COMMONWEALTH OF PENNSYLVANIA

LEGISLATIVE JOURNAL

TUESDAY, FEBRUARY 4, 1997

SESSION OF 1997 181ST OF THE GENERAL ASSEMBLY

No. 7

HOUSE OF REPRESENTATIVES

The House convened at 11 a.m., e.s.t.

THE SPEAKER (MATTHEW J. RYAN) PRESIDING

PRAYER

REV. MARTIN O. MORAN, III, Chaplain of the House of Representatives and parochial vicar of Assumption of the Blessed Virgin Mary Catholic Church, Lebanon, Pennsylvania, offered the following prayer:

Let us pray:

Loving and gracious God, we give You thanks for Your presence and guidance in our lives. Through the ages, You have charged leaders with the awesome responsibility of governing with truth and integrity. We gather together as elected Representatives to ensure justice and love for the people of this Commonwealth.

Assist with Your spirit of counsel and fortitude Governor Thomas Ridge, the Governor of the Commonwealth of Pennsylvania, that his administration may be conducted in righteousness and be eminently useful to Your people over whom he presides.

We pray for the members of the legislature and all elected officials who are entrusted to guard our political welfare. May they be enabled by Your powerful protection to discharge their duties with honesty and ability.

Bless our deliberations on this new budget that it will further Your blessings on building a civilization founded on liberty, justice, and truth.

We pray to You, who are Lord and God, forever and ever. Amen.

PLEDGE OF ALLEGIANCE

(The Pledge of Allegiance was recited by members and visitors.)

JOURNAL APPROVAL POSTPONED

The SPEAKER. Without objection, the approval of the Journal for Monday, February 3, 1997, will be postponed until printed. The Chair hears no objection.

HOUSE BILLS INTRODUCED AND REFERRED

No. 77 By Representatives PHILLIPS

An Act designating a certain bridge on SR 0011 over the West Branch of the Susquehanna River connecting Point Township, Northumberland County, and Monroe Township, Snyder County, as the Barry A. King Memorial Bridge.

Referred to Committee on TRANSPORTATION, February 4, 1997.

No. 173 By Representatives LESCOVITZ and ROBERTS

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, authorizing the judiciary to use alternative means of dispute resolution to resolve issues in controversy; establishing certain duties upon parties which reject certain arbitration awards; and establishing criteria for the selection of arbitrators.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 174 By Representatives LESCOVITZ, ROBERTS, BELARDI, McCALL, VAN HORNE, BATTISTO, TRELLO and PRESTON

An Act amending the act of October 15, 1980 (P.L.950, No.164), known as the Commonwealth Attorneys Act, further providing for the duties of the Office of General Counsel.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 175 By Representatives LESCOVITZ, ROBERTS, BELARDI, BOSCOLA, VAN HORNE, JAMES, BATTISTO, STETLER, THOMAS, TRELLO and PRESTON

An Act amending the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, providing for the establishment of the Commission on Dispute Resolution and Conflict Management and prescribing its powers and duties; and establishing the Dispute Resolution and Conflict Management Commission Fund.

Referred to Committee on JUDICIARY, February 4, 1997.

LEGISLATIV	JOURNAL -	- HOUSE
------------	-----------	---------

FEBRUARY 4

No. 176 By Representatives LESCOVITZ, ROBERTS, BELARDI, BOSCOLA, McCALL, VAN HORNE, JAMES, THOMAS, TRELLO, BATTISTO and PRESTON An Act amending Title 2 (Administrative Law and Procedure) of the Pennsylvania Consolidated Statutes, authorizing government agencies to use alternative means of dispute resolution to resolve certain issues in controversy.	No. 181 By Representatives LESCOVITZ, FLICK, TIGUE, GORDNER, CURRY, GEIST, ROONEY, TRELLO, RAMOS, OLIVER, COY, BELARDI, TULLI, CAPPABIANCA, OLASZ, MARKOSEK, LAUGHLIN, SAINATO, E. Z. TAYLOR, CORRIGAN, VAN HORNE, SHANER, MASLAND, TANGRETTI, MELIO, PRESTON, McCALL, DALEY, C. WILLIAMS, PISTELLA, SURRA, LaGROTTA, TRAVAGLIO and COLAFELLA
Referred to Committee on JUDICIARY, February 4, 1997.	An Act providing for inclusion in all Commonwealth rules and regulations of flexible provisions designed to benefit small businesses.
No. 177 By Representatives LESCOVITZ, TIGUE, YOUNGBLOOD, TRELLO, BELARDI and PRESTON	Referred to Committee on COMMERCE AND ECONOMIC DEVELOPMENT, February 4, 1997.
An Act amending the act of December 31, 1965 (P.L.1257, No.511), known as The Local Tax Enabling Act, further providing for collection of taxes. Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.	No. 182 By Representatives LESCOVITZ, TIGUE, GORDNER, KENNEY, COWELL, TRELLO, RAMOS, TRAVAGLIO, STABACK, COY, BELARDI, PESCI, CAPPABIANCA, ALLEN, BATTISTO, E. Z. TAYLOR, VAN HORNE, SHANER, STURLA, PRESTON, McCALL, DALEY, C. WILLIAMS, PISTELLA, BELFANTI, SURRA and
No. 178 By Representatives LESCOVITZ, ROBERTS, BELARDI, DELUCA, B. SMITH, SCHULER, TRAVAGLIO, McCALL, TIGUE, HALUSKA, THOMAS, TRELLO, BATTISTO, SCHRODER, STABACK, CAWLEY, ALLEN, McGEEHAN, REBER, MELIO, ITKIN, PRESTON, WOJNAROSKI and STETLER An Act amending the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, requiring a State agency desiring to	TRICH An Act providing for the consolidation of permit applications for small businesses by the Department of Community and Economic Development; requiring the department to provide master applications for small businesses; empowering the department to conduct hearings on the topic of license applications and requiring the presence of appropriate State agencies at those hearings; providing for the cooperation of State agencies with licensing power over the small businesses of this Commonwealth; allowing preapplication conferences between applicants
purchase or acquire real property to notify the county, municipality and school district wherein the real property is situate of the intention to purchase.	and the appropriate State licensing agencies; and encouraging Federal and local government cooperation in the department's license consolidation effort.
Referred to Committee on STATE GOVERNMENT, February 4, 1997.	Referred to Committee on COMMERCE AND ECONOMIC DEVELOPMENT, February 4, 1997.
No. 179 By Representatives LESCOVITZ, TRELLO, BELARDI, OLASZ, PRESTON, BELFANTI and COLAFELLA An Act amending the act of December 31, 1965 (P.L.1257, No.511),	No. 183 By Representatives LESCOVITZ, TIGUE, GORDNER, CURRY, COWELL, ROONEY, TRELLO, RAMOS, OLIVER, STABACK, COY, BELARDI, PESCI, CAPPABIANCA, READSHAW, OLASZ, WALKO,
Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.	PETRARCA, THOMAS, BOSCOLA, MARKOSEK, HENNESSEY, LAUGHLIN, BATTISTO, SAINATO, SHANER, E. Z. TAYLOR, VAN HORNE, BROWNE, TANGRETTI, MELIO, PRESTON, McCALL, DALEY, C. WILLIAMS, PISTELLA, GIGLIOTTI, BELFANTI, SURRA, LaGROTTA, TRAVAGLIO and TRICH
No. 180 By Representatives LESCOVITZ, CLARK, ROBERTS, BELARDI, DELUCA, BOSCOLA, McCALL, TIGUE, LAWLESS, GEIST, BATTISTO, MIHALICH, LAUGHLIN, ITKIN, SATHER, PRESTON, COLAFELLA and BELFANTI	An Act providing a loan program for small business in this Commonwealth; and making an appropriation. Referred to Committee on COMMERCE AND ECONOMIC DEVELOPMENT, February 4, 1997.
An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for seat of court and for local chamber facilities.	No. 184 By Representatives LESCOVITZ, ROBERTS, BELARDI, BOSCOLA, McCALL, TIGUE, THOMAS, TRELLO,
Referred to Committee on JUDICIARY, February 4, 1997.	STURLA, ITKIN and PRESTON

An Act amending the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, further providing for the responsibilities of law enforcement agencies and the prosecutor's office regarding crime victims.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 185 By Representatives LESCOVITZ, YOUNGBLOOD, BELARDI, WALKO, MELIO, LaGROTTA, THOMAS, ALLEN, MARKOSEK, TRELLO, TIGUE, STABACK, LAUGHLIN, SHANER, SAINATO, BATTISTO, CORRIGAN, VAN HORNE, FAIRCHILD, BAKER, BROWNE, GEIST, MANDERINO, OLASZ, PRESTON, McCALL, DALEY, BOSCOLA, COY, PISTELLA, ROONEY, BELFANTI, PESCI, COLAFELLA, SURRA, HORSEY, L. I. COHEN, LUCYK, CASORIO, STEELMAN and TRICH

An Act granting tax credits to certain employers who invest in efforts to provide education and training for their existing work force.

Referred to Committee on FINANCE, February 4, 1997.

No. 186 By Representatives LESCOVITZ, GEIST, STABACK, DALEY, LaGROTTA, TRELLO, TIGUE, BATTISTO, COY, PRESTON, McCALL, PISTELLA, COLAFELLA and TRICH

An Act establishing the High Performance Incentive Fund.

Referred to Committee on COMMERCE AND ECONOMIC DEVELOPMENT, February 4, 1997.

No. 187 By Representatives LESCOVITZ, TRELLO, TIGUE, SHANER, PRESTON, DALEY, BOSCOLA, PESCI, CASORIO and TRICH

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for the sentencing procedure for murder of the first degree.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 188 By Representatives LESCOVITZ, ROBERTS, TIGUE, TRELLO, CORRIGAN, HERSHEY, TRAVAGLIO and LAUGHLIN

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, further providing for killing game or wildlife to protect property.

Referred to Committee on GAME AND FISHERIES, February 4, 1997.

No. 189 By Representatives LESCOVITZ, TRELLO, KENNEY, RAMOS, PESCI, OLASZ, BATTISTO, LAUGHLIN, BELARDI, MELIO, SCHRODER, HERMAN, LUCYK and C. WILLIAMS

An Act amending the act of November 24, 1976 (P.L.1163, No.259), referred to as the Generic Equivalent Drug Law, further providing information on drug labels.

Referred to Committee on HEALTH AND HUMAN SERVICES, February 4, 1997.

No. 190 By Representatives LESCOVITZ, VAN HORNE, TRELLO, BELARDI, DALEY, BOSCOLA, MARKOSEK, LAUGHLIN and BELFANTI

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, further providing for exclusions from the sales and use tax.

Referred to Committee on FINANCE, February 4, 1997.

No. 191 By Representatives LESCOVITZ, VAN HORNE, TIGUE, TRELLO, FLICK, COY, BELARDI, DALEY and PRESTON

An Act amending the act of June 17, 1913 (P.L.507, No.335), referred to as the Intangible Personal Property Tax Law, authorizing an alternative tax based on the income earned from personal property; and making editorial changes.

Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.

No. 192 By Representatives LESCOVITZ, YOUNGBLOOD, BELARDI, TULLI, GORDNER, LaGROTTA, MARKOSEK, ARGALL, TRELLO, TIGUE, LAUGHLIN, JOSEPHS, SHANER, BATTISTO, BAKER, PRESTON, RAMOS, McCALL, DALEY, SCRIMENTI, SURRA and STEELMAN

An Act establishing the Rural Community-based Economic Development Program; providing for the creation of rural investment seed capital funds; providing for duties of the Department of Community and Economic Development; and making an appropriation.

Referred to Committee on AGRICULTURE AND RURAL AFFAIRS, February 4, 1997.

No. 193 By Representatives LESCOVITZ, PRESTON, DALEY, COLAFELLA, COY and LYNCH

An Act prohibiting compensation change during a municipal official's term.

Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.

No. 194 By Representatives LESCOVITZ, COLAIZZO, SHANER, BELARDI, CAWLEY, BROWNE, MELIO, BATTISTO, PRESTON, RAMOS, DALEY, ITKIN, BOSCOLA, ROONEY, BELFANTI, OLASZ, COY and SEMMEL

An Act amending the act of August 23, 1967 (P.L.251, No.102), known as the Economic Development Financing Law, further defining "energy producing facilities."

Referred to Committee on COMMERCE AND ECONOMIC DEVELOPMENT, February 4, 1997.

No. 195 By Representatives LESCOVITZ, TIGUE, TRELLO, JAMES, CURRY, RAMOS, BELARDI, LAUGHLIN, SAINATO, MELIO, McCALL and LUCYK An Act amending the act of December 14, 1988 (P.L.1192, No.147), known as the Special Ad Hoc Municipal Police and Firefighter Postretirement Adjustment Act, further providing for special ad hoc postretirement adjustments to certain persons, for financing and certification of payments and for Commonwealth reimbursement.

Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.

No. 196 By Representatives SCHRODER, HERMAN, VAN HORNE, PISTELLA, RUBLEY, HERSHEY, BARD, READSHAW, GIGLIOTTI, FLEAGLE, NICKOL, HALUSKA, MILLER, MELIO, BROWN, SAINATO, PESCI, B. SMITH, ITKIN, COWELL, SHANER, CURRY, JAMES, HENNESSEY, McCALL, SEMMEL, STEELMAN, TRELLO, BOSCOLA, GANNON, ROONEY, CAWLEY, DELUCA, PHILLIPS, WOJNAROSKI, BELARDI and STERN

An Act amending the act of April 8, 1982 (P.L.310, No.87), referred to as the Recorder of Deeds Fee Law, providing for additional fees; and creating a Recorder's Fund.

Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.

