackowski Rieger Madigan Ritter Manderino Ruggiero

NOT VOTING-19

Arthurs Bellomini Beloff	Harper Hutchinson, W. Lynch	Rappaport Richardson Scirica	Taylor, E. Wagner Williams
Geesey	McGinnis	Seltzer	Zearfoss
Gleeson	Pratt	Shelton	

The question was determined in the negative and the amendments were not agreed to.

REMARKS ON VOTE

The SPEAKER. The Chair recognizes the gentleman, Mr. O'Connell. For what purpose does the gentleman rise?

Mr. O'CONNELL. I pulled a boo boo, Mr. Speaker. I would like to be recorded in the negative on the Garzia amendment to HB 1579. I voted in the affirmative.

The SPEAKER. The gentleman's remarks will be spread upon the record.

On the question recurring, Shall the bill pass finally?

Mr. GOEBEL offered the following amendments:

Amend Title, page 1, line 21, by inserting after "QUOTA" making certain acts unlawful, prescribing penalties, making a repeal,

Amend Bill, page 7, by inserting after line 30

Section 4. Section 493 of the act is amended by adding a clause to read:

Section 493. Unlawful Acts Relative to Liquor, Malt and Brewed Beverages and Licensees.—The term "licensee," when used in this section, shall mean those persons licensed under the provisions of Article IV, unless the context clearly indicates otherwise.

It shall be uniawful-

(1.1) Purchase, Consumption, Possession or Transportation of Liquor or Malt or Brewed Beverages by Minors. For any person who is less than twenty-one (21) years of age to attempt to purchase, purchase, consume, possess or transport any liquor or malt or brewed beverage.

Any person violating the provisions of this clause is guilty of a summary offense and shall be sentenced to pay a fine of not less than two hundred fifty dollars (\$250) nor more than three hundred dollars (\$300), and shall be subject to imprisonment for up to ninety (90) days, or both.

* * *

Amend Sec. 4, page 8, line 1, by striking out "4." and inserting 5.

Amend Sec. 5, page 11, line 14, by striking out "5." and inserting 6.

Amend Bill, page 11, by inserting between lines 18 and 19 Section 6. Section 6308 of Title 18 of the Pennsylvania Consolidated Statutes is repealed.

Amend Sec. 6, page 11, line 19, by striking out "6." and inserting 7.

Amend Sec. 6, page 11, line 19, by striking out "4" and inserting 5

Amend Sec. 6, page 11, line 20, by striking out "4" and inserting 5

On the question,

Will the House agree to the amendments?

The SPEAKER. On the amendment, the Chair recognizes the gentleman from Allegheny, Mr. Goebel.

Mr. GOEBEL. Mr. Speaker, this amendment has been distributed and it is numbered A-3185, and what this does is it would have a mandatory fine on a person found guilty of transporting or attempting to purchase alcohol or liquors by a minor.

Presently if you were caught attempting to purchase alcohol in a tavern, it was a summary offense and you could be sentenced and there was a possible sentence of zero to 90 days in jail and a possible fine of zero to \$300 fine. My amendment would leave the jail sentencing as is, at the judge's discretion of zero to 90 days, but would make the fine \$250 to \$300. I think that every town and every community has a bar or two bars known for minors being served in and becomes a problem in the district and the township or community and causes a lot of trouble for the police and eventually is closed down.

I think if we really want to attack the problem, we have to put the penalty on both ends, not only on taking care of the fines of the taverns and the suspensions, but we should also enforce it with something that the people will really sit up and listen to. I think a fine hitting them in the pocketbook, is the way to do it. This amendment would merely then make it a mandatory \$250 fine if you are convicted as a minor of being served in a bar.

The SPEAKER. The Chair recognizes, on the Goebel amendment, the gentleman from Lehigh, Mr. Ritter.

Mr. RITTER. Mr. Speaker, would the gentleman consent to a brief interrogation?

The SPEAKER. The gentleman, Mr. Goebel, indicates that he will stand for interrogation. The gentleman, Mr. Ritter, is in order and may proceed.

Mr. RITTER. Mr. Speaker, would the gentleman inform me as to what section 6308 of Title 18 of the Pennsylvania Consolidated Statutes is? Let me rephrase that. Is Title 18 of the Pennsylvania Consolidated Statute, the Crimes Code, Mr. Speaker?

Mr. GOEBEL. Well, I do not know exactly what the nature of your question is but, this was in the Criminal Code and was transferred into the Liquor Code, this penalty, if that would help to answer your question.

Mr. RITTER. I thank the gentleman, Mr. Speaker.

Mr. Speaker, I have a parliamentary inquiry for the Chair.

PARLIAMENTARY INQUIRY

The SPEAKER. The Chair recognizes the gentleman, Mr. Rit-

ter. For what purpose does the gentleman rise?

Mr. RITTER. I rise to a point of parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. RITTER. Mr. Speaker, is it possible that by an amendment to the Liquor Code to also, at the same time, amend the Pennsylvania Crimes Code and do that in the same bill? The reason I ask that, Mr. Speaker, is that—

The SPEAKER. The gentleman will yield. The gentleman is not really stating a parliamentary inquiry. The gentleman is questioning the germaneness of the amendment.

Mr. RITTER. All right, Mr. Speaker. I agree with a portion of the amendment. May I ask you this then and my question is, can we, by amendment to the Liquor Code, amend the Pennsylvania Crimes Code?

The SPEAKER. If the gentleman insists on the Chair answering that question, it would be the opinion of the Chair that we cannot do so. We cannot amend one code by amending a second code. Amendments must be drawn to the accurate code. The Chair is not stating, however, that the amendment is improperly drawn.

Mr. RITTER. Now, Mr. Speaker, my next question then is, is this amendment divisible, and I would then ask, if it is, to have it divided.

The SPEAKER. At what point would the gentleman suggest division?

Mr. RITTER. The part where it says, "Amend Bill, page 11, by inserting between lines 18 and 19 Section 6.", et cetera, about being repealed.

I would think then, Mr. Speaker, that all the rest of the amendment could be divided starting in the bill where it says, "Amend Bill, page 11,".

The SPEAKER. The Chair is having difficulty following the gentleman. Is the gentleman asking whether or not this amendment may be divided by striking out the words, "Section 6308"?

Mr. RITTER. No, Mr. Speaker, starting with the line above that.

The SPEAKER. "Amend Bill, page 11"?

Mr. RITTER. Right. From there down to the end of the amendment by removing that or dividing that from the main body of the amendment.