No. 197 By Representatives SCHRODER, FARGO, E. Z. TAYLOR, MARSICO, NAILOR, CLARK, WAUGH, PLATTS, MCILHATTAN, RUBLEY, DEMPSEY, HUTCHINSON, FAIRCHILD, MASLAND, SAYLOR, MAITLAND, SATHER, ZUG, SEYFERT, STERN, TRUE, SCHULER, ROHRER, STEIL, EGOLF, L. I. COHEN, DRUCE, LEH, MILLER and HERSHEY

An Act amending the act of August 15, 1961 (P.L.987, No.442), known as the Pennsylvania Prevailing Wage Act, further defining "public work."

Referred to Committee on LABOR RELATIONS, February 4, 1997.

No. 198 By Representatives SCHRODER, CORNELL, THOMAS, E. Z. TAYLOR, BROWNE, DENT, TRELLO, FICHTER, CAWLEY, SCHULER, WALKO, DELUCA, LAUGHLIN, MELIO, HENNESSEY, SHANER, GODSHALL, BELARDI, RUBLEY, MANDERINO, FAIRCHILD, SAYLOR, BARRAR, GEIST, BAKER, STURLA, KENNEY, MAITLAND, OLASZ, ZUG, WOJNAROSKI, LEVDANSKY, McCALL, BOSCOLA, STERN, ROONEY, MILLER, BUNT, BROWN, COLAFELLA, HERMAN, HORSEY, SURRA, JAMES, RAYMOND, J. TAYLOR, C. WILLIAMS, CORPORA, STEELMAN and GRUPPO

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, excluding unreimbursed child and dependent care expenses from compensation.

Referred to Committee on FINANCE, February 4, 1997.

No. 199 By Representatives SCHRODER, E. Z. TAYLOR, FICHTER, JAROLIN, CLARK, SEMMEL, HENNESSEY, CAWLEY, SCHULER, WALKO, DELUCA, LAUGHLIN, TIGUE, D. W. SNYDER, TRELLO, WAUGH, SHANER, PLATTS, STABACK, MCILHATTAN, CURRY, BUXTON, BELARDI, RUBLEY, VAN HORNE, FAIRCHILD, MASLAND, TRAVAGLIO, EGOLF, BARRAR, BROWNE, BAKER, MELIO, OLASZ, WOJNAROSKI, McCALL, HALUSKA, READSHAW, PETTIT, GIGLIOTTI, BROWN, ROHRER, COLAFELLA, HORSEY, L. I. COHEN, RAYMOND, LYNCH, STEELMAN and LEH

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for authority to erect traffic-control devices.

Referred to Committee on TRANSPORTATION, February 4, 1997.

No. 201 By Representatives HERMAN, BARLEY, BROWNE, NAILOR, HUTCHINSON, RUBLEY, SAYLOR, GORDNER, YOUNGBLOOD, STAIRS, VANCE, WALKO, MELIO, TRELLO, M. N. WRIGHT, KENNEY, HERSHEY, GODSHALL, PLATTS, WAUGH, BATTISTO, STURLA, CLYMER, MAITLAND, RAYMOND, GEIST, GANNON, COY, NICKOL, TRUE, STETLER, SCHULER, PESCI, COLAFELLA, JADLOWIEC, HORSEY, CLARK, KAISER, SEMMEL, FICHTER, MICOZZIE, TIGUE, SANTONI, SHANER, MILLER, MUNDY, HENNESSEY, WOGAN, ARGALL, STABACK, SAINATO, COLAIZZO, FAIRCHILD, TRAVAGLIO, SCHRODER, BAKER, HALUSKA, SATHER, HESS, OLASZ, LEDERER, READSHAW, CORPORA, BOSCOLA, STERN, SEYFERT, CASORIO. BARD, ROONEY, FARGO, L. I. COHEN, LYNCH, ROEBUCK, E. Z. TAYLOR, EGOLF, TULLI and KELLER

An Act amending the act of August 26, 1971 (P.L.351, No.91), known as the State Lottery Law, providing for a lottery winnings intercept in relation to defaulted student loans obtained originally through the Pennsylvania Higher Education Assistance Agency.

Referred to Committee on FINANCE, February 4, 1997.

No. 202 By Representative M. N. WRIGHT

An Act amending Title 24 (Education) of the Pennsylvania Consolidated Statutes, further providing for termination of annuities.

Referred to Committee on EDUCATION, February 4, 1997.

No. 203 By Representative M. N. WRIGHT

An Act amending Titles 24 (Education) and 71 (State Government) of the Pennsylvania Consolidated Statutes, authorizing annuitants to redetermine the effect of frozen present value.

Referred to Committee on STATE GOVERNMENT, February 4, 1997.

LEGISLATIVE JO	URNAL — HOUSE 77
N. WRIGHT	No. 208 By Representatives READSHAW, THOMAS, FLICK, WALKO, NAILOR, GIGLIOTTI, SATHER, FLEAGLE,
Education) of the Pennsylvania widing for the definition of	BEBKO-JONES, MILLER, MELIO, BROWN, KELLER, PETTIT, HALUSKA, OLASZ, ROONEY, VAN HORNE, MARKOSEK, B. SMITH, ITKIN, CORRIGAN, BAKER,
CATION, February 4, 1997.	LAUGHLIN, MCCALL, EGOLF, COY, CURRY, GLADECK, TANGRETTI, STABACK, LYNCH, TRELLO, CLYMER, JAMES, LUCYK, HESS, MICHLOVIC, RAMOS,
READSHAW, MAYERNIK, VER, WALKO, GIGLIOTTI, K, BEBKO-JONES, MELIO,	E. Z. TAYLOR, BOSCOLA, WAUGH, DeLUCA, CLARK, PHILLIPS, CIVERA, DERMODY, L. I. COHEN, STERN, BELARDI and BELFANTI
USKA, GORDNER, PESCI, SMITH, SHANER, BAKER, ALL, TANGRETTI, JAMES, ARCA, ALLEN, LUCYK, LUCA, DERMODY, TULLI,	An Act providing for the prevention, detection, treatment and follow-up of cases of hepatitis B among firefighters, paramedics, emergency medical technicians, ambulance attendants, first responders, funeral directors and law enforcement officers; and making an appropriation.
, 1937 (P.L.1333, No.320), known	Referred to Committee on HEALTH AND HUMAN SERVICES, February 4, 1997.
ther providing for the date of the President of the United States is	No. 209 By Representatives ZUG, ARMSTRONG, HERSHEY, MILLER and SCHRODER
STATE GOVERNMENT,	An Act amending the act of June 1, 1937 (P.L.1168, No.294), known as the Pennsylvania Labor Relations Act, further providing for unfair labor practices.
ADSHAW, YOUNGBLOOD, GE, WALKO, GIGLIOTTI,	Referred to Committee on LABOR RELATIONS, February 4, 1997.
CA, MUNDY, SAINATO, MARKOSEK, JAROLIN, CK, CURRY, TANGRETTI, DANSKY, TRELLO, JAMES, IE, RAMOS, MICHLOVIC,	No. 210 By Representatives ZUG, CLARK, HERSHEY, YOUNGBLOOD, MILLER, HENNESSEY, TRELLO, GODSHALL and LYNCH
COLA, CAWLEY, DeLUCA, FANTI	An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, further defining "claimant."
11, 1971 (P.L.104, No.3), known Assistance Act, further defining	Referred to Committee on FINANCE, February 4, 1997.
NCE, February 4, 1997.	No. 211 By Representatives ZUG, HENNESSEY, SEMMEL, GODSHALL, FICHTER and WOJNAROSKI
	An Act amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, further providing for limitations on incurring certain types of debt.
ADSHAW, LYNCH, TIGUE, GE, DRUCE, GIGLIOTTI, TANGRETTI, SEMMEL, J, WALKO, COLAFELLA,	Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.
BOSCOLA, TRUE, SURRA, RDI, DeLUCA, B. SMITH, DLF, CIVERA, DALEY, LLER, GEIST, LAUGHLIN,	No. 212 By Representatives ZUG, HENNESSEY, HUTCHINSON, CLARK, TRELLO, MAITLAND, MILLER and FLICK

An Act amending the act of May 25, 1945 (P.L.1050, No.394), known as the Local Tax Collection Law, further providing for collection costs for certain tax withholding requirements.

> Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.

No. 204 By Representative M.

An Act amending Title 24 (E Consolidated Statutes, further pro "eligible annuitants."

Referred to Committee on EDU

No. 205 By Representatives ARMSTRONG, BUXTON, OLIV DALEY, PISTELLA, CHADWIC GODSHALL, SAINATO, HALU VAN HORNE, MARKOSEK, B. ROBINSON, LAUGHLIN, McCA COLAFELLA, TRELLO, PETR MICHLOVIC, SCRIMENTI, Del BELFANTI and KAISER

An Act amending the act of June 3, as the Pennsylvania Election Code, fur general primary in years in which the nominated.

Referred to Committee on February 4, 1997.

No. 206 By Representatives RE. HENNESSEY, OLIVER, GEOR BEBKO-JONES, CAPPABIANC HALUSKA, OLASZ, PESCI, McCALL, LAUGHLIN, STABA JOSEPHS, PETTIT, MYERS, LEVI STEELMAN, LUCYK, BROWN E. Z. TAYLOR, LEDERER, BOS BELARDI, L. I. COHEN and BEL

An Act amending the act of March as the Senior Citizens Rebate and A "income."

Referred to Committee on FINA

No. 207 By Representatives RE. WOGAN, MAYERNIK, GEOR HALUSKA, TRAVAGLIO, STABACK, PHILLIPS, OLASZ PISTELLA, McCALL, HERSHEY, SAYLOR, STEELMAN, BELAR TRELLO, STEVENSON, EGO DERMODY, MELIO, TULLI, KE NAILOR, BELFANTI and KAISER

An Act requiring all prison inmates to wear identifiable prison uniforms at all times.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 213 By Representatives ZUG, CLARK, HERSHEY, MILLER, WAUGH, GEIST, TULLI, GODSHALL, FICHTER, LYNCH, McGILL, FARGO, DRUCE and SAYLOR

An Act regulating private correctional facilities; providing for contracts with, licensing of and employee status for private correctional facilities; and imposing powers and duties on the Department of Corrections.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 214 By Representatives ZUG, ARMSTRONG, HERSHEY, JADLOWIEC, WAUGH, GEIST, KREBS, HALUSKA, FEESE, HUTCHINSON, BAKER, MILLER, SATHER, SHANER and OLASZ

An Act amending the act of June 28, 1995 (P.L.89, No.18), known as the Conservation and Natural Resources Act, requiring the Department of Conservation and Natural Resources to make payments in lieu of taxes for State parks.

Referred to Committee on ENVIRONMENTAL RESOURCES AND ENERGY, February 4, 1997.

By Representatives BAKER, MASLAND, No. 215 BATTISTO, McCALL, CLARK, TIGUE, BELARDI, M. N. WRIGHT, GORDNER, BOSCOLA, STABACK, HENNESSEY, E. Z. TAYLOR, CAWLEY, REBER, ALLEN, D. W. SNYDER, ITKIN, DeWEESE, BUNT, ZUG, SCHRODER, FICHTER, LEH, LAUGHLIN, GEORGE, STEIL, FARGO, ADOLPH, CURRY, RAMOS, MILLER, PHILLIPS, JOSEPHS, HERSHEY, TANGRETTI, MICHLOVIC, CIVERA, L. I. COHEN, CAPPABIANCA, DIGIROLAMO, SURRA, LUCYK, HUTCHINSON, BELFANTI, MICOZZIE and GEIST

An Act amending Title 35 (Health and Safety) of the Pennsylvania Consolidated Statutes, creating the State Disaster Assistance Loan Program; providing for powers and duties of the Pennsylvania Emergency Management Agency and the Pennsylvania Housing Finance Agency; establishing the State Disaster Assistance Loan Fund; providing for funding for the State Disaster Assistance Loan Program; and making an appropriation.

Referred to Committee on VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, February 4, 1997.

No. 216 By Representatives ROEBUCK, BELARDI, DALEY, BATTISTO, PESCI, JAROLIN, CURRY and RAMOS

An Act requiring cities to adopt open-space plans; and making an appropriation.

Referred to Committee on URBAN AFFAIRS, February 4, 1997.

No. 217 By Representatives ROEBUCK, BELARDI, DALEY, CASORIO and BOSCOLA

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, further providing for mandatory sentencing for convictions for certain drug offenses.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 218 By Representatives ROEBUCK, BELARDI, DALEY, PESCI, JAROLIN, YOUNGBLOOD, RAMOS and SCRIMENTI

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, providing for an automatic shut-off on car alarms.

Referred to Committee on TRANSPORTATION, February 4, 1997.

No. 219 By Representatives HERSHEY, LYNCH, HENNESSEY, E. Z. TAYLOR, SCHRODER, ITKIN, NICKOL, KREBS, MASLAND, ARMSTRONG, HALUSKA, ZUG, FEESE, BAKER, SAYLOR, GODSHALL, ARGALL, CLYMER, SCHULER, COY, FICHTER, CORRIGAN, MAITLAND, GEIST, HESS, STERN, HERMAN, FAIRCHILD, ROHRER, B. SMITH, WAUGH, SEMMEL, PHILLIPS, MAJOR, BUNT, DALEY, STEIL, SEYFERT, COLAIZZO, YOUNGBLOOD, STEELMAN, BATTISTO and LESCOVITZ

An Act amending the act of June 30, 1981 (P.L.128, No.43), known as the Agricultural Area Security Law, further providing for purchase of agricultural conservation easements.

Referred to Committee on AGRICULTURE AND RURAL AFFAIRS, February 4, 1997.

No. 220 By Representatives CURRY, READSHAW, GEORGE, COY, GORDNER, LYNCH, OLASZ, RUBLEY, WALKO, LEH, BUNT, FEESE, FAIRCHILD, VAN HORNE, SATHER, MILLER, ADOLPH, SCHRODER, REBER, STABACK, FLICK, DELUCA, WOGAN, SAYLOR, MELIO, HERMAN, LEVDANSKY, STERN, CARONE, CORPORA, L. I. COHEN, C. WILLIAMS and ROONEY

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, repealing certain provisions imposing sales and use tax on lawn care services.

Referred to Committee on FINANCE, February 4, 1997.

No. 221 By Representatives TULLI, LEDERER, GEIST, B. SMITH, BELARDI, ROBERTS, ALLEN, MELIO and L. I. COHEN

An Act requiring alcohol servers or sellers to attend responsible alcohol service training; and imposing a penalty.

Referred to Committee on LIQUOR CONTROL, February 4, 1997.

No. 222 By Representatives DeLUCA, VAN HORNE, YOUNGBLOOD, TRELLO, ROONEY, PISTELLA, MUNDY, LEVDANSKY, JAMES, THOMAS, STABACK, CARONE, PESCI, OLASZ, PETRARCA, BOSCOLA, BELARDI, WOJNAROSKI, WALKO, MARKOSEK, ROBINSON, MANDERINO, SHANER, BROWNE, ITKIN, MELIO, PRESTON, E. Z. TAYLOR, STEELMAN, CASORIO, BELFANTI and WASHINGTON An Act amending the act of May 22, 1951 (P.L.317, No.69), known as The Professional Nursing Law, further providing for definitions, for the State Board of Nursing and for titles; providing for delegation of nursing responsibilities; and further providing for examinations and certificates, for fees and licensure, for education programs, for sanctions, for license reinstatement and for injunctions.

Referred to Committee on PROFESSIONAL LICENSURE, February 4, 1997.

No. 223 By Representatives DeLUCA, VAN HORNE, YOUNGBLOOD, TRELLO, ROONEY, PISTELLA, MUNDY, LEVDANSKY, JAMES, THOMAS, STABACK, CARONE, PESCI, OLASZ, PETRARCA, BOSCOLA, BELARDI, WOJNAROSKI, WALKO, MARKOSEK, ROBINSON, MANDERINO, SHANER, BROWNE, ITKIN, MELIO, PRESTON, E. Z. TAYLOR, STEELMAN, CASORIO, BELFANTI and WASHINGTON

An Act requiring that invasive medical procedures be performed by licensed or certified persons and that name tags be worn by certain health care employees.

Referred to Committee on HEALTH AND HUMAN SERVICES, February 4, 1997.

No. 224 By Representatives DeLUCA, THOMAS, VAN HORNE, YOUNGBLOOD, TRELLO, ROONEY, TIGUE, JAMES, MICHLOVIC, RAMOS, READSHAW, CORPORA, STABACK, PESCI, COLAIZZO, OLASZ, ALLEN, BELARDI, LAUGHLIN, WOJNAROSKI, WALKO, D. W. SNYDER, ROBINSON, MANDERINO, FAIRCHILD, SHANER, BROWNE, ITKIN, STURLA, LEDERER, LYNCH, KELLER, E. Z. TAYLOR, CAPPABIANCA, LUCYK, BELFANTI and WASHINGTON

An Act providing for the confidentiality of medical records and for a civil cause of action; and providing penalties.

Referred to Committee on HEALTH AND HUMAN SERVICES, February 4, 1997.

No. 225 By Representatives DeLUCA, OLIVER, YOUNGBLOOD, BELARDI, DALEY, VANCE, MANDERINO, WALKO, ITKIN, STEELMAN, BOSCOLA, MELIO, OLASZ, TRELLO, CASORIO, RAMOS, CURRY, STABACK, SHANER, HENNESSEY, MUNDY and BELFANTI

An Act amending the act of July 19, 1979 (P.L.130, No.48), known as the Health Care Facilities Act, further providing for sanctions.

Referred to Committee on HEALTH AND HUMAN SERVICES, February 4, 1997.

No. 226 By Representatives DeLUCA, TIGUE, CURRY, READSHAW, WALKO, PLATTS, MELIO, BATTISTO, EGOLF, PRESTON, GIGLIOTTI, COLAFELLA, CARONE, SHANER, TRAVAGLIO, YOUNGBLOOD, LAUGHLIN, JOSEPHS, TRELLO and STEELMAN A Joint Resolution proposing an amendment to the Constitution of the Commonwealth of Pennsylvania, providing for consideration of bills in each house.

Referred to Committee on STATE GOVERNMENT, February 4, 1997.

No. 227 By Representatives DeLUCA, TIGUE, TRELLO, RAMOS, COY, OLIVER, STABACK, PESCI, BOSCOLA, BELARDI, SHANER, WALKO, ITKIN, MICHLOVIC, MELIO, PRESTON, LYNCH and STEELMAN

An Act amending Title 23 (Domestic Relations) of the Pennsylvania Consolidated Statutes, further providing for information on prospective child-care personnel.

Referred to Committee on AGING AND YOUTH, February 4, 1997.

No. 228 By Representatives DeLUCA, YOUNGBLOOD, TRELLO, PISTELLA, CLARK, MUNDY, JAMES, HERSHEY, MILLER, NAILOR, TRAVAGLIO, KENNEY, CURRY, READSHAW, STABACK, BELARDI, PESCI, KAISER, OLASZ, WALKO, BOSCOLA, SAINATO, LAUGHLIN, REBER, RUBLEY, FAIRCHILD, MARKOSEK, SHANER, MELIO, SCHRODER, ITKIN, LEDERER, LYNCH, PETTIT, McCALL, E. Z. TAYLOR, GIGLIOTTI, L. I. COHEN, LUCYK, C. WILLIAMS and BROWNE

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, further providing for sales and use tax exclusions.

Referred to Committee on FINANCE, February 4, 1997.

No. 229 By Representatives DeLUCA, SHANER, TIGUE, READSHAW, BELARDI, TANGRETTI, STABACK, CASORIO and TRELLO

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, prohibiting negotiated pleas and postconviction agreements in certain cases.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 230 By Representatives DeLUCA, SHANER, TIGUE, READSHAW, CAWLEY, BELARDI, STABACK, OLASZ, TRELLO and STERN

An Act amending the act of May 2, 1945 (P.L.382, No.164), known as the Municipality Authorities Act of 1945, further providing for water and sewer service to tenants.

Referred to Committee on LOCAL GOVERNMENT, February 4, 1997.

No. 231 By Representatives CLARK, FAIRCHILD, TRELLO, STERN, ITKIN, CHADWICK, ZUG, ROONEY, BAKER, SCHULER and WAUGH

An Act amending the act of May 16, 1921 (P.L.579, No.262), referred to as the County Prison Board Law, further providing for the board of prison inspectors; and making editorial changes.	No. 237 By Representatives BISHOP, TIGUE, THOMAS, TRELLO, RAMOS, ITKIN, YOUNGBLOOD, PESCI, STEELMAN and WASHINGTON
Referred to Committee on JUDICIARY, February 4, 1997.	An Act requiring landlords to grant medical access; providing for
No. 232 By Representatives CLARK, SATHER, TRELLO, STERN, ITKIN, CHADWICK, BAKER, SCHULER, ALLEN, E. Z. TAYLOR and ROONEY	termination of residential leases for terminal or mental illness; and making a repeal. Referred to Committee on CONSUMER AFFAIRS, February 4, 1997.
An Act amending the act of December 19, 1990 (P.L.799, No.193), known as the County Intermediate Punishment Act, further providing for positions on the board.	No. 238 By Representatives BISHOP, BELARDI, TRELLO,
Referred to Committee on JUDICIARY, February 4, 1997.	RAMOS, YOUNGBLOOD, PISTELLA, BOSCOLA, PESCI, L. I. COHEN and BELFANTI
No. 233 By Representatives BISHOP, BELARDI, MELIO, VEON, TRELLO, MICHLOVIC, RAMOS, ITKIN, YOUNGBLOOD, PISTELLA, E. Z. TAYLOR, ROONEY, COY, PESCI, COLAFELLA, HORSEY, LUCYK, STEELMAN,	An Act providing for the exclusion from taxable personal income a portion of severance compensation for permanently displaced employees.
BELFANTI and WASHINGTON	Referred to Committee on LABOR RELATIONS, February 4, 1997.
An Act providing for lead-level testing of playgrounds, schools and parks; and making an appropriation.	No. 239 By Representatives BISHOP, BELARDI, THOMAS,
Referred to Committee on HEALTH AND HUMAN SERVICES, February 4, 1997.	TRELLO, RAMOS, YOUNGBLOOD, PISTELLA, ROONEY, BOSCOLA, PESCI and BELFANTI
No. 234 By Representatives BISHOP, BELARDI, MELIO, TIGUE, THOMAS, JOSEPHS, TRELLO, LEDERER, RAMOS, ITKIN, YOUNGBLOOD, SCRIMENTI, STERN, PISTELLA, COY, PESCI, LUCYK, BELFANTI, WASHINGTON and	An Act amending the act of June 28, 1935 (P.L.477, No.193), referred to as the Enforcement Officer Disability Benefits Law, further providing for compensation for service-related injuries. Referred to Committee on STATE GOVERNMENT,
C. WILLIAMS	February 4, 1997.
An Act amending the act of July 7, 1989 (P.L.218, No.35), known as the Family Preservation Act, providing for preferences for relatives in foster parenting.	No. 240 By Representatives ROEBUCK, BATTISTO, COLAFELLA, YOUNGBLOOD, RAMOS and E. Z. TAYLOR
Referred to Committee on AGING AND YOUTH, February 4, 1997.	An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, providing for display of registration plate renewal stickers.
No. 235 By Representatives BISHOP, BELARDI, MELIO, TIGUE, DELUCA, THOMAS, SAINATO, TRELLO, RAMOS, ITKIN, YOUNGBLOOD, PISTELLA, E. Z. TAYLOR, ROONEY, BUTKOVITZ, BOSCOLA, COY, PESCI, L. I. COHEN, LUCYK, STEELMAN, BELFANTI,	Referred to Committee on TRANSPORTATION, February 4, 1997.
WASHINGTON and C. WILLIAMS	No. 241 By Representatives HERMAN, NAILOR, HUTCHINSON, RUBLEY, DEMPSEY, BROWNE, SEMMEL,
An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, further providing for the crime of stalking.	MCILHATTAN, CARONE, GORDNER, STAIRS, MELIO, WALKO, WAUGH, TRELLO, LEH, BATTISTO, GODSHALL,
Referred to Committee on JUDICIARY, February 4, 1997.	CORNELL, McCALL, ITKIN, DENT, SCHRODER, GEIST, GANNON, PETTIT, COY, MICOZZIE, MILLER, COLAFELLA,
No. 236 By Representatives BISHOP, TRELLO, YOUNGBLOOD, PESCI and WASHINGTON	BROWN, CLARK, TULLI, MAYERNIK, HERSHEY, DeLUCA, MARKOSEK, HENNESSEY, D. W. SNYDER, LYNCH, WOGAN, ARGALL, SAINATO, KENNEY, LAUGHLIN,
An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, providing for overtaking and passing of streetcars.	LEDERER, VAN HORNE, FAIRCHILD, BAKER, FLICK, COWELL, MICHLOVIC, CARN, ADOLPH, HARHART, BOSCOLA, STERN, SHANER, E. Z. TAYLOR, ROHRER,
Referred to Committee on TRANSPORTATION, February 4, 1997.	STEIL, L. I. COHEN, LUCYK, STEVENSON, HANNA and DRUCE
	I

LEGISLATIVE JOURNAL --- HOUSE

80

FEBRUARY 4

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, repealing the sales and use tax on computer services.

Referred to Committee on FINANCE, February 4, 1997.

No. 242 By Representatives DENT, GRUPPO, CLARK, FLICK, HENNESSEY, FARGO, ARMSTRONG, E. Z. TAYLOR, HERSHEY, MAITLAND, READSHAW, M. N. WRIGHT, BOSCOLA, TRELLO, ROONEY, D. W. SNYDER, PETTIT, ROBERTS, HERMAN, BROWN, SEMMEL, YOUNGBLOOD, ALLEN, BARD, BROWNE, MELIO, BAKER, HARHART, STERN, McCALL, SURRA, LUCYK, STEELMAN and SAYLOR

An Act amending the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, further defining "facility"; defining "group child day care home"; and further providing for fees and for regulations of the Department of Public Welfare.

Referred to Committee on AGING AND YOUTH, February 4, 1997.

No. 243 By Representatives DENT, STURLA, MASLAND, ARMSTRONG, B. SMITH, E. Z. TAYLOR, ROBERTS, BELARDI, HERSHEY, FEESE, DeLUCA, BOSCOLA, GLADECK, TRELLO, MARSICO, RAMOS, MILLER, GEIST, J. TAYLOR, YOUNGBLOOD, SCHULER, ALLEN, HENNESSEY, JOSEPHS, RUBLEY, BROWNE, MELIO, BAKER, SATHER, DIGIROLAMO, ZUG, LYNCH, WOJNAROSKI, KELLER, STERN, TRUE, MICOZZIE, L. I. COHEN, LUCYK, COLAFELLA and STETLER

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, further providing for prostitution and related offenses.

Referred to Committee on JUDICIARY, February 4, 1997.

No. 244 By Representative LLOYD

A Supplement to the act of December 8, 1982 (P.L.848, No.235), known as the Highway-Railroad and Highway Bridge Capital Budget Act for 1982-1983, itemizing local bridge projects.

Referred to Committee on TRANSPORTATION, February 4, 1997.