The SPEAKER. The House will be at ease. It will be necessary for the Chair to look at the actual bill to see whether or not this can be so divided. The Chair cannot tell by a quick glance. The House will be at ease.

AMENDMENT DIVIDED

The SPEAKER. It is the opinion of the Chair that division at this point is possible without affecting the rest of the amendment and the rest of the amendment could be separately voted on. Is the gentleman suggesting such a division?

Mr. RITTER. Mr. Speaker, yes, I do, and I would so move.

The SPEAKER. The House will please pay attention so you recognize what the gentleman's motion is.

The gentleman, Mr. Ritter, has moved that amendment A-3185 to HB 1579 be divided by drawing a line after the figure "6" and above the words, "Amend Bill, page 11, by inserting between lines 18 and 19".

If the House agrees to this motion, the House will then have before it two separate amendments. Has the Chair stated the motion correctly?

Mr. RITTER. Yes, Mr. Speaker. May I speak on that motion?

The SPEAKER. The question is on the motion. The Chair recognizes the gentleman, Mr. Ritter.

Mr. RITTER. Mr. Speaker, the reason for my interrogation of the Chair is that I am concerned and I do not believe that we have the authority by an amendment to any code to amend another code. And so rather than have any problem with it, I would simply ask that we divide that portion of this amendment from the main body of the amendment and vote only on the first portion of it.

The SPEAKER. The Chair recognizes the gentleman from York, Mr. Dorr, on the motion.

Mr. DORR. Mr. Speaker, I understand the concern of the gentleman. I wonder if we could not do that by a parliamentary consideration, though. Can the Chair rule on that question, whether it is possible to amend the Crimes Code in this amendment?

The SPEAKER. The Chair can so rule but the Chair would suggest that it is far better to have the House decide the question either by division or by questioning the germaneness of the amendment because it asserts an amendment to the Consolidated Statues Crime Code in attempting to amend also the Liquor Code. I think either one of the two methods would be satisfactory, and the one chosen by the gentleman, Mr. Ritter, simply happens to be that of division.

Mr. DORR. Yes. I do not object to that. Let me express my concern, if I may, Mr. Speaker, about what we do when we divide the question.

The potential then is that we would pass the amendment and not pass that section which Mr. Ritter is concerned about, dealing with the deletion from the Criminal Code. At the point if that becomes law, we would have two different penal sections dealing with the same subject matter and the habit of the police officers, I think, would prevail and we would get charges made on this subject matter under the Criminal Code as they always have been and the intent of the legislature would be thwarted.

Perhaps that can be handled by submitting another bill and going through that, but I think if it is possible for the legislature to adopt this provision the way it is, it seems to me a better way to do it unless we would run into some kind of constitutional problems.

The SPEAKER. Does the gentleman, Mr. Goebel wish to speak on the motion?

Mr. GOEBEL. Yes, Mr. Speaker.

PART II OF AMENDMENTS WITHDRAWN

The SPEAKER. The Chair recognizes the gentleman, Mr. Goebel.

Mr. GOEBEL. Mr. Speaker, I have no objection to the division, and if it is divided and the first part passes, I will withdraw the second half of the amendment.

The SPEAKER. Is the gentleman stating that the question does not have to be decided; That the gentleman voluntarily will withdraw the second half of the amendment or is the gentleman stating that he wishes the House to make the decision?

Mr. GOEBEL. If the House so desires, I will just withdraw the second half, and we can just vote on the first half. The SPEAKER. All right.

On the question, Will the House agree to the motion?

The following roll call was recorded:

YEAS-154

Abraham	Garzia	Lynch	Ruggiero
Bennett	Gatski	Mackowski	Ryan
Berlin	Geisler	Madigan	Salvatore
Berson	George, C.	Manderino	Scheaffer
Bittinger	George, M.	Manmiller	Schweder
Bittle	Giammarco	McCall	Scirica
Brandt	Goebel	McClatchy	Shuman
Brown	Goodman	McIntyre	Shupnik
Burd	Gray	McLane	Sirianni
Burns	Greenfield	Meluskey	Smith, E.
Butera	Greenleaf	Milanovich	~ .
	Grieco	Milliron	Spitz
Caltagirone	Halverson	Miscevich	Stairs
Caputo			Stapleton
Cassidy	Hamilton	Mowery	Stuban
Cessar	Hasay	Mrkonic	Sweet
Cianciulli	Haskell	Mullen, M. P.	Taddonio
Cimini	Hayes, D.S.	Mullen, M. M.	Taylor, F.
Cohen	Hayes, S. E.	Musto	Tenaglio
Cole	Helfrick	Novak	Thomas
Cowell	Hoeffel	Noye	Trello
Davies	Honaman	O'Brien, B.	Valicenti
DeMedio	Hopkins	O'Brien, D.	Vroon
DeVerter	Hutchinson, A.	O'Connell	Wass
DeWeese	Johnson	O'Donnell	Weidner
DiCarlo	Jones	O'Keefe	Wenger
Dietz	Katz	Oliver	White
Dininni	Kelly	Parker	Wilson
Dombrowski	Kernick	Peterson	Wilt
Duffy	Knepper	Petrarca	Wise
Englehart	Kolter	Piccola	Wright, D.
Fee	Kowalyshyn	Pievsky	Wright, J. L.
Fisher, D. M.	Kukovich	Pott	Yahner
Flaherty	Lehr	Prendergast	Yohn
Foster, A.	Letterman	Pyles	Zeller
Foster, W.	Levi	Ravenstahl	Zord
Freind	Levin	Reed	Zwikl
Gallagher	Lincoln	Rhodes	ZIWIKI
Gallen	Livengood	Rieger	Inncia
Gamble	Logue	Ritter	Irvis,
Gample	Logue	Ritter	Speaker
	NAY	S—29	
Anderson	Gillette	Damos ant	Spansor
		Pancoast Bitta	Spencer
Armstrong	Klingaman	Pitts	Stewart
Borski	Laughlin	Polite	Wagner
Brunner	Mebus Millor	Renwick	Wansacz

NOT VOTING---20

Scanlon

Schmitt

Smith, L.

Wargo

Wiggins

Zitterman

Miller

Morris

Moehlmann

Dorr

Doyle

Fryer

Fischer, R. R.

Arthurs	Dumas	Itkin	Seltzer
Barber	Geesey	McGinnis	Shelton
Bellomini	Gleeson	Pratt	Taylor, E.
Beloff	Harper	Rappaport	Williams
Donatucci	Hutchinson, W.		Zearfoss

The question was determined in the affirmative and the motion was agreed to.

The SPEAKER. The amendment now before the House starts at "Amend Title, page 1, line 21," and ends at "Amend Sec. 5, page 11, line 14, by striking out '5.' and inserting 6."

The question is on that amendment.

The Chair recognizes the gentleman from Centre, Mr. Letterman. For what purpose does the gentleman rise?

Mr. LETTERMAN. Mr. Speaker, I would like to have the amendment explained as to just what it does now.

The SPEAKER. If the gentleman wishes the gentleman, Mr. Goebel, again to explain it, the Chair will ask it, but he has already given an explanation.

Mr. LETTERMAN. Just the part that is left in there, and then I want to make a statement. Please?

The SPEAKER. The Chair was afraid of that.

Would the gentleman, Mr. Goebel, explain again what his amendment now seeks to accomplish?

The Chair recognizes the gentleman, Mr. Goebel.

Mr. GOEBEL. Mr. Speaker, the section dealing with the possible jail sentence of up to 90 days, there is no change in that. That would stay as is, at the judge's discretion, a jail sentence from zero to 90 days. There is no change there.

The change comes in the part of the Criminal Code where it says that for a summary offense you are subject to a fine from zero to \$300. Instead of the judge's discretion there of zero to \$300, his discretion would now be from \$250 to \$300. That is the change in the amendment.

The SPEAKER. The Chair now recognizes the gentleman from Centre, Mr. Letterman.

Mr. LETTERMAN. Mr. Speaker, I believe that Mr. Goebel is on the right track. The only thing that has not happened is that we have not passed the bill to legalize drinking at 18 or 19 years of age. I do not think that this is a very proper amendment to put in until we do pass a bill such as that.

I would ask everybody who believes that we should have the drinking age in this state lowered to 18 or 19, to consider this before he votes for this amendment.

Thank you.

The SPEAKER. The Chair recognizes the gentleman from Allegheny, Mr. Itkin.

Mr. ITKIN. Mr. Speaker, I would like to reiterate some of Representative Letterman's points.

The Senate has passed SB 253—it is now in the possession of the House—which amends the Crimes Code, the very section which we are dealing with now in terms of ignoring lowering the drinking age.

The problem that the House itself might face is to pass one bill which restores in another section of the Code the 21-yearold-drinking age in a different code and then going ahead and perhaps passing another bill which would lower the drinking age to 18. It is certainly going to be confusing if in one code you have 21 and in another code you have 18.

I really think that the most appropriate place for these amendments to be offered is in the Crimes Code. That was the reason why the Crimes Code was created, in order to be a codification of all the criminal laws in the Commonwealth, and certainly a summary offense is a criminal offense.

I will vote against this amendment because, first of all, I do not think it is the appropriate location for this type of penalty. It should be in the Crimes Code.

Secondly, because of the original comment I made, that we now have in our possession a bill which could change the legal age of drinking, there would then be a dichotomy in the law. In one bill we would have 18 years of age and in the other one we would have 21 years of age.

In order to clarify and to keep things clear, I would oppose this amendment and hope that the House would do likewise at this time.

The SPEAKER. The Chair recognizes the lady from Philadelphia, Mrs. Kernick.

Mrs. KERNICK. Thank you, Mr. Speaker.

I personally as a mother know that the fines for underage drinking are not paid by those 18 to 21 years of age; they are paid by the parents. I think the punishment does not fit the crime. I think it is excessive and I ask you all to vote "no."

The SPEAKER. The Chair recognizes the gentleman from Lehigh, Mr. Ritter.

Mr. RITTER. Mr. Speaker, it seems to me that the question that you have to resolve in your own mind is whether or not you want to increase the penalties for underage drinking. The issue of whether or not it is 18 or 21 is immaterial. The fact is that it is illegal under age 21 to drink alcoholic beverages. I say that as a person who has supported consistently lowering the drinking age. But that is not the question: The question is whether or not you want to have severe penalties for underage drinking.

The present law in Pennsylvania is 21. That is what this amendment addresses itself to.

I disagree with Mrs. Kernick. If somebody is 18, 19 or 20 and is out drinking alcoholic beverages and has to pay the fine and the parents are dumb enough to pay it, then it seems to me that the parents ought to take a good look at what they are doing.

I think it is a good amendment and I ask for support of the amendment.

The SPEAKER. The Chair recognizes the gentleman from Allegheny, Mr. Caputo.

Mr. CAPUTO. Mr. Speaker, I did not want to discuss this, but I have, as you know and as the newspapers have repeatedly said, practiced before the Liquor Control Board. I have had many, many cases where the witness for the Commonwealth was a person under 18, under 19 and under 20 and under 21. As most of those are college students, and as Mrs. Kernick has pointed out, the fine is paid by the parents.

Presently there is a fine provided. The minimum fine that I have found was 25, and the maximum fine that I have heard of imposed by a magistrate was 100. It is paid by the parents.

We are trying to get moneys for the schools and to help those students through schools. If we pass this amendment, we are imposing another \$250 on the parents of those kids who are in the schools. The SPEAKER. Would you like to make that argument again, Charlie, before an appellate court?

The Chair recognizes the gentleman from Luzerne, Mr. O'Connell.

Mr. O'CONNELL. Thank you, Mr. Speaker.

Would Mr. Caputo consent to a brief interrogation?

The SPEAKER. The gentleman, Mr. Caputo, says that he will stand for interrogation, and the Chair wants to hear this one.

Mr. O'CONNELL. Well, only because the gentleman is an expert on the liquor laws.

Presently an 18-year-old can hold a license as a licensee. Is that right?

Mr. CAPUTO. That is correct, and he can sell booze behind the bar.

Mr. O'CONNELL. The second question is, when he becomes a licensee, he is issued a permit card for the purpose of purchasing in the liquor stores. Is that true?

Mr. CAPUTO. That is true.

Mr. O'CONNELL. Can that 18-year-old then go to the liquor store to pick up liquor and bring it back to his establishment? Mr. CAPUTO. Absolutely.

Mr. O'CONNELL. That is my problem with this amendment. It flies in the face of existing law and would create a conflict. I think that while this is laudable, I think that it would cause a dual situation in law. Is that true or not?

Mr. CAPUTO. I would not go that far, although I would say that if it is interpreted that way by the court, the last amendment to the law would be the prevailing law. In that case we would have a problem. However, under the law I think the Liquor Code permits a licensee or an employe of a licensee who is designated on the person's permit card to buy, and he is exempt from the prosecution under section 1638, or whatever it is.