HOUSE RESOLUTIONS INTRODUCED AND REFERRED

No. 9 By Representatives BISHOP, THOMAS, LAUGHLIN, BUXTON, RUBLEY, WALKO, JOSEPHS, RAMOS, GIGLIOTTI, YOUNGBLOOD, DALEY, TRAVAGLIO, BEBKO-JONES, LEH, MELIO, JAMES, LESCOVITZ, HERMAN, CAPPABIANCA, SHANER, MANDERINO, ROBINSON. PESCI. COLAFELLA. DONATUCCI. STEELMAN. JAROLIN, PETRARCA, ROEBUCK, HENNESSEY, COY, TIGUE, BATTISTO, LEDERER, HERSHEY, TRELLO, BOSCOLA, PHILLIPS, WASHINGTON. BELARDI, L. I. COHEN and C. WILLIAMS

A Resolution recognizing the importance of African-American music to global culture and calling on the people of the United States to study and celebrate African-American music.

Referred to Committee on RULES, February 4, 1997.

No. 30 By Representatives McCALL, STABACK, PHILLIPS, SURRA, GEORGE, BELARDI, CAWLEY, TIGUE, MELIO, LYNCH, WAUGH, MUNDY, ARGALL, JAROLIN, TRELLO, LAUGHLIN, READSHAW, SHANER, FAIRCHILD, WOJNAROSKI, GORDNER, GEIST, BAKER, PRESTON, LEVDANSKY, STERN, COY, BOSCOLA, CLARK, COLAFELLA, HERMAN, BROWN, HANNA, LUCYK, HASAY and BELFANTI

A Resolution directing the Game and Fisheries Committee to investigate Game Commission policy on antlerless deer licenses.

Referred to Committee on RULES, February 4, 1997.

FILMING PERMISSION

The SPEAKER. The Chair advises the House that the following photographers have permission to take still photographs and/or videotapes during the budget address: John Zeedick, Mark Nance, and Mary Gardella. They represent the Governor's Office, the Pottsville Republican, and the Patriot-News.

COMMUNICATION FROM GOVERNOR

REQUEST FOR JOINT SESSION

The Speaker laid before the House the following communication in writing from the office of His Excellency, the Governor of the Commonwealth:

Commonwealth of Pennsylvania Office of the Governor Harrisburg

January 8, 1997

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

If it meets with the approval of the General Assembly, I would like to address the Members in Joint Session on Tuesday, February 4, 1997, at a time convenient to the General Assembly.

> Thomas J. Ridge Governor

RESOLUTION

COMMITTEE TO ESCORT SENATE

Mr. PERZEL offered the following resolution, which was read, considered, and adopted:

In the House of Representatives February 4, 1997

RESOLVED, That the Speaker appoint a committee of three to escort the members and officers of the Senate to the Hall of the House for the purpose of attending a Joint Session of the General Assembly.

COMMITTEE APPOINTED

The SPEAKER. The Chair appoints as a committee to wait upon the Senate, the gentleman from Northampton County, Mr. Dally; the gentleman from Clarion County, Mr. McIlhattan; the gentleman from Westmoreland County, Mr. Casorio.

The committee will proceed with the performance of its duties.

COMMITTEE TO ESCORT GOVERNOR APPOINTED

The SPEAKER. Pursuant to the concurrent resolution previously adopted by the House, the Chair appoints as a committee to escort the Governor to the hall of the House, the gentleman from Delaware, Mr. Barrar; the gentleman from Centre County, Mr. Benninghoff; the gentleman from Luzerne County, Mr. Eachus.

The committee will proceed with the performance of its duties.

REPORT OF COMMITTEE ESCORTING SENATE

The SPEAKER. The Senate is now entering the hall of the House. Members and guests will please rise.

The Chair recognizes the Sergeant at Arms of the House.

The SERGEANT AT ARMS. Mr. Speaker, the chairman of the committee on the part of the House, Mr. Dally.

Mr. DALLY. Mr. Speaker, your committee appointed to wait upon the Senate and escort them to the hall of the House has performed that duty and reports that the Senate is in attendance.

The SPEAKER. The Chair thanks the gentleman.

The committee is discharged with the thanks of the House.

The Chair requests the Lieutenant Governor to come forward.

The Chair requests the Lieutenant Governor, the Honorable Mark Schweiker, to preside over the proceedings of the joint session of the General Assembly.

The President pro tempore of the Senate, the Honorable Robert C. Jubelirer, is invited to be seated on the rostrum.

Members will take their seats.

The Chair gives to the Lieutenant Governor, with pride, the gavel so that he might preside over this joint session.

JOINT SESSION OF THE GENERAL ASSEMBLY

THE LIEUTENANT GOVERNOR (MARK S. SCHWEIKER) PRESIDING

The LIEUTENANT GOVERNOR. The Chair thanks Speaker Ryan.

This being the day and the time agreed upon by a concurrent resolution of the Senate and House of Representatives to hear an address by His Excellency, the Governor, the Honorable Tom Ridge, the joint session will please come to order.

Also, the Chair would like to acknowledge the presence of my colleague, the President pro tempore of the Senate, Senator Jubelirer, and also on this special occasion the presence of the Chief Justice of Pennsylvania, the Honorable John P. Flaherty, Jr.; also, representing the Superior Court, President Judge Stephen McEwen; and finally, representing the Commonwealth Court, Judge Joseph T. Doyle.

The General Assembly will be at ease as it awaits the arrival of His Excellency, the Governor of the Commonwealth.

REPORT OF COMMITTEE ESCORTING GOVERNOR

The LIEUTENANT GOVERNOR. The Governor is entering the hall of the House. Please rise.

The Chair will also recognize at this time the chairman of the committee to escort the Governor, the Senator from Montgomery County, Senator Tilghman.

Members of the General Assembly, I have the honor and the privilege of presenting His Excellency, the Governor, the Honorable Tom Ridge, who will in a moment address this joint session. First, the chairman of the escort committee, Senator Tilghman.

Mr. TILGHMAN. Mr. President, as chairman of the committee to escort the Governor, I wish to report that His Excellency, the Governor, is present and is prepared to address this joint session.

The LIEUTENANT GOVERNOR. Thank you, Senator Tilghman.

Governor.

FISCAL YEAR 1997-98 BUDGET ADDRESS OF GOV. THOMAS J. RIDGE

The GOVERNOR. Good morning, and thank you.

Today we gather to mark an event of historic proportions – historic. No, it is not the presentation of the budget; it is the birthday of Senator Clarence Bell. Today marks another milestone – the Senator's 40th budget address. Do not worry, Senator; I am not going to ask you later how this one ranks against all those others.

Two years ago, I stood before Pennsylvania and took an oath – not just an oath of public office, but an oath to reinstill and reinvigorate all the pride and all the promise that is Pennsylvania. It has been a busy 2 years. We said that the quality of our lives, our jobs, and our communities depended upon making Pennsylvania a leader among States and a competitor among nations. We knew there were challenges, but I am proud to report we have met them head-on.

In 1995, we inherited a State that was losing jobs, losing businesses, and losing its way in an increasingly competitive world. The cost to create and preserve a job in this State was one of the highest in the country. It was absolutely imperative to reverse that trend to make it easier to keep our jobs and easier to commitment to promote tourism, our second largest industry, like never before. We are proud of Pennsylvania; we are proud of Pennsylvania and we are going to tell the world about it.

Part of that is exports. Exports create jobs. Exports keep people working. And through this budget, our Commonwealth will have an active presence in more countries than ever before. Our future success as a State is linked to our ability to sell products and create relationships abroad. And this budget highlights that priority.

This budget reflects not just an interest in what government does but an interest in how government does it. As one stands in this magnificent chamber, it is easy to reflect on Pennsylvania's wonderful history, her people, and her public servants of her great past. Just look at this mural behind us. There is William Penn and Robert Morris and Benjamin Franklin. Our predecessors, commemorated on these walls, were the builders of this great State and this great country. And they served with great honor and great integrity.

And it is through our personal conduct, our laws, our practices, that we, too, as individuals and public servants, must do our best to assure that the people of Pennsylvania can look proudly upon us as well.

And one of the best ways to do that is enhanced public disclosure. And to that end, I propose 370,000 to immediately computerize the State Elections Bureau, so the public can know who contributes to our campaigns. I was the first statewide candidate – at least I got everybody's attention with that one – I was the first statewide candidate to make campaign finance records available on computer disk. And you may also recall, I proposed to start the process last year, but it was not included in the final budget. Let us keep it in this year.

The activities and expenditures of those who seek to influence public policy in this government must also be disclosed. There is nothing wrong with trying to persuade elected representatives. There is nothing wrong with trying to demonstrate and show your point of view. There is something wrong with not disclosing those efforts. And I call upon the General Assembly to reform the Lobbying Registration Act. Send me a solid bill, and I will sign it.

Finally, the people have told us they want government to serve them – but not to serve them alcohol. Next month I will detail my proposal to privatize the State store system.

Well, I said at the beginning we were going to try to meet some of these challenges head-on. I guess I just saw a collision before my very eyes.

In the meantime, let me say this: We will sell the State's liquor stores, but we will not allow liquor to be sold on every corner. The Pennsylvania Liquor Control Board will be even stronger. It will dedicate its energies to better oversight, compliance, and education. And we will strengthen law enforcement's ability to crack down on drunk driving and underage drinking. And I will work with the legislature to determine how we can best use the proceeds.

To the members of the General Assembly and to all Pennsylvanians: If we are to achieve our mutual goals, "we cannot avoid meeting great issues. If we are to be a great people, we must strive, in good faith, to play a great part in the world." That was the message Theodore Roosevelt gave us at the turn of his century, and the same will be true for ours.

Pennsylvania is home to a great people, and that will never change. And with this budget, government nurtures those good people and their endeavors. And we assert with confidence and faith Pennsylvania's great part in the world - a leader, a competitor, a people - proud of our communities, our families, and ourselves. Thank you. Godspeed and God bless Pennsylvania.

JOINT SESSION ADJOURNED

The LIEUTENANT GOVERNOR. At this time the Chair asks that the members of the House and our visitors remain seated for just a moment while the members of the Senate leave the hall of the House.

The business for which the joint session has been assembled having been transacted, the session is now adjourned.

THE SPEAKER (MATTHEW J. RYAN) PRESIDING

RECESS

The SPEAKER. The House will be in recess for approximately 5 minutes, but there will be votes taken today. The House will be called back from recess after the Senate and guests have departed the chambers. But there will be votes taken, so I am suggesting that you stay on the floor, the members of the House.

The House is in recess.

AFTER RECESS

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

MOTION TO PRINT PROCEEDINGS OF JOINT SESSION

The SPEAKER. The Chair recognizes the majority leader. Mr. PERZEL. Mr. Speaker, I move that the proceedings of the joint session of the Senate and House held this 4th day of February 1997 be printed in full in this day's Legislative Journal.

On the question, Will the House agree to the motion? Motion was agreed to.

LEAVES OF ABSENCE

The SPEAKER. The Chair turns to leaves of absence.

The Chair recognizes the gentleman, Mr. Snyder, who requests a leave of absence for the gentleman from Lebanon, Mr. KREBS. Without objection, leave will be granted. The Chair hears none.

The Chair recognizes the gentleman, Mr. Itkin, who requests leave for the gentleman from Allegheny, Mr. PISTELLA; the gentleman from Philadelphia, Mr. HORSEY; and the gentleman from Allegheny, Mr. COWELL.

The SPEAKER. Without objection, leaves will be granted. The Chair hears no objection. create new ones. By this year's end, the cost of doing business in Pennsylvania will have dropped nearly \$3 billion. That is \$3 billion back into the pockets of Pennsylvanians. That includes nearly \$2 billion in tax cuts. And as a result, the makers of Crayola Crayons in Easton and Scranton's aerospace company, Northrop Grumman, have decided to stay and expand in Pennsylvania. Now the future of their work force is more certain and new jobs are on the way.

Workers' comp. A very cruel irony was at play. A system designed to help injured workers was costing healthy workers their jobs. We dramatically overhauled the old system, with both groups of workers in mind. And now, our employers and our workers benefit from nearly \$500 million in savings. Last year I had to tell you about companies leaving Pennsylvania because of workers' compensation. This year I can tell you about companies that are staying in Pennsylvania because of workers' compensation reform. There are many examples. The McLanahan Corporation near Altoona is not only staying in Pennsylvania, they are investing their workers' comp savings in higher pay and better benefits for their workers.

Two years ago, we found a Department of Environmental Resources that treated citizens like the enemy. It no longer exists. Now we have a Department of Environmental Protection that brings a commonsense approach to our stewardship of the environment. We have eliminated thousands of pages of needless regulation. We guarantee timely return on permits or your money back. And we have established a novel industrial site reuse policy that is a model for the Nation.

In just 18 months, 64 old, abandoned sites – sites that once served as a reminder of jobs lost – have been cleaned up and are ready now for new jobs: Thonet in York; Johnson Bronze in New Castle; the former Hays Army Ammunition Plant in Pittsburgh. There are 129 more sites being cleaned up as the list of these kinds of opportunities grows every day.

We gathered 2 years ago as a State with electricity costs that ran 15 percent higher than the national average. Today, Pennsylvania is the fourth State in the Nation to introduce competition and allow consumers to choose their own electric company. Rates are already headed down, and as a result, Keystone Powdered Metals in Bradford will expand in Pennsylvania and create new jobs in Pennsylvania.

We have changed the way we take care of the people's money, too. In the decade before we came here, the budget grew on an average of 5.4 percent a year. In our budgets, we have restrained growth to an average of less than 2 percent. One result, I think a very important result: Our Rainy Day Fund – that is, the State's savings account – will reach a record quarter of a billion dollars.

Consider as well that 2 years ago our welfare system discouraged family and education and work. Now it embraces those values. If you are able to work, you must. But we protect the most vulnerable – women with children, the elderly, and the disabled. And we are making record investments in child care, job training, and drug and alcohol programs.