Mr. O'CONNELL. I am not sure that I understood that. Could you make it more clear? Assume that a licensee did go to the liquor store to purchase liquor; he was an 18-year-old and on the return to his establishment he was apprehended. What would his situation be?

Mr. CAPUTO. Well, some policeman might think that he broke the law, but he would have a defense before the magistrate because he is licensed by the board to purchase. But I agree with you, it is confusing. I would suggest that we vote down the amendment at this time.

Mr. O'CONNELL. Okay.

Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Allegheny, Mr. Goebel.

Mr. GOEBEL. Mr. Speaker, just a very few comments.

It is a very good point that Representative O'Connell brought up, but I do not think it is really germane to this amendment. The problem is still there now, whether the fine is a mandatory \$250 or if it is zero. I think that problem may have to be straightened up by some other bill or some other amendment.

The money which would be collected for a violation of the Liquor Code would go to the state store fund. That is where this money would go.

I think that the points that the other Representatives

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brought up about the parents, and so forth, paying the fines has a lot of merit also. But then on the other hand, I think if the parents are paying the fine, perhaps they are going to go to a little bit more trouble to keep their sons and daughters out of the taverns and from breaking the law and keep them from causing trouble in the townships and in the towns. I think that it is probably good that the parents are paying it. They will be

more restrictive on their sons and daughters.

Thank you, Mr. Speaker.

On the question recurring, Will the House agree to the amendments?

The following roll call was recorded:

YEAS-65

Anderson Armstrong Bittle Brandt Burd Burns Butera Cessar Cimini Cohen DeVerter DiCarlo Dietz Dininni Dever	Foster, A. Freind Goebel Hamilton Hayes, S. E. Helfrick Honaman Hopkins Katz Knepper Lehr Levi Lynch Madigan	Mowery Mrkonic Noye O'Brien, D. Pancoast Parker Peterson Piccola Pitts Polite Polt Pyles Reed Ritter	Shuman Sirianni Smith, E. Taddonio Taylor, F. Thomas Vroon Wagner Wass Wenger Wilson Zeller Zord
			Zord
Dorr Fischer, R. R. Fisher, D. M.	Manmiller McClatchy Meluskey	Ryan Salvatore Scheaffer	Irvis, Speaker

NAYS-121

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Abraham Barber	Gatski Geisler	Livengood	Ruggiero
Dia Sol		Logue	Scanlon
Bennett	George, C.	Mackowski	Schmitt
Berlin	George, M.	Manderino	Schweder
Berson	Giammarco	McCall	Scirica
Bittinger	Gillette	McIntyre	Shupnik
Borski	Goodman	McLane	Smith, L.
Brown	Gray	Mebus	Spencer
Brunner	Greenfield	Milanovich	Spitz
Caltagirone	Greenleaf	Miller	Stairs
Caputo	Grieco	Milliron	Stapleton
Cassidy	Halverson	Miscevich	Stewart
Cianciulli	Hasay	Moehlmann	Stuban
Cole	Haskell	Morris	Sweet
Cowell	Hayes, D. S.	Mullen, M. P.	Tenaglio
Davies	Hoeffel	Mullen, M. M.	Trello
DeMedio	Hutchinson, A.	Musto	Valicenti
DeWeese	Itkin	Novak	Wansacz
Dombrowski	Johnson	O'Brien, B.	Wargo
Donatucci	Jones	O'Connell	Weidner
Doyle	Kelly	O'Donnell	White
Duffy	Kernick	O'Keefe	Wiggins
Dumas	Klingaman	Oliver	Wilt
Englehart	Kolter	Petrarca	Wise
Fee	Kowalyshyn	Pievsky	Wright, D.
Flaherty	Kukovich	Prendergast	Wright, J. L.
Foster, W.	Laughlin	Ravenstahl	Yahner
Fryer	Letterman	Renwick	Yohn
Gallagher	Levin	Rhodes	Zitterman
Gamble	Lincoln	Rieger	Zwikl
Garzia		•	

NOT VOTING-17

Shelton

Gleeson	Pratt	

Arthurs

Harper	Rappaport	Taylor, E.
Hutchinson, W.	Richardson	Williams
McGínnis	Seltzer	Zearfoss

The question was determined in the negative and the amendments were not agreed to.

On the question recurring, Shall the bill pass finally?

The SPEAKER. The Chair recognizes the gentleman from Bedford, Mr. Dietz.

Mr. DIETZ. Thank you, Mr. Speaker.

Mr. Speaker, we have a bill here that came before us and it was a very good bill. It was to use the operator's license as an identification when going into a bar, tavern, or what have you, and it was a very good bill. But while we have been here we have been adding amendments to this bill. Now we have a bill that not only permits the use of the operator's license for identification but it has cut the fee for a license and it has increased the quota in those areas where the quotas are up to par. It now lets them exceed these quotas under certain circumstances, that is, national veteran's organizations.

Also, we have added an amendment in there to split the permits. The permits were given for three consecutive days and now these permits can be given on three separate days. We have just about tossed everything in here, in my opinion, but the kitchen sink. Mr. Speaker, it is absolutely appalling for me to sit in this House and watch a worthwhile bill become a devouring monster, such as HB 1579, to devour thousands upon thousands into the fraternal order of alcoholics, young and old alike, simply by sitting here and liberalizing the Commonwealth's Liquor Code under the disguise of church or a benevolent shield.

Already, Mr. Speaker, this Commonwealth is spending over \$20 million a year on alcohol abuse and alcoholism. This problem in our society today is rapidly approaching epidemic proportions with at least 12 million Americans being directly affected and countless millions more indirectly caught up in this web of fear, heartbreak, frustration and anxiety.

This Commonwealth, Mr. Speaker, is no exception to the country's major problem. With this Commonwealth spending these millions of dollars now to rectify a great harm to our society, one must ask: What in the world will we have to spend in future years by liberalizing the use of alcohol? Yes, Mr. Speaker, more and more people of this Commonwealth will continue to be devoured. More and more people of this Commonwealth will require more and more money under an alcohol abuse program. It simply does not make any sense whatsoever to me to liberalize its use.

Mr. Speaker, alcoholism is now the number one drug problem in the United States. Alcohol is the most abused drug in our society. There are possibly two very good reasons for this being true. One, alcohol is legal where other certain hard drugs are not. But even more important, it is felt that in society alcohol is acceptable. People do drink. We are a drinking society. Over 80 million Americans drink alcoholic beverages to one extent or another. Persons with alcohol problems comprise fully 10 perDorr

Duffy

Dumas Englehart

Fischer, R. R.

Fisher, D. M.

Flaherty

Foster, A

Freind

Fryer

Foster, W.

Anderson

Bittle

DiCarlo

Dietz

Dovle

Garzia

Hamilton

Armstrong

Caltagirone

Fee

cent of the nation's work force and represent a total cost to the Barber Bennet national economy of at least \$15 billion a year in lost work time Berlin and other effects. Alcoholism is the greatest single cause of lost Berson work time and inefficient performance in industry. It occurs at Bitting Borski all organization levels and affects both men and women. It is a Brandt safety hazard, not only as a direct cause of accidents but also as Brown a cause of faulty workmanship in many critical areas. Brunne

To continue, Mr. Speaker, very little is known about the causes of alcoholism, the physical, psychological and social ramifications. It is known that of approximately every 10 people who drink, nine have no problem while one does. It is this one, Mr. Speaker, who we must be concerned about because he or she is suffering from a tragic, destructive and heartbreaking illness, all starting from that first drink and the availability of others.

Mr. Speaker, the devastating reaction of HB 1579 is just a beginning of this devouring monster of our society. The Senate has already passed a bill in this session to lower the drinking age. We are only at the beginning of attempts to liberalize the Liquor Code. There is certainly enough exposure right now without the passage of HB 1579.

I have only one more point to mention at this point, Mr. Speaker. As a past commander, 17th district, Department of Pennsylvania, Veterans of Foreign Wars, and one who has had beyond-the-average experience in veterans' affairs, I can unequivocally state, Mr. Speaker, that the most aggressive and progressive posts, in my opinion, were those which did not have a liquor license. Those posts having a liquor license were either deeply in debt or about to go broke.

Hopefully, Mr. Speaker, every member of this House will join me right now to put a stop to this monster, the liberalization of the Commonwealth's Liquor Code. We all have a responsibility to vote against HB 1579 in the interest of both economy and humanity. Will you please join me? I hope you will.

Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Washington, Mr. DeMedio, on final passage of the bill.

Mr. DeMEDIO. Mr. Speaker, just briefly in refuting what the gentleman just told this body: The Pennsylvania War Veterans' Council, which is comprised of the commanders of all the veterans' organizations in the State of Pennsylvania, today unanimously passed a resolution commending this body for passing the Zeller amendments yesterday. One of the reasons they mentioned as being commendatory to this House is the fact that these amendments, which will allow some of the homes to get licenses, will permit them to raise funds to carry on projects not only important to the veterans but important to their community.

I ask you all to support the bill.

On the question recurring, Shall the bill pass finally?

Agreeable to the provision of the Constitution, the following roll call was recorded:

YEAS-155

Abraham Gallagher Lincoln

Barber	Gallen
Bennett	Gamble
Berlin	Gatski
Berson	Geisler
Bittinger	George, C.
Borski	George, M.
Brandt	Giammarco
Brown	Gillette
Brunner	Gleeson
Burd	Goebel
Burns	Goodman
Butera	Gray
Caputo	Greenfield
Cassidy	Greenleaf
Cessar	Grieco
Cianciulli	Halverson
Cimini	Hasay
Cohen	Haskell
Cole	Hayes, D. S
Cowell	Hayes, S. E
Davies	Helfrick
DeMedio	Hoeffel
DeVerter	Hopkins
DeWeese	Hutchinson
Dininni	Itkin
Dombrowski	Johnson
Donatucci	Jones
D	77 11

Mackowski Madigan Manderino Manmiller **McCall McClatchy** McIntyre McLane Mebus Meluskey Milanovich Miller Milliron Miscevich Morris 5. Mrkonic Mullen, M. P Mullen, M. M. Musto Novak O'Brien, B. n A. O'Connell O'Donnell Oliver Kelly Parker Kernick Peterson Klingaman Petrarca Knepper Piccola Kolter Pievsky Kowalyshyn Pott Prendergast Kukovich Laughlin Ravenstahl Letterman Reed Renwick Levi Levin Rhodes

Livengood

Logue

Lynch

Rieger Ritter Ruggiero Scanlon Schmitt Schweder Scirica Seltzer Shuman Shupnik Sirianni Spencer Stewart Stuban Sweet Taddonio Taylor, F. Tenaglio Trello Valicenti Wagner Wansacz Wargo Wass Wiggins Wilson Wise Wright, D. Wright, J.L. Yahner Yohn Zeller Zitterman Zord Zwikl Irvis. Speaker

Stairs

Stapleton

Thomas

Weidner

Wenger

White

Wilt

Vroon

NAYS-33

Honaman	Pancoast
Katz	Pitts
Lehr	Polite
Moehlmann	Pyles
Mowery	Scheaffer
Noye	Smith, E.
O'Brien, D.	Smith, L.
O'Keefe	Spitz

NOT VOTING-15

Arthurs Harper Bellomini Hutchinson, W. Beloff McGinnis Geesey Pratt	Rappaport Ryan Salvatore Shelton	Taylor, E. Williams Zearfoss
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The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative.

Ordered, That the clerk present the same to the Senate for concurrence.

REMARKS ON VOTE

The SPEAKER. The Chair recognizes the gentleman from Beaver, Mr. Laughlin. For what purpose does the gentleman rise?

Mr. LAUGHLIN. Mr. Speaker, on the last vote on HB 1579, my switch was locked in the affirmative. I would like to be recorded in the negative.

Richardson

The SPEAKER. The gentleman's remarks will be spread upon the record.

BILL SIGNED BY SPEAKER

Bill numbered and entitled as follows was prepared for presentation to the Governor:

HOUSE BILL No. 274

An Act requiring advice of the need of a cytology (Papanicolaou) test for uterine cancer detection of certain women receiving hospital care for the purpose of detecting uterine cancer early and reducing the morbidity and mortality therefrom.

Whereupon,

The SPEAKER, in the presence of the House, signed the same.

SENATE MESSAGE

AMENDED HOUSE BILL RETURNED FOR CONCURRENCE

The clerk of the Senate returned HOUSE BILL NO. 247, with the information that the Senate has passed the same with the following amendments in which concurrence of the House of Representatives is requested:

Amend Title, page 1, line 10, by striking out after "penalties," all the remainder of said line; lines 10 and 11, by striking out all of said lines and inserting immediately thereafter the following: increasing the rate of the personal income tax; imposing certain conditions in the saving clause of the personal income tax as to the validity of state laws authorizing cities of the first class by ordinance to impose a tax on the income of nonresidents of such city; increasing the rate of tax imposed on certain corporations; changing the period for settlement of corporate income taxes and changing the prepayment of tax provisions for such taxes; prescribing the effective date for various provisions and repealing a certain act.