PACE (Pharmaceutical Assistance Contract for the Elderly), the program that helps our neediest older citizens pay for prescription drugs, was leaving some of our seniors far behind. We all owe a great debt to Pennsylvania's older citizens. So with your help, we enacted a significant expansion of PACE. Now, more older Pennsylvanians qualify for these critical benefits than ever before. Protecting the elderly, our children, and our communities is a duty I take very seriously. Two years ago, violent juveniles were treated with kid gloves, victims' rights often were ignored, our children were not adequately protected, and death-penalty cases were gathering dust. Now we have laws on the books to ensure that young predators are held accountable, a rape law where "no" means "no," a Megan's Law to protect our families from sexual predators, and a death sentence that means a death warrant.

Two years ago, the tools of State government were paper and pens. Today, we have our own home page. If you do not know what it is, let me share it with you – www.state.pa.us. We have brought our agencies on-line with e-mail. And with our landmark Link to Learn initiative, our schools will be linked to our communities, and our communities will be linked to the rest of the world.

Every one of these reforms has been about people: people who work, people who raise families, and people who call Pennsylvania home. This budget is no different. Today, we take the next step to help our families and our communities move forward.

One of Pennsylvania's greatest assets is our extremely low personal income tax. At 2.8 percent, it is one of the lowest in the Nation. But for some working families, even that low tax is a burden. These families are doing the right thing – working hard, raising children – but there just is not enough money to make ends meet. Did you know there are nearly 80,000 families of four in Pennsylvania making \$18,000 a year or less? And if you think our budget decisions are difficult, try imagining theirs.

This budget will give them help. I propose a tax cut for working poor families in Pennsylvania. It is the largest single tax cut in this budget. It is a \$25-million reduction in the personal income tax that working families pay.

A family of four making \$18,000 will pay zero in State income taxes. They will save \$500 a year, and money I am sure they can put to good use – much better use than government can. And let us give it back. So I ask colleagues on both sides of the aisle – Republicans and Democrats – to join me in passing this plan to help working families.

I know what it is like to live in a working family. My dad worked two jobs his entire life. And I think there were some days, I can say with great confidence, that he felt sure that two jobs were not even enough. Many nights I remember him sitting by the kitchen table figuring out ways to pay his bills, the family's bills, and save just a few dollars. Not easily done for him; certainly not easily done for a lot of Pennsylvanians.

In fact, for many families, saving money is an unfamiliar and out-of-reach goal. Without finding a way to save, they can only dream of going to school, starting a business, or buying a home. This budget begins to teach them and to encourage them – and provides incentives if they are willing to try.

Family Savings Accounts give some of our poorest families an incentive to save with matching funds from the State – up to \$300 per year. And just as importantly, this will help to connect people with the best places to provide that and other assistance – with community organizations, with churches, community development agencies – places that will not only hold their money but help them realize their dreams. We also offer self-employment assistance to give the unemployed a chance to become self-employed.

FEBRUARY 4

These approaches are working in Pennsylvania. Ask Nancy Santana. Nancy's dream was to own a cleaning business. But a lot of people told her she could not do it. "You can't do that. You're on welfare," they said. And some said it was better for her to stay on welfare than to work hard and climb her way out. But then she heard about the Women's Opportunity Resource Center in Philadelphia. And I will be there tomorrow. This is a place where, fortunately, they see things differently. They help struggling women set up savings accounts, develop a business plan, develop budgets for their families, and obtain loan assistance. Now Nancy is not just fully employed, she is an employer. And she believes that work is the key to her self-sufficiency.

This budget further helps those committed to helping themselves. We add to our record investments in child care and job training. Men and women on welfare will start their first day on the job knowing their children are cared for and their skills are sharp.

But government and welfare recipients cannot do it alone. Today I call on Pennsylvania's employers to help us meet the challenge of welfare reform and hire welfare recipients. State government will help. There is a State tax credit for employers who hire welfare recipients. We have streamlined the form, and now it is just one page. And we are implementing a more realistic deadline to file it.

Many voices outside of government called for welfare reform. Those same voices must now work with us to make welfare reform happen. At the end of the day, welfare reform will not work without the cooperation of competitive and compassionate businesses and business leaders. If we are to move people to self-sufficiency, we all have to help.

Now, I have always believed that Pennsylvanians want to help each other. It is a spirit of community that is embodied in our very name - a commonwealth. It is found in our families and neighborhoods, churches and synagogues, our boys and girls clubs, our volunteers and our civic groups.

So today we begin an important new conversation in Pennsylvania about people coming together. It is about bringing our communities back together. It is about government acknowledging that citizens and civic groups are much closer to the problems our communities face and are more likely to have the better solutions.

And so this budget invests in community-based, community-driven solutions to our most vexing challenges. It is a budget that builds communities.

There is not any community – urban or rural – that does not have a struggling neighborhood. People live there, but daily living is not easy. There are no grocery stores, no laundromats, no pharmacies. In some, there are no jobs. But storefronts like that can be the building blocks of community renewal. Just think about what a little capital could do. A day-care center, a diner; maybe a barber shop, a florist. Soon, you have an entire block that is filled with small businesses that fill that community's needs. They are owned and they are run by people who live there, and those people hire people who live there, too. And that builds a community – house by house, block by block.

But it is difficult to get a loan in struggling neighborhoods. Credit is scarce and resources are few. With your help, we will change that. I propose \$15 million for a new community development banking system – to pool public and private dollars

and provide the most basic financial services in urban and rural neighborhoods.

As communities grow, they must also be safe. Many of the ideas and much of the energy to make them safe can be found in those neighborhoods. Programs such as the First Lady's Community Partnership for Safe Children and Lieutenant Governor Schweiker's work with Weed and Seed confirm the high level of that energy and the success of such ideas.

This budget offers support for those locally driven solutions, with community crime prevention grants and with mentoring programs that provide our young people with positive role models to influence their lives.

Mentors are role models. Their gift is the gift of time. We must all give more time. That is how children learn the difference between right and wrong, the importance of education, and the need to make the right choices. The simple gift of time – from a parent or a mentor – can make a difference. And so I say again, to all Pennsylvanians, to all adult Pennsylvanians, we must give more time to our children.

And there is no better reason than to prevent the tragedy of a child bearing a child. This budget dedicates \$2.4 million to teach teenagers that the best way to prevent pregnancy is not to have sex. The rates of teenage pregnancy and out-of-wedlock births in Pennsylvania are too high. But so, too, are the incredible human costs – child poverty, educational failure, youth violence, gangs. Let us face it, a 15-year-old girl should be focused on how to succeed in math class, not on her future life as a single mom. You know, I do not like that term: single mother, single mom. I do not like it because it ignores absent fathers. But we can try to prevent both by teaching abstinence.

What is exciting about these initiatives is that innovation and accountability are found in our communities and in our citizens. In many cases, the ideas and the energy are already there – they just have not had a government willing to work with them.

We will tap that energy again in our pursuit of excellence in public education. I say to you, let us put communities in charge. Charter schools are public schools. Charter schools put parents and teachers and communities in charge. Charter schools empower them. If they want a longer school year, it is up to them. Uniforms? It is up to them. More math, less sports? It is up to them.

Last year we funded planning grants for charter schools, and communities gobbled them up. This budget continues to fund charter school planning grants to provide communities with the opportunity to create new public education choices. But parents and community leaders cannot start charter schools until we let them. This year let us pass meaningful charter school reform.

This budget also increases the dollars available to public schools by more than \$200 million.

We have increased funding for special education, transportation, and vocational training. We have added 100 million more dollars to the basic education subsidy. That is a 3-percent increase. And the poorest districts will be guaranteed an increase of at least 4 percent.

But the proposal is not just to spend more money. We are going to try to spend some of it better.

Ten percent of the increase will be set aside for schools that demonstrate the most improvement. It is a proposal to create a little healthy competition. It is not school district versus school district and it is not school versus school, but it is a school and its students trying to improve upon their own past performance.

We will measure performance with improved statewide testing. And in the coming weeks, my administration will announce new academic standards. We will start in the primary grades, and we will start with reading and math. We will insist upon standards that parents can tape to the refrigerator door and talk about with their children.

We expect the highest standards of our teachers as well. Our Commonwealth is blessed with thousands of teachers dedicated to our children. I believe in the power and the importance of the job our teachers do.

And it is because of that very strong belief that I have called upon the Secretary of Education to raise the standards to become a teacher in the Commonwealth of Pennsylvania. Recently a professional education journal noted that Pennsylvania has, on average, the fourth highest salaries in the Nation, yet our teaching report card read C+. Ironically, only a C+ is required to gain admission to our State's teaching programs. C+ is average. There is nothing wrong with average. But average is not what we want from our teachers. And at a time when we are raising the standards for our students and our schools, we must raise them for our teachers, too.

In higher education, we have increased funding by nearly \$20 million for our State-owned and State-related universities. And while we send money to higher education, we ought to make money for higher education available to the students as well.

Like many of you, I could not afford college without a scholarship. That is why I am such a strong believer in Pennsylvania's Higher Education Assistance program. Just a few weeks ago, I was proud to award Temple student Jill Angelos her grant. It included the three billionth dollar ever awarded by PHEAA. Like thousands of other students, she works hard for her grades and she is very proud of her education.

In the first year of this administration, we granted PHEAA its largest increase ever. And last year, even though it was a tight budget, we sustained that funding so that 146,000 students could continue to benefit from the program. Today we propose to increase that program again – this time, by 7 percent, so we can help nearly 2,000 more students like Jill have access to higher education.

Our schools, colleges, and universities provide our children and our future with a foundation in learning. As our economy becomes more and more dependent upon knowledge and innovation, people will be employed not because of what they know but because they know how to learn.

That is why this budget supports public libraries with an additional million dollars in funding. Libraries are at the core of our communities' ability to pursue lifelong learning.

That is why we also make the next \$40-million installment on our nationally recognized Link to Learn program. As you recall, it is a 3-year, \$120-million project to extend the information superhighway from school district to school district, town to town, and to link our communities and our children to the rest of the world.

Link to Learn starts in the schools, because a child excited by computers today becomes an adult who will apply knowledge and skill in a job tomorrow. But Link to Learn is more than just computers in classrooms. It forges community partnerships. It links our schools with museums, libraries, hospitals, businesses. It creates whole new alliances that identify the needs of our communities and matches them with technology, and even helps them afford it.

Let me give you an example that most of you probably never even thought of. Agriculture, we know, is Pennsylvania's number one industry. And we know the future of agribusiness will be tied to technology, like precision farming. The Link to Learn connections will give farm families access to satellites that help determine the levels of nutrients, pesticides, and fertilizers needed in their fields. Everyone wins – the farmer, the environment, the community. And the Link to Learn technology makes the connection.

It is a different world from the one our parents and grandparents grew up in. At the turn of the century, Pennsylvania was an industrial titan – a world leader – that embraced technology in steel and coal and rails. Today, innovation and technology are making it happen again.

Pennsylvania is home to one of the largest concentrations of biotech firms in the world. Internationally, we are recognized as a center for environmental technologies. And we are among the world's leaders in advanced materials, from powdered metals to electronics.

Today, we embrace that innovation – just like our parents did. And in this new Pennsylvania, innovative people and ideas will be supported and encouraged by their State government. We are hard at work with hundreds of executives from our high-tech companies in a project called "Technology 21." It is designed to develop a technology policy for our State. We asked questions. We got answers. And with this budget, State government responds.

First, a research and development tax grant. As whole new sectors of our economy emerge, this annual \$10- million tax credit recognizes that if products are to be made here, they need to be discovered here first.

I call, again, for the elimination of the 1991 sales tax on computer services for several sectors of our economy. This sales tax severely restricts our information technology sector, and it discourages our advanced manufacturing firms from improving their operations. Pennsylvania was one of the first States to place this onerous tax on innovation and improvement – let us be one of the first States to eliminate it.

Third, because many high-tech firms are small businesses, this budget cuts the capital stock and franchise tax for small businesses, including high-tech start-ups. The tax man should not be so interested in taking his share before these fledgling companies even have an opportunity to grow. Government should let them get on their feet.

And finally, as the Commonwealth finishes this blueprint to adopt a new approach to technology, we also provide full funding for the new direction of our world-renowned Ben Franklin/IRC (industrial resource center) Partnership.

Today, Pennsylvania competes head to head with Ohio, New Jersey, the Carolinas – for that matter, the rest of the country, the rest of the world. This budget makes us even more competitive, improves upon the job-creating programs we have and spreads the good news about the new Pennsylvania.