Amend Bill, page 1, lines 25 through 27, by striking out all of said lines; page 2, lines 1 through 30, by striking out all of said lines; page 3, lines 1 through 30, by striking out all of said lines; page 4, line 1, by striking out all of said line and inserting immediately thereafter the following:

Section 1. Section 302 of the act of March 4, 1971 (P. L. 6, No. 2), known as the "Tax Reform Code of 1971," added August 31, 1971 (P. L. 362, No. 93) and amended March 13, 1974 (P. L. 179, No. 32), is amended to read:

Section 302. Imposition of Tax.—(a) There is hereby imposed an annual tax to be paid by resident individuals, estates or trusts at the rate of [two per cent] two and one-tenth per cent on the privilege of receiving each of the classes of income hereinafter enumerated in section 303.

(b) There is hereby imposed an annual tax to be paid by nonresident individuals, estates or trusts at the rate of <u>two</u> and <u>one-tenth per cent</u> on the privilege of receiving each of the classes of income enumerated in section 303 from sources within this Commonwealth.

Section 2. Sections 351 and 359 of the act, added August 31, 1971 (P. L. 362, No. 93), are amended to read:

Section 351. Interest.—If any amount of tax imposed by this article is not paid on or before the last date prescribed for payment, interest on such amount at the rate of [one-half] three-

<u>fourths</u> of one per cent per month, for each month or fraction thereof from such date, shall be paid for the period from such last date to the date paid. The last date prescribed for payment shall be determined without regard to any extension of time for filing the return. This section shall not apply to any failure to pay estimated tax.

Section 359. Saving Clause and Limitations.—(a) notwithstanding anything contained in any law to the contrary, including but not limited to the provisions of the act of August 5,

1932 (Sp.Sess., P. L. 45, No. 45), referred to as the Sterling Act, the validity of any ordinance or part of any ordinance or any resolution or part of any resolution, and any amendments or supplements thereto now or hereafter enacted or adopted by any political subdivision of this Commonwealth for or relating to the imposition, levy or collection of any tax, shall not be affected or impaired by anything contained in this article, except as hereinafter provided in subsection (b) of this section.

(b) Notwithstanding the provisions of subsection (a) of this section to the contrary, any rate of tax imposed by ordinance of a city of the first class pursuant to the above cited Sterling Act on salaries, wages, commissions, compensation or other income received or to be received for work done or services performed within such city by persons who are not legal residents of such city, shall not, except as hereinafter provided, exceed the tax imposition rate of four and five-sixteenths per cent for the tax year 1977 or for any tax year thereafter.

In the event such city by ordinance imposes a tax rate on residents or nonresidents in excess of the aforesaid tax rate on the income categories enumerated herein, the provisions of the ordinance imposing such tax rate increase on income of persons who are legal residents of such city, shall be deemed valid and legally effective within the meaning and application of subsection (a) herein. But the provisions of such ordinance imposing a tax rate in excess of four and five-sixteenths per cent with respect to persons who are not legal residents of such city shall be deemed suspended and without any validity to the extent that such tax rate exceeds the tax rate of four and five-sixteenths per cent on income of such nonresidents. And, such excess tax rate provisions shall remain suspended and without any validity until such date as the city of the first class, by ordinance, imposes a rate of tax on income of both legal residents or nonresidents of such city in excess of the tax rate imposition of five and three-fourths per cent per year. In such case the legislature hereby declares such suspension to be removed and the tax rate valid as to nonresidents, provided, however, that such suspension is removed and the rate deemed valid only to the extent the tax rate imposed on income of such nonresidents does not exceed seventy-five per cent of the tax rate imposed by ordinance per year on the income of legal residents of such city. It is the intention of the legislature by this subsection to impose certain terms and conditions with respect to the validity and legal effectiveness of the Sterling Act or of any ordinance of the city of the first class enacted pursuant thereto which imposes a tax on the income of nonresidents of such city.

Notwithstanding the suspension provisions set forth heretofore, each city of the first class which imposes a tax pursuant to the above cited Sterling Act shall, by ordinance direct every employer maintaining an office or transacting business within such city and making payment of compensation (I) to a resident individual, or (II) to a nonresident individual taxpayer performing services on behalf of such employer within such city, shall deduct and withhold from such compensation for each payroll period a tax computed in such manner as to result, so far as practicable, in withholding from the employe's compensation during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due for such year with respect to such compensation. The method of determining the amount to be withheld shall be to withhold the highest amount of tax imposed with provision in such ordinance to provide refunds of the excess tax withheld to qualified nonresident taxpayers within four months of the end of each calendar year.

In the event that all or any part of the provisions of subsection (b) of this section are declared by a court to be unconstitutional, it shall be the duty of the court to construe the remaining amendatory provisions to article III in accordance with section 358.

Section 3. Section 402 of the act, amended March 13, 1974 (P. L. 179, No. 32), is amended to read:

Section 402. Imposition of Tax.—Every corporation shall be subject to, and shall pay for the privilege of doing business in this Commonwealth, or having capital or property employed or used in this Commonwealth, by or in the name of itself, or any person, partnership, association, limited partnership, jointstock association, or corporation, a state excise tax at the rate of twelve per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar year 1971 and the first six months of 1972 and at the rate of eleven per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the second six months of calendar year 1972 through the calendar year 1973 and at the rate of nine and one-half per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar year gent dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar year such dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar [year]

years 1974, 1975 and 1976 and at the rate of eleven per cent

per annum upon each dollar of taxable income of such corpora-

tion received by, and accruing to, such corporation during the

calendar year 1977 and each calendar year thereafter, except

where a corporation reports to the Federal government on the basis of a fiscal year, and has certified such fact to the department as required by section 403 of this article, in which case, such tax, at the rate of twelve per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the first six months of the fiscal year commencing in the calendar year 1972 and at the rate of eleven per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the second six months of the fiscal year commencing in the calendar year 1972 and during the fiscal year commencing in the calendar year 1973 and at the rate of nine and one-half per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the fiscal year commencing in the calendar years 1974, 1975 and 1976 and at the rate of eleven per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the fiscal year commencing in the calendar year 1977 and during each fiscal year thereafter. No penalty prescribed by subsection (e) of section 1202.1 shall be assessed against a corporation for the additional tax which may be due as a result of the increase in tax rate from nine and one-half per cent to eleven per cent imposed retroactively by this section for the calendar year 1977 or for the fiscal year commencing in 1977.