Through aggressive marketing, more out-of-State employers will know that the Commonwealth is the best choice for their businesses and for their workers. We have made another strong

1997	LEGISLATIVE JO	URNAL –	– HOUSE			8 7
BILLS REPORTED F CONSIDERED FIRST	-	Clark Clymer Cohen, L. I. Cohen, M.	Jadlowiec James Jarolin Josephs	Platts Preston Ramos Raymond	Van Horne Veon Vitali Walko	
HB 89, PN 267 (Amended)	By Rep. GRUPPO	Colafella Colaizzo	Kaiser Keller	Readshaw Reber	Washington Waugh	
An Act providing for supervisic powers and duties on the Departmen repeal.	on of child-care facilities; conferring nt of Public Welfare; and making a	Conti Cornell Corpora Corrigan Coy	Kenney Kirkland LaGrotta Laughlin Lawless	Reinard Rieger Roberts Robinson Roebuck	Williams, A. H. Williams, C. Wilt Wogan Wojnaroski	
AGING AND YOUTH.		Curry Daley Dally	Ledere r Leh Lescovitz	Rohrer Rooney Ross	Wright, M. N. Yewcic Youngblood	
HB 132, PN 268 (Amended)	By Rep. GRUPPO	DeLuca Dempsey Dent	Levdansky Lloyd Lucyk	Rubley Sainato Santoni	Zimmerman Zug	
An Act amending the act of N known as the Older Adults Prote definitions; further providing for re reporting suspected abuse by employ	eporting, for investigations and for	Dermody DeWeese DiGirolamo	Lucyk Lynch Maitland	Sather Saylor	Ryan, Speaker	
AGING AND YOUTH.	y cos.			DITIONS-0		
HB 133, PN 142	By Rep. GRUPPO	NOT VOTING-0				
	• 1		ΕX	CUSED-4		
An Act providing for Statewide to nursing facilities.	nurse aide training programs relating	Cowell	Horsey	Krebs	Pistella	
AGING AND YOUTH.			LEAVE:	S CANCELED	-1	
MASTER R	OLL CALL	Krebs				
The SPEAKER. The Chair is call. The members will please ta proceed to vote.	about to take today's master roll ke their seats. The members will	The SPE	AKER. Does tl	ne gentleman,	TIC LEADER Mr. DeWeese, du tically recognized	
The following roll call was re	corded:	after the Gov recognized:	-	It may be that	you did not care t	to be

PRESENT-199

Adolph	Donatucci	Major	Schroder
Allen	Druce	Manderino	Schuler
Argall	Eachus	Markosek	Scrimenti
Armstrong	Egolf	Marsico	Semmel
Baker	Evans	Masland	Serafini
Bard	Fairchild	Mayernik	Seyfert
Barley	Fargo	McCall	Shaner
Вагтаг	Feese	McGeehan	Smith, B.
Battisto	Fichter	McGill	Smith, S. H.
Bebko-Jones	Fleagle	McIlhattan	Snyder, D. W.
Belardi	Flick	McNaughton	Staback
Belfanti	Gannon	Melio	Stairs
Benninghoff	Geist	Michlovic	Steelman
Birmelin	George	Micozzie	Steil
Bishop	Gigliotti	Mihalich	Stern
Blaum	Gladeck	Miller	Stetler
Boscola	Godshall	Mundy	Stevenson
Boyes	Gordner	Myers	Strittmatter
Brown	Gruitza	Nailor	Sturla
Browne	Gruppo	Nickol	Surra
Bunt	Habay	O'Brien	Tangretti
Butkovitz	Haluska	Olasz	Taylor, E. Z.
Buxton	Hanna	Oliver	Taylor, J.
Caltagirone	Harhart	Orie	Thomas
Cappabianca	Hasay	Perzel	Tigue
Carn	Hennessey	Pesci	Travaglio
Carone	Herman	Petrarca	Trello
Casorio	Hershey	Petrone	Trich
Cawley	Hess	Pettit	Тпие
Chadwick	Hutchinson	Phillips	Tulli
Civera	Itkin	Рірру	Vance

Mr. DeWEESE. Mr. Speaker, do you mean to respond to the Governor's budget address?

The SPEAKER. Yes.

Mr. DeWEESE. I certainly would like to be recognized.

The SPEAKER. The gentleman is recognized.

Mr. DeWEESE. Thank you very much, Mr. Speaker.

First of all, I would like to compliment the Governor and the administration and our Assembly in general for a variety of successes, Mr. Speaker, that we have realized together, whether they were our successful involvements with the Department of Environmental Resources last year, whether it was our ability to get our sales taxes, at least on computers, in the budget this year. There are a variety of different successes that we have enjoyed together.

However, this year, as last year, Governor Ridge left unanswered the fundamental question of his administration: Where is the \$500-million surplus that Bob Casey left us? He started with \$500 million in the bank, Mr. Speaker, and now we are supposed to believe that we are getting by. The answer, of course, Mr. Speaker, is that it has been spent.

What did Pennsylvania get for that stupendous \$500-million surplus? Did we get a better system for funding our schools so that children in rural counties - a better system - so that children in rural counties would have a better chance than they have had before or at least the same chance in the 21st century that the children in wealthy suburbs have? No.

Did we get the kind of support for our colleges and universities that stops tuition creep? Did we give working families a chance to breathe a little easier when college bills come due? No, Mr. Speaker, we did not. Parents across the State that have children in college are brimful of apprehension.

Did we get better equipped police on our streets to protect our law-abiding citizens during the last 2 years? No, we did not.

Did we get local tax reform that cut our property taxes or could have cut our property taxes, if that had been the decision, the administrative decision, by \$500 million? No. In fact, property taxes went up in Pennsylvania last year by \$200 million.

It is very appropriate that the opposition, the loyal opposition - and as I have said before, the adjective is as preeminent as the noun - the loyal opposition makes certain that these points be brought out.

What Pennsylvania got for the \$500-million surplus was more tax cuts for our mercantile elite and little or nothing for the businesses that really need it, small businesses. The NFIB (National Federation of Independent Business) and our local chambers of commerce in rural Pennsylvania and across the Commonwealth, at least those that represent small businesses, have certainly not been the beneficiaries of the last 2 years.

It would be one thing if Republicans could claim that these tax cuts produced a better economy, Mr. Speaker, but they cannot. In fact, Pennsylvania's economy is slowing down; it is stultifying.

This is "Pennsylvania's Labor Force," Mr. Speaker, a publication that the Department of Labor and Industry puts out each month, and it has Governor Tom Ridge's name on it. According to these reports, in the last 22 months of the Casey administration, Pennsylvania had a net gain of 133,400 new jobs. In the first 22 months of the Ridge administration, after spending \$500 million to, hopefully, ostensively, trickle down, after telling the overwhelming majority of working people that they cannot see their own doctor if they are injured on the job, after giving amnesty to known tax cheaters, the Republican approach has netted 71,400 fewer jobs than Governor Casey in the same 24-month period, and it is in this book, and it has the Honorable Governor's name right on it.

Of course, some will say that economic conditions have changed, and you are right. Governor Casey had to fight his way out of a deep national recession. Governor Ridge has had to hack his way through a robust, growing national economy that has seen Wall Street hit record highs almost every week.

Two years ago, Mr. Speaker, I stood here and said that Republicans were making a mistake by abandoning a successful job-creation strategy of the Casey administration. I am sorry to say, Mr. Speaker, that I was right. I am sorry because if Pennsylvania's Republican leaders had done nothing more than adopt those strategies rather than abandon them, it is quite possible that 71,400 Pennsylvanians might have jobs today. We might even have a surging shipbuilding industry in Philadelphia instead of an inactive Navy Yard.

The Governor says the Republicans are on the right track, but his administration has cut the rate of job growth in half. If there is nothing else that is carried forth from this hall today from our side of the aisle, it should be that we are focusing on jobs, jobs, jobs, employment, and the Ridge administration has allowed the rate of job growth in Pennsylvania to be cut in half, and those are the figures from his own Labor and Industry Department. It does not sound like the right track to me, Mr. Speaker, or the right people for this Commonwealth – people who are worried about job security, people who are worried about losing benefits, people who are worried about being replaced by two or three part-timers so their employers do not have to provide benefits.

Meanwhile, the Census Bureau reports that more people are leaving Pennsylvania, Mr. Speaker, than any State other than Rhode Island.

Notwithstanding the exhortations of the Governor and the mellifluous courtesies of our chamber and the positive affirmations of His Excellency and the appropriate positive response of all of us here today, it is imperative that a loyal – loyal – opposition, Mr. Speaker, just like the Honorable Matthew Ryan when he was in the cockpit in the minority for 12 years, especially the 8 years of the Casey administration, brought forth both sides of the proverbial coin.

Governor Ridge says he has a plan, Mr. Speaker. He calls it Team Pennsylvania. He brought the Berwick High School championship football coach, George Curry, to an announcement talking about Team Pennsylvania. Both Coach Curry and Coach Ridge talked about everyone working together, about teamwork, about a united front, but Coach Ridge, unlike Coach Curry, does not seem to be practicing what he has been preaching. More than half of Pennsylvania's citizens are Democrats, but there are no Democratic leaders on Team Pennsylvania. There are about 50 working people for every business owner in our State. Where are the working people on our Team Pennsylvania? Coach Ridge is telling half the team that they will never get in the game. I do not think it is the kind of pep talk, Mr. Speaker, that Coach Curry would give to the boys up in Berwick.

Then there were the hats. The announcement of Team Pennsylvania was a bespangled affair – balloons, posters, banners, a cast of hundreds, everything but the proverbial brass band. Then there were the hats – red, white, and blue – showing the colors of Old Glory on the outside but carrying the label inside "Made in Bangladesh."

When Pennsylvania's jobs were on the line, the Ridge administration went to Bangladesh to save a couple of jobs – a country where kids get paid 31 cents an hour. Last Tuesday House Democrats announced a plan to reverse the dangerous trend of declining jobs in our Commonwealth. It is called Pennsylvania Can, and quite frankly, we did get our own hats made right here in Pennsylvania at no cost to the taxpayers, and we are hopeful that our plan, since we are a loyal opposition, might somehow be integrated into the Ridge plan.

I had breakfast with His Excellency this morning, and he was certainly not completely antagonized by that prospect, and I am pleased to share that with you.

Pennsylvania Can, Mr. Speaker, if I might share a few observations because it is inherently, as I said, with the help of Chairman Evans, Chairman Veon, and the rest of our standing committee chairmen and our rank and file, pushing the idea of jobs, jobs, jobs. If Pennsylvania Can works, then Democrats think that the best way to do that is to use some of the old job-creation strategies that the Casey administration used. They worked. Mon Valley money, Shenango Valley money targeted, Beaver Valley money, Allegheny County money, Monongahela Valley money – money into depressed areas – targeted, targeted, targeted money. And I noticed that some of what the Ridge administration is trying to do is to also target funds, and I am very appreciative of that endeavor on the Governor's part.

Pennsylvania Can has four straightforward goals, Mr. Speaker: good jobs with good wages and benefits by building on regional strengths – regional strengths.

Number two, better education and job training programs by partnerships with businesses and schools, bringing businesses and schools together, and quite frankly, with Link to Learn and other things like that, Governor Ridge is already obviously being helpful in that regard.

Strategic investments in hard-hit areas. I think the Governor is appropriately inclined to be helpful there, too. We do not need to get help on building another shopping mall in an affluent area. We need help in hard-hit districts like mine, like some of our center-city districts, and like some of the northern tier Republican districts – areas that have been very hard hit by the last 5 or 10 years.

Pennsylvania Can recognizes that we are not starting from ground zero, Mr. Speaker. Pennsylvania can build on regional strengths where we have groups of businesses that are among the best in the Nation: wood products in our northern tier; printing, metalworking, and tourism up in the Scranton area and up in the Poconos; powdered metals and food processing and transportation hubs in the central part of our State; and as the Governor mentioned, pharmaceuticals, biomedical, financial, insurance, and real estate businesses and concerns in the southeast; plastics and tool-and-die manufacturers up in the northwest; and fabricated metals and industrial machinery in the Greater Pittsburgh area.

Using the strengths we already have, Pennsylvania can make creation of jobs a little bit smarter. The quality of our work force is critical to business, and Pennsylvania Can puts a renewed focus on education. This means higher standards, and again, I commend the Governor for pursuing higher standards in his remarks today, and I am confident that we will, as an Assembly, be supportive in that regard. We are trying to better equip our community colleges and our vo-tech schools so that job training programs will be able to produce better results as they continue to partner with local businesses.

Pennsylvania Can also recognizes that State government should target a portion of its efforts, as I said earlier, to help distressed areas. If we are going to create jobs, it is absolutely fundamental that we create jobs in parts of our Commonwealth – and I stress it the same way that the Honorable Governor stressed it: our common wealth – it is absolutely imperative that we go to areas that are hardest hit.

The Democratic proposal includes providing tax credits and redirecting savings from welfare reform to invest in private-sector day care, private-sector transportation, Mr. Speaker, and private-sector worker development ventures.

Finally, Pennsylvania Can recognizes that partnerships make our chances of success that much greater. State government should be a partnership -- a partnership for businesses and schools, a partnership for business and government, and most of all, a partnership between the Ridge administration and all four of our caucuses. We have to make that the preeminent partnership in Pennsylvania -- House Dems and House Republicans, Senate Dems and Senate Republicans, working together with the Governor. Partisanship is immeasurably more easy for your side to aggressively institute than it is for ours. It has been that way since time immemorial. It has to do with heterogeneity, and we will not get into that, but nevertheless, and quite frankly, there is empirical data to sustain my declaration: the party-line votes, not only here but in other legislatures and in the Federal Congress, from the R's vis-a-vis the D's, overwhelmingly in the advance. We are going to have to put partisanship on the back burner. We are going to have to work with Governor Ridge, but notwithstanding that comment, the loyal opposition has to continue for at least another page or two to make certain we get a couple more points across.

Governor Ridge and the House Democrats do not have to be at odds, Mr. Speaker, on all issues. Obviously, I was gratified to hear that Governor Ridge agrees with us on our Community Investment Fund Program. Fifteen million bucks is not quite as far as we wanted to go, but it is a start, and perhaps it is a start from the Governor's perspective on at least investing to some degree in some of Pennsylvania Can.

Finally, a few brief observations about some things we would like to consider in the coming months.

Tax forgiveness. It was good to hear Governor Ridge propose a \$25-million expansion of tax forgiveness for low-income workers. I thought it was a good idea when Mike Veon introduced it last year. I thought it was such a good idea that I was flabbergasted, vexed, and annoyed that none of my Republican counterparts would cosponsor it, but now that His Excellency from the dais has made the request, I am hopeful that your enthusiasm will be augmented.

The idea that working poor need a break, Mr. Speaker, is obvious. Their health-care benefits have been lacerated, and almost every poor person in this State has lost his or her health-care safety net.

One observation about the big group that all of us represent, whether it is in the South Side of Pittsburgh, whether it is in Oakmont or Uniontown or Washington or Bucks County – the middle class. I do not think we are doing enough in this budget, Mr. Speaker, for the middle class. They are the folks that pay the bills. They are the folks whose property taxes keep going up and up and up, and Governor Ridge, quite frankly, has stated recently that property tax reform is not a keen priority of his.

Middle-class folks who own grocery stores in Scranton or carwashes in State College or manufacture baseball hats in Pittsburgh, Mr. Speaker. Once again, Governor Ridge has not done a whole lot for small business and for the middle class in this budget. These are the folks who are being downsized in Montgomery County, a lot of middle-class folks being downsized in the Philly suburbs. They are the folks that lost their health-care benefits in Berks County. They are the folks whose kids need immunized in Mercer County. There is not a whole lot in this budget that meets their needs.

The middle class, Governor, the people who send their kids to college, still believe in education, and they still believe it is the key to success, but we do not have a lot in this budget, Mr. Speaker, that is going to stop tuition creep. Tuition is going up and up and up, and notwithstanding some incipient gestures on behalf of the Governor today, in my opinion, there will still be substantial increases in tuition in all of our State colleges and our State- related universities. Corrections; corrections. Next year we will assume over a \$1-billion spending effort for our prisons. Some consider that a milestone, some consider it a millstone, but the phenomenon is obvious. We should focus more on the front end of crime. Tom Tangretti's efforts to put more cops on the street makes a lot of sense, and I am hopeful that Governor Ridge will allow for some dialogue when Representative Barley, Representative Evans, and the Appropriations Committees meet later in the spring.

Relative to education, Mr. Speaker, the Governor has proposed an increase in State support for local schools, and it is the biggest increase in 2 years. It is not enough; it is not nearly enough. It does not fix what is wrong with the school subsidy formula. As I have said innumerable times from this podium, if folks in Greene County are getting this much and folks in Montgomery County are getting this much, although money does not mean everything relative to education, in our Commonwealth, by our constitutional mandate, we are doing a disservice to the common wealth. It is like putting gas in a car that has got a bad engine, Mr. Speaker, vis-a-vis our subsidy formula. We need a new engine.

We need equity in education between our needy and affluent districts. To paraphrase Tom Paine, one of my favorites in that long drama of the American colonial experience, our school funding formula is like the age-old conflict between the gentry and those of humble rank. I think that says it all.

The \$500-million surplus Republicans spent on the mercantile elite could have gone a long way here, Mr. Speaker. We could be far better off putting that money into our schools and taking the pressure off local property tax. Businesses know we need to invest more in education. That is why they tell us day after day that we need to spend more and smart on education.

To end on a positive note – and I certainly feel that my remarks have been eminently positive, but I would not be an opposition leader if I did not try to countervail, although you have noticed I have not tried to caterwaul – I congratulate the Governor again on his initiative to reward improvements in school performance. We did that under Bob Casey's administration, and it was highly successful.

The final moments of our budget debate in June, when Representative Barley and his team of staff and members and our team of staff and members under Chairman Evans are working so hard, Mr. Speaker, this year in June it should not be a rebellious climax as it is so often. It should not be an ecstatic moment of conversion. We should be working together for the next 20 weeks. If we work in a bipartisan harness, a bipartisan harness – it is a difficult metaphor to conceive, but it is one that might endure at least for 15 seconds – if we work together, Mr. Speaker, during the springtime, I am confident that Pennsylvanians will be the proud beneficiaries of our hard work, and the most unfeigned joy will be evinced on every countenance. Thank you.

STATEMENT BY MAJORITY LEADER

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

Mr. PERZEL. Thank you, Mr. Speaker.

Before Governor Ridge took office 2 years ago, Mr. Speaker, Pennsylvania was way down on the list of States to do business in, and few would want to come here and many were looking for ways to leave. In 2 short years, Pennsylvania has changed, Mr. Speaker. The Nation and the world are taking notice of Pennsylvania's growth and the readiness to meet the challenges of the 21st century. The budget Governor Ridge presented to us here today is filled with strong evidence on how Pennsylvania has changed, and we are no longer floundering, Mr. Speaker. We are fixed on a future that offers promise to all Pennsylvanians.

This budget shows what Pennsylvania has become: strong, vibrant, and competitive. That is a word that is pretty new here in Pennsylvania, Mr. Speaker – "competitive" – and I kind of like that. In a short time, shorter than I ever imagined, Pennsylvania has become a player in the marketplace of economic development – jobs and ideas for the 21st century. This budget builds upon our success. It is good news for all Pennsylvanians.

There are no new taxes in this budget, Mr. Speaker, good news for all the taxpaying people here in Pennsylvania. This budget fits our philosophy of making sure that we live within our means, just like millions of hard-working taxpayers all across this great State. Yet our schools, particularly our poorer schools, will benefit with added funding for basic education subsidies. Link to Learn continues to bring 21st century technology to our schools and our classrooms.

The Governor has proposed modest increases for State-owned and State-related colleges and universities. Some will cry, as we just heard, we have not done enough, yet when I look at the numbers over the years, our funding has kept pace. It is our spending that has been far out of step, Mr. Speaker. That is a local, not a State, issue. School districts, like families, must live within their means. If money could solve all of the educational problems in the Commonwealth, in my city of Philadelphia we would have the best educated and the highest achieving students in this State. But sadly we do not. That is why I especially like the idea of adding an element of competition to the school funding mix.

I want to add my endorsement to the Governor's plan to reduce and eliminate the taxes paid by about 170,000 lower income Pennsylvanians. It is consistent with other moves we have made to support families who are working here in Pennsylvania. Successful job training programs like the ones we have at the Bidwell Center in Pittsburgh and the Metropolitan Career Center in Philadelphia are the key to moving Pennsylvanians away from dependence to dignity, Mr. Speaker. Governor Ridge is on the right track with the community development bank. It fits with our plans to attract good businesses and good jobs back into our cities.

I would like to finish my remarks, Mr. Speaker, with a few comments on tax cuts and job creation.

When we cut business taxes 2 years ago, we served notice that Pennsylvania was ready to fight to keep jobs and to bring new jobs here. It was the first step to make our business tax structure more competitive. Last year we dramatically changed workers' compensation. You could say our workers' comp rates were like our taxes – too high and too much bureaucracy. And now this year, the Governor wants to reduce the capital stock and franchise tax and the computer tax. In terms of money, these are modest cuts, but to the business community – the emerging high-tech businesses building here – this is a strong, positive message. They will help to create more of the jobs, thousands of them, into the 21st century. This is a good budget, Mr. Speaker. And I had intended to end there, but I cannot, Mr. Speaker, not after some of the things that were said.

I do not know where the Democrat leadership has been coming from the past 2 years, Mr. Speaker. I have a book, too, that was just put out by the small businesses around the Commonwealth of Pennsylvania. It is a list also from November of 43 pages of new jobs created here in Pennsylvania.

When we took control, Mr. Speaker, the Governor - that is 1 month, Mr. Speaker; 1 month - when we took control, the Governor of the Commonwealth of Pennsylvania commissioned a survey, and it said, what do we need to do to put Pennsylvania back on track? And number one in that book was unemployment not comp-Workers' compensation, unemployment compensation; workers' compensation. So we met with the mayor of Pittsburgh and the mayor of Philadelphia, Mayor Rendell, and they argued about how they needed that to be competitive for the 21st century. And I am sad to say that in the city of Philadelphia, one legislator put up a vote for that, and he knew that it was one of the most important things we needed to do. Two Democrat mayors agreed with that, and only one legislator put their vote up from the city of Philadelphia.

We knew that the business taxes were too high. We knew that DER (Department of Environmental Resources) was overregulating our businesses. And the Democrat leadership was not for any of those three. The last one they were for – deregulating the utility industry. Those were the four things necessary to put Pennsylvania back on track, and those were the four things that we did, Mr. Speaker. And if you look at what is going on in Pennsylvania right now, we have become really, we are called America's comeback success.

Right now, Site Selection magazine labeled Pennsylvania as one of the top 15 States to do business in for the first time ever in the history of that publication, Mr. Speaker. Our unemployment rate is under 5 percent. That is below the national average, Mr. Speaker. Employment on the other end of the spectrum is rising. We have more companies that are saying that they want to do business in Pennsylvania than in the last 10 years, Mr. Speaker. Monthly reports from the Department of Labor Industry show good job growth since 1995. The Democrat leadership would lead you to believe that everybody is leaving the Commonwealth of Pennsylvania.

I am sad to use this statistic, but it comes not from me, a Republican, it comes from Joe Vignola, a Democrat. And you want to talk about what is going on in Pennsylvania? Nine hundred jobs a month are leaving the city of Philadelphia, and 425 people a week leave the city, and that has been happening since 1988, Mr. Speaker. There is something wrong. And I wanted to work this out, and I have been trying; I have been meeting with a number of members on the other side of the aisle. We cannot continue to have that type of decline in our largest city. And I know a lot of the members would like to give Philadelphia to New Jersey and New Jersey would like to give us Camden and Trenton; that is not going to happen. But we need to work together to straighten that problem out, Mr. Speaker. We need to work to straighten that problem out, because it is a major problem here in the Commonwealth.

We can show statistic after statistic about different things that are going on in the Commonwealth, but the one that I am going to end with is we spend \$750 million a year on job training. We made sure in last year's budget that the Bidwell Center, which I mentioned earlier, has a 92-percent success rate in finding people that are on the welfare system jobs. So we made sure that they were compensated with more money in last year's budget, Mr. Speaker. And the Metropolitan Career Center in Philadelphia - not in my district; it is mostly in the black community - has just reproduced itself in the Hispanic neighborhoods of Philadelphia through Nueva Esperanza, Mr. Speaker. We are looking at, how can we create more jobs through the job training programs that we already have by using that money more effectively? We are honestly trying to make a difference here in Pennsylvania, and anybody on the other side of the aisle that has an idea that they want to help us with, that we can incorporate in this budget that will make a difference in the lives of people of Pennsylvania, we will do that, and we are trying.

And again, my home phone number is in the book -624-1892. Thank you.

The SPEAKER. The gentleman, Mr. DeWeese.

Mr. DeWEESE. I look forward to working with the gentleman on this and all matters during the next biennium, and especially as we work together for his hometown. I am in Philly two or three times a month, year in, year out, and it is a prominent concern of my own.

So I look forward to working with John Perzel, the majority leader, on all endeavors, but specifically, keenly, constantly, on the city of Philadelphia. Thank you.

The SPEAKER. The Chair thanks the gentleman.

STATEMENT BY MR. BARLEY

The SPEAKER. Does the gentleman, Mr. Barley, seek recognition? The gentleman is recognized.

Mr. BARLEY. Thank you, Mr. Speaker.

I would like to take this opportunity to reflect and present a few comments on the Governor's address, and I did just want to mention, I welcome the Democrat leader's willingness to support many of the private-sector initiatives. It seemed as though he had a long laundry list. He talked about the private day-care initiatives and on and on and on, and I look forward to working with him, as I mentioned earlier in the day in a private conversation, in working toward getting the State out of the retail business of selling liquor and moving that into the private sector as well.

Mr. Speaker, the Governor has proposed a budget for the 1997-98 fiscal year that allows us to provide essential services of State government while cutting taxes for the business community and the hard-working families of Pennsylvania. The Governor's spending plan is lean, it is focused, and based on the concept that State government must provide the essential framework in which the economy can grow and prosper and new jobs can be created.

The proposed \$16.9-billion General Fund budget increases State spending only by 2.7 percent for next year. That is lower than the rate of inflation is projected to be. This modest increase, the third in as many budgets, proves to me that the Governor is serious about keeping taxes low and the cost of government down.

The budget cuts taxes for working families by expanding the special income tax forgiveness program by \$25 million. This tax cut is specifically targeted at 170,000 hard-working taxpayers of

our Commonwealth. It sends an important message to these taxpayers that we recognize and appreciate their hard work.

In addition to cutting taxes on individual taxpayers, Governor Ridge proposes wide-ranging business tax cuts of almost \$42 million to promote economic growth and expansion and the creation of new jobs for our working men and women, and let me just expand on some of these tax cuts and pursue them for a moment.

Reducing the capital stock and franchise tax by almost \$10 million, and that is targeted specifically to small family businesses and startup businesses, the kinds of businesses that are the foundation, the rib-rock, if you will, of this Commonwealth and of our society. And then the proposal eliminating the sales tax on some of our computer services, saving almost another \$22 million. Again, this savings is targeted at the job-creating industries in Pennsylvania – the manufacturing industries, the agriculture industry, and the tourism industry. Another one of the tax cut proposals would be to provide a \$10-million research and development tax credit, and this is also very important to a healthy job-expanding and job-sustaining economy.

These substantial business tax cuts will provide fuel for the engine of economic development, and it will encourage more companies to expand and to relocate in Pennsylvania and promote the creation of new jobs for our workers. As has been mentioned already by the majority leader, the unemployment rate in Pennsylvania today, as a result of our policies, as a result of many of the programs we adopted, and for the past 7 months has been below the national average. I think that is something we should be proud of.

In the area of public education, the Governor once again places the spotlight on improving our public schools. Not only does the budget continue funding for the innovative and highly successful Link to Learn, the computer technology initiative, but it also supplements the historically high level of funding for our public schools with a \$100-million increase in the basic education subsidies. Ten million dollars of this will be driven out by the academic performance incentives. This particular line item applies a very simple concept to public schools: more money for better performance. Performance incentives are in widespread use in our private sector. Applying objective academic achievement standards to public schools provides them with the incentives to improve.