Section 4. Subsection (a) of section 407 of the act is amended to read:

Section 407. Settlement and Resettlement.—(a) all taxes due under this article shall be settled by the department, and such settlement shall be subject to audit and approval by the department of the Auditor General, and shall, so far as possible, be made so that notice thereof may reach the taxpayer within eighteen months after the tax report was required to be made.

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Section 5. Section 502 of the act, amended March 13, 1974 (P. L. 179, No. 32), is amended to read: Section 502. Imposition of Tax.—Every corporation carrying

on activities in this Commonwealth or owning property in this Commonwealth by or in the name of itself or any person, partnership, joint-stock association or corporation shall be subject to and shall pay a state property tax on taxable income derived from sources within this Commonwealth at the rate of twelve per cent per annum upon each dollar of such taxable income received by and accruing to such corporation during the calendar year 1971 and the first six months of 1972 and at the rate of eleven per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the second six months of calendar year 1972 through the calendar year 1973 and at the rate of nine and one-half per cent per annum upon each dollar of taxable in-come of such corporation received by, and accruing to, such corporation during the calendar years 1974, 1975 and 1976 and at the rate of eleven per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar year 1977 and each calendar year thereafter, except where a corporation reports to the Federal government on the basis of a fiscal year and has certified such fact to the department as required by section 403 of article IV, in which case such tax at the rate of twelve percent shall be levied, collected and paid upon each dollar of such taxable income received by and accruing to such corporation during the first six months of the fiscal year commencing in the calendar year 1972 and at the rate of eleven per cent shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the second six months of the fiscal year commencing in the calendar year 1972 and during the fiscal year commencing in the calendar year 1973 and at the rate of nine and one-half per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the fiscal year commencing in the calendar [year] years 1974, 1975 and 1976 and at the rate of eleven per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the fiscal year commencing in the calendar year 1977 and each fiscal year thereafter: provided, however, that such taxable income shall not include income for any period for which the corporation is subject to taxation under article IV. and, provided further, that no penalty prescribed by subsection (e) of section 1202.1 shall be assessed against a corporation for the additional tax which may be due as a result of the increase in tax rate from nine and one-half per cent to eleven per cent imposed retroactively by this section for the calendar year 1977 or for the fiscal year commencing in 1977. Section 6. The act is amended by adding a section to read:

Section 1202.1 Prepayment of Tax.—(a) notwithstanding the provisions of this act, or any other state tax law to the contrary, which required taxpayers to make payment of tentative tax, including but not limited to the capital stock and franchise tax, corporate net income and corporation income tax, gross receipts tax on public service companies, transportation by motor vehicles and trackless trolleys, other than motor vehicles for hire, insurance premiums tax, mutual thrift institutions tax, net earnings tax, or other similar tax law requiring payment of tentative tax, but excluding the prepayment by banks and savings institutions under article VII and title insurance and trust companies under article VIII of this act, such taxpayers, commencing with the calendar year 1970 and fiscal years beginning during the calendar year 1970 and each taxable year thereafter, on or before the fifteenth day of April for calendar year taxpayers, and on or before the fifteenth day of the fourth month after the close of its previous fiscal year for fiscal year taxpayers, shall report annually and pay on account of the tax due for the current year, an amount to be computed by applying the current tax rate to ninety per cent of such tax base from the immediate prior year as may be applicable with respect to the tax being reported.

(b) For the taxable years commencing with calendar year 1979 and for each taxable year thereafter, the tentative tax due for the current year shall be computed by applying the current tax rate to ninety per cent of such tax base from the year preceding the immediate prior year as may be applicable with respect to the tax being reported; except that with respect to the aforesaid gross receipts tax on public service companies, transportation by motor vehicles and trackless trolleys, other than motor vehicles for hire, and the aforesaid insurance premiums tax, such amount shall continue to be computed by applying the current tax rate to ninety per cent of the tax base from the immediate prior year as may be applicable with respect to the tax being reported.

The tax imposed on shares of bank and savings institutions and title insurance and trust companies shall be paid in the manner and within the time prescribed by article VII or article VIII, as the case may be, but subject to the additions and interest provided in subsection (e) of this section.

(c) Payment of taxes imposed by Articles IV, V, IX and XI of this act and by the Act of June 22, 1964 (P. L. 16, No. 2), known as "The Mutual Thrift Institutions Tax Act," may at the taxpayer's election be an amount estimated by the taxpayer which estimated amount shall not be less than ninety per cent of the tax as is finally reported in the annual tax report for the current calendar or fiscal year.

(d) A corporation with respect to the corporate net income tax imposed by Article IV and the corporation income tax imposed by Article V of this act may, at its election, report and pay in installments on account of the tax due for the current taxable year an amount computed either by applying the current tax rate to ninety per cent of the tax base as determined in subsection (a) or (b) of this section, or as computed on the basis estimated by the taxpayer to be due for the current year which estimated amount shall not be less than ninety per cent of the tax as is finally reported in the annual tax report for the current year as provided in subsection (c) of this section. The installments shall be paid in accordance with the following schedules:

	First	Second	Third	Fourth
	D	ue on the 1	5th day of the	e following
			months af	ter close of
Year in			the previou	s tax year:
which tax	4th	6th	9th	<u>12th</u>
year begins	\underline{month}	\underline{month}	$\underline{\mathrm{month}}$	$\underline{\mathrm{month}}$
1978	95%	_0%	5%	0%

1979	95%	0%	5%	0%
1980	80%	0%	10%	10%
1981	40%	30%	20%	10%
1982	30%	30%	25%	15%
1983 and	<u> </u>			
thereafter	25%	25%	25%	25%

Any taxpayer which has elected to compute its tentative tax liability on the aforesaid estimated basis and which has elected to report and pay said estimated tax in installments, may when reporting and paying its third or fourth installment, base such installment on an amended tentative tax report reflecting the taxpayer's new estimate of its tax liability for the tax year: provided, that the new estimate reflects a lower tax liability than was previously reported in its original or, if applicable, amended tentative tax report. If an amended tentative tax report is filed, each remaining installment payment due, if any, shall be such as to bring the total installment payments made on account of the tax due for the current taxable year up to an amount determined by multiplying the tentative tax due for the year as reported in the amended report by the sum of the percentages set forth in the above schedule for the applicable elapsed installments.

The remaining portion of the tax due, if any, shall be paid upon the date the taxpayer's annual report is required to be filed under the applicable tax statute, determined without reference to any extension of time for filing such report.

(e) For taxable years beginning prior to January 1, 1979, should it subsequently be determined that the amount of the annual or any installment payment of tentative tax due was understated by more than five per cent, there shall be added to the tax determined to be due an additional ten per cent of the understatement and said percentage addition to the understatement shall be deemed an additional tax and shall bear interest from the date the tentative tax was due.

For taxable years beginning January 1, 1979 and thereafter, should it subsequently be determined that the amount of the annual or any installment payment of tentative tax due was underpaid, there shall be imposed an additional tax of ten per cent of the underpayment and said tax shall bear interest from the date the annual or any installment payment of tentative tax was due. Failure to remit the annual or any installment of tentative tax payments on or before the due dates prescribed in this act shall result in the assessment of interest and additions, if any, in the same manner as prescribed by law.

Section 7. The act of March 16, 1970 (P. L. 180, No. 69), entitled "an act relating to state taxation; changing the manner in which tentative and annual taxes are to be paid; providing a penalty in certain cases; and making a repealer," is repealed on the date the amendatory provisions of section 1202.1 of this article become applicable.

Section 8. This act shall take effect immediately, but certain articles, sections or parts or provisions shall be applicable as follows:

(1) The rate of tax imposed by Section 302 shall apply on January 1, 1978 and thereafter.

(2) The rate of tax imposed by sections 402 and 502 shall be applicable to the calendar year 1977 or fiscal year beginning 1977.

(3) Section 407 of the act relating to settlement shall first

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 apply to reports filed for the taxable year 1978. (4) Section 1202.1 shall take effect immediately, and shall apply to tentative tax reports and payments for the calendar and fiscal years beginning in 1978 and thereafter. 	Foster, A. Foster, W. Freind	Mackowski Madigan Manmiller	Ruggiero Salvatore Scheaffer	Yohn Zeller Zord
On the question,		NOT VC	TING-13	
Will the House concur in the Senate amendments?	Arthurs	McGinnis	Rappaport	Taylor, E.
The SPEAKER. The Chair recognizes the majority leader. Mr. MANDERINO. Mr. Speaker, I think we ought to take the	Geesey Harper Hutchinson, W.	O'Donnell Pratt	Ryan Shelton	Williams Zearfoss
vote on concurrence.	Loss than th	a majority room	ured by the Co	nstitution having

On the question recurring, Will the House agree to the Senate amendments?

Agreeable to the provisions of the Constitution, the following roll call was recorded:

YEAS-78

Barber
Bellomini
Beloff
Bennett
Berlin
Berson
Bittinger
Borski
Brunner
Caputo
Cianciulli
Cole
DeMedio
Dombrowski
Donatucci
Doyle
Duffy
Dumas
Englehart
Fee

Gallagher Levin Garzia Lincoln Geisler Livengood George, C Logue Manderino Giammarco Gillette McCall McIntyre Gleeson Goodman McLane Milliron Grav Mullen, M. M. Greenfield Hoeffel Musto Hutchinson, A. O'Brien, B. Itkin O'Keefe Johnson Oliver Petrarca Jones Kelly Pievsky Kolter Prendergast Kowalyshyn Ravenstahl Laughlin Reed Renwick Letterman

NAYS-112

Fryer

Gallen

Gatski

Goebel

Grieco

Hasay

Katz

Lehr

Levi

Lynch

Abraham
Anderson
Armstrong
Bittle
Brandt
Brown
Burd
Burns
Butera
Caltagirone
Cassidy
Cassidy Cessar
Cimini
Cohen
Cowell
Davies
DeVerter
DeWeese
DiCarlo
Dietz
Dininni
Dorr
Fischer, R. R.
Fisher, D. M.
Flaherty
6

McClatchy Mebus Gamble Meluskev Milanovich George, M. Miller Miscevich Greenleaf Moehlmann Morris Halverson Mowerv Hamilton Mrkonic Mullen, M. P. Haskell Novak Hayes, D. S. Noye Hayes, S. E. O'Brien, D. Helfrick O'Connell Honaman Pancoast Hopkins Parker Peterson Kernick Piccola Klingaman Pitts Knepper Polite Kukovich Pott Pyles Rhodes Richardson

Speaker Scirica Seltzer Shuman Sirianni Smith, E. Smith. L. Spencer Spitz Stairs Stuban Sweet. Taddonio Taylor, F. Tenaglio Thomas Trello Valicenti Vroon Wagner Wass Weidner Wenger Wilson Wilt Wright, J.L.

Rieger

Ritter

Scanlon

Schmitt

Schweder

Shupnik

Stapleton

Stewart

Wansacz

Wiggins

Yahner

Zwikł

Irvis,

Wright, D.

Zitterman

Wargo

White

Wise

Less than the majority required by the Constitution having voted in the affirmative, the question was determined in the negative and the amendments were not concurred in.

Ordered. That the clerk inform the Senate accordingly.

COMMITTEE OF CONFERENCE APPOINTED

The SPEAKER. The Chair appoints as a Committee of Conference on House bill No. 247 for the House of Representatives, the gentleman, Mr. Brunner; the gentleman, Mr. Pievsky, and the gentleman, Mr. O'Connell, with the request that a prompt meeting be called on this particular matter and a report be in readiness by Monday.

BILLS AND RESOLUTIONS PASSED OVER

The SPEAKER. Without objection, all remaining bills and resolutions are passed over. The Chair hears no objection.

ANNOUNCEMENT

The SPEAKER. The Chair would advise all members present and all members within the hearing of the Speaker's voice that it is the firm intention of the majority leader, if a report be available by Monday-and it is anticipated that one will be available-that the Committee of Conference Report shall be called up for a vote on Monday. The Chair would urge all members to be present and on time at 1 o'clock, Monday afternoon. All members who have friends who were not present today, please urge those friends to be in full attendance beginning Monday, and all of us should be prepared to remain here, beginning Monday until this question is resolved.

Does the majority leader have any further business? MR. MANDERINO, No. Mr. Speaker.

The SPEAKER. Does the minority leader have any further business?

Mr. RYAN. No, Mr. Speaker.

ADJOURNMENT

Mr. BENNETT moved that this House do now adjourn until Monday, December 5, 1977, at 1 p.m., e.s.t.

On the question,

Will the House agree to the motion?

Motion was agreed to, and (at 5:34 p.m., e.s.t.) the House adjourned.