The Governor also proposes to spend \$34 million on the Link to Learn program and to increase spending for special education by another \$12 million. Schools will also realize savings of \$51 million in reduced retirement contributions. All in all – and this is a very significant, very important number – all in all, public schools will receive almost \$240 million more next year under the Governor's plan – \$240 million more – \$100 million, actually \$90 million, driven by the formula, but an additional \$150 million in targeted support.

I believe the time has come for our public school districts to rise to the challenge and to take a good look at how they are budgeting their resources and whether or not they are effectively preparing our young people for the jobs of the future. The minority leader earlier suggested that we need a new engine to drive out the funding formula? Well, you know, maybe the school districts which are throttling the engine that is spending those dollars simply need to look at that engine and replace the spark plugs so that they can do a more efficient job of using those dollars.

Our budget also contains good news for Pennsylvania's top two industries – agriculture and tourism. Agricultural research and extension will receive an additional \$1.5 million more next year, and the funding for tourism will increase by \$500,000.

Mr. Speaker, in conclusion, I think this budget is a good starting point. It is lean, it is focused, and it allows us to meet our current obligations while still cutting taxes. It successfully addresses the basic needs of Pennsylvania taxpayers and the needs that they tell us are important to them. It is good jobs, greater opportunities for our families, adequate resources for our communities, and the assurance of a quality education for our children. And equally as important, it cuts taxes by millions of dollars for working families and businesses in Pennsylvania.

I look forward to working with the Governor, look forward to working with my colleagues on the other side of the aisle, my colleagues in the Republican Caucus, as we forge the final spending plan that we will all be working on, bringing back here for final adoption, and be able to send to the Governor.

The challenge is here today. We have been challenged as we begin the process. Let us all roll up our sleeves, get busy, and put a budget out this year that we can all be very proud of. Thank you very much.

The SPEAKER. The Chair thanks the gentleman.

CALENDAR

BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **HB 26**, **PN 30**, entitled:

An Act providing for alternatives to achieve 180 days of instruction for school districts of the third class affected by flash floods occurring July 19, 1996.

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?

REMARKS SUBMITTED FOR THE RECORD

The SPEAKER. The gentleman from Clarion, Mr. McIlhattan, desires recognition. For what purpose?

Mr. McILHATTAN. I have some remarks to submit for the record, please.

The SPEAKER. The gentleman will submit his remarks for the record.

Mr. McILHATTAN submitted the following remarks for the Legislative Journal:

Mr. Speaker, I rise to speak briefly about HB 26, which I have sponsored.

This bill provides for an alternative to achieving the 180 days of instruction as required in the Pennsylvania School Code for school districts of the third class that were affected by the flash floods that occurred in the Commonwealth on July 19, 1996.

The alternatives provided for in this legislation, lengthening the schoolday or holding classes on Saturday, are authorized for the 1996-97 school year only.

The reason I sponsored this legislation is because the Redbank Valley School District, which is located in my legislative district, was severely damaged by the July 19 flood. Though the structure survived the flood, the entire inside of the building was destroyed and the damages amounted to over \$5 million and delayed the start of the school year by 4 weeks.

I ask my colleagues in the House to please give their favorable support to this legislation.

On the question recurring,

Shall the bill pass finally?

Druce

Eachus Egolf

Evans

Fargo

Feese Fichter

Fleagle

Gannon

George

Gruitza

Gruppo

Haluska

Hanna

Harhart

Hasay

Herman

Hershev Hess

Itkin

James Jarolin

Josephs

Kaiser

Keller

Kenney

Lawless

Lederer

Leh

Lloyd

Lucyk

Habay

Flick

Geist

The SPEAKER. Agreeable to the provisions of the Constitution, the yeas and nays will now be taken.

YEAS-199

Adolph
Allen
Argall
Armstrong
Baker
Bard
Barley
Ваггаг
Battisto
Bebko-Jones
Belardi
Belfanti
Benninghoff Birmelin
Bishop
Blaum
Boscola
Boyes
Brown
Browne
Bunt
Butkovitz
Buxton
Caltagirone
Cappabianca
Carn
Carone
Casorio
Cawley
Chadwick Civera
Civera
Clark
Clymer Cohen, L. I.
Cohen, L. I.
Cohen, M.
Colafella Colaizzo
Colaizzo
Conti Cornell
Cornell
Corpora Corrigan
Corrigan
Coy
Curry
Daley
Dally
DeLuca
Dempsey
Dent

Donatucci Major Manderino Markosek Marsico Masland Fairchild Mayernik McCall McGeehan McGill McIlhattan McNaughton Melio Michlovic Micozzie Mihalich Gigliotti Gladeck Miller Godshall Mundy Gordner Myers Nailor Nickol O'Brien Olasz. Oliver Orie Perzel Hennessey Pesci Petrarca Petrone Pettit Phillips Hutchinson Pippy Jadlowiec Platts Preston Ramos Raymond Readshaw Reber Reinard Kirkland Rieger Roberts LaGrotta Laughlin Robinson Roebuck Rohrer Rooney Lescovitz Ross Levdansky Rubley Sainato Santoni

Schroder Schuler Scrimenti Semmel Serafini Seyfert Shaner Smith, B. Smith, S. H. Snyder, D. W. Staback Stairs Steelman Steil Stern Stetler Stevenson Strittmatter Sturia Sutta Tangretti Taylor, E. Z. Taylor, J. Thomas Tigue Travaglio Trello Trich True Tulli Vance Van Horne Veon Vitali Walko Washington Waugh Williams, A. H. Williams, C. Wilt Wogan Wojnaroski Wright, M. N. Yewcic Youngblood Zimmerman Zug

	Dermody DeWeese DiGirolamo	Lynch Maitland	Sather Saylor	Ryan, Speaker		
		N.	AYS-0			
;	NOT VOTING-0					
		EXC	CUSED-4			
	Cowell	Horsey	Krebs	Pistella		

The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative and the bill passed finally.

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

* * *

The House proceeded to third consideration of HB 1, PN 46, entitled:

A Joint Resolution proposing an amendment to the Constitution of the Commonwealth of Pennsylvania, authorizing an exclusion from taxation of a portion of the assessed value of homestead property.

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 provisions of the Constitution, the yeas and nays will now be taken.

YEAS-199

Adolph	Donatucci	Major	Schroder
Allen	Druce	Manderino	Schuler
Argall	Eachus	Markosek	Scrimenti
Armstrong	Egolf	Marsico	Semmel
Baker	Evans	Masland	Serafini
	Fairchild		
Bard		Mayernik	Seyfert
Barley	Fargo	McCall	Shaner
Bartar	Feese	McGeehan	Smith, B.
Battisto	Fichter	McGill	Smith, S. H.
Bebko-Jones	Fleagle	McIlhattan	Snyder, D. W.
Belardi	Flick	McNaughton	Staback
Belfanti	Gannon	Melio	Stairs
Benninghoff	Geist	Michlovic	Steelman
Birmelin	George	Micozzie	Steil
Bishop	Gigliotti	Mihalich	Stern
Blaum	Gladeck	Miller	Stetler
Boscola	Godshall	Mundy	Stevenson
Boyes	Gordner	Myers	Strittmatter
Brown	Gruitza	Nailor	Sturla
Browne	Gruppo	Nickol	Surra
Bunt	Habay	O'Brien	Tangretti
Butkovitz	Haluska	Olasz	Taylor, E. Z.
Buxton	Hanna	Oliver	Taylor, J.
Caltagirone	Harhart	Orie	Thomas
Cappabianca	Hasay	Perzel	Tigue
Carn	Hennessey	Pesci	Travaglio
Carone	Herman	Petrarca	Trello
Casorio	Hershey	Petrone	Trich
-			

LEGISLATIVE JOURNAL — HOUSE

Cawley	Hess	Pettit	Тгие
Chadwick	Hutchinson	Phillips	Tulli
Civera	Itkin	Pippy	Vance
Clark	Jadlowiec	Platts	Van Horne
Clymer	James	Preston	Veon
Cohen, L. I.	Jarolin	Ramos	Vitali
Cohen, M.	Josephs	Raymond	Walko
Colafella	Kaiser	Readshaw	Washington
Colaizzo	Keller	Reber	Waugh
Conti	Kenney	Reinard	Williams, A. H.
Corneli	Kirkland	Rieger	Williams, C.
Corpora	LaGrotta	Roberts	Wilt
Corrigan	Laughlin	Robinson	Wogan
Coy	Lawless	Roebuck	Wojnaroski
Curry	Lederer	Rohrer	Wright, M. N.
Daley	Leh	Rooney	Yewcic
Dally	Lescovitz	Ross	Youngblood
DeLuca	Levdansky	Rubley	Zimmerman
Dempsey	Lloyd	Sainato	Zug
Dent	Lucyk	Santoni	
Dermody	Lynch	Sather	Ryan,
DeWeese	Maitland	Saylor	Speaker

NAYS-0

NOT VOTING-0

EXCUSED-4

Cowell He	orsey Krebs	s Pistella
-----------	-------------	------------

The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative and the bill passed finally.

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

* * *

The House proceeded to third consideration of HB 134, PN 143, entitled:

An Act providing for an income tax refund checkoff for breast and cervical cancer research; and making a repeal.

On the question,

Will the House agree to the bill on third consideration?

Mr. SAYLOR offered the following amendment No. A0024:

Amend Title, page 1, lines 1 and 2, by striking out all of said lines and inserting

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," providing for income tax refund checkoffs for breast and cervical cancer research, for wild resource conservation, for organ donation awareness, for support of the United States Olympic Committee and for contributions to the Korea/Vietnam Memorial National Education Center; and making repeals. Amend Bill, page 1, lines 5 through 13; page 2, lines 1 through 30; page 3, lines 1 through 17, by striking out all of said lines on said pages and inserting

Section 1. Article III of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended by adding a part to read: PART_VI-A

CONTRIBUTIONS OF REFUNDS BY CHECKOFF

Section 315.1. Definitions.—The following words, terms and phrases, when used in this part, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Department." The Department of Revenue of the Commonwealth. "Individual income tax." The tax imposed under this article.

Section 315.2. Contributions to Breast and Cervical Cancer Research.-(a) The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired to be utilized for breast and cervical cancer research in the Department of Health.

(b) The amount so designated on the individual income tax return form shall be deducted from the tax refund to which the individual is entitled and shall not constitute a charge against the income tax revenues due to the Commonwealth.

(c) <u>The department shall determine annually the total amount</u> designated under this section, less reasonable administrative costs, and shall report the amount to the State Treasurer, who shall transfer the amount from the General Fund to the Pennsylvania Cancer Control, Prevention and Research Advisory Board within the Department of Health.

(d) The department shall provide adequate information concerning the checkoff for breast and cervical cancer research in its instructions which accompany. State income tax return forms. The information concerning the checkoff shall include the listing of an address furnished by the Department of Health, to which contributions may be sent by taxpayers wishing to contribute to this effort, but who do not receive refunds. Additionally, the Department of Health shall be charged with the duty to conduct a public information campaign on the availability of this opportunity to Pennsylvania taxpayers.

(e) The Department of Health shall report annually to the respective committees of the Senate and the House of Representatives which have jurisdiction over health matters on the amount received via the checkoff plan and how the funds were utilized.

(f) The General Assembly may, from time to time, appropriate funds for breast and cervical cancer research within the Department of Health.

Section 315.3. Contributions for Wild Resource Conservation.— (a) The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired, to the Wild Resource Conservation Fund established under section 5 of the act of June 23, 1982 (P.L.597, No.170), known as the "Wild Resource Conservation Act."

(b) The amount so designated by an individual on the income tax return form shall be deducted from the tax refund to which such individual is entitled and shall not constitute a charge against the income tax revenues due the Commonwealth.

(c) _____The___department_shall__determine__annually_the__total_amount designated_pursuant to this section and shall_report such amount to the State_Treasurer, who shall transfer such amount from the General Fund to the_____Wild_Resource_Conservation_Fund_for__use_as_provided_in__the "Wild Resource Conservation_Act." The department shall be reimbursed from the fund for any administrative costs incurred above and beyond the cost savings it realizes as a result of individual total refund designations.

(d) The department shall provide adequate information concerning the Wild Resource Conservation Fund in its instructions which accompany State income tax return forms, which shall include the listing of an address, furnished to it by the Wild Resource Conservation Board, to

DiGirolamo

which contributions may be sent by those taxpayers wishing to contribute to said fund but who do not receive refunds.

(e) This section shall apply to taxable years beginning on or after January 1, 1997.

Section 315.4. Contributions for Organ Donation Awareness.—(a) The department shall provide a space on the face of the Pennsylvania individual income tax return form for the 1997 tax year and the 2000 tax year whereby an individual may voluntarily designate a contribution of any amount desired to the Organ Donation Awareness Trust Fund established under 20 Pa.C.S. § 8622 (relating to Organ Donation Awareness Trust Fund).

(b) The amount so designated by an individual on the Pennsylvania individual income tax return form shall be deducted from the tax refund to which the individual is entitled and shall not constitute a charge against the income tax revenues due the Commonwealth.

(c) <u>The_department_shall_annually_determine_the_total_amount</u> designated pursuant to this section and shall report that amount to the State <u>Treasurer who shall transfer that amount to the Organ Donation</u> Awareness <u>Trust Fund</u>.

(d) The department shall, in all taxable years following the effective date of this section, provide on its forms or in its instructions which accompany Pennsylvania individual income tax return forms adequate information concerning the Organ Donation Awareness Trust Fund which shall include the listing of an address, furnished to it by the Organ Donation Advisory Committee, to which contributions may be sent by those taxpayers wishing to contribute to the fund but who do not receive refunds.

(e) This section shall apply to taxable years beginning on or after January 1, 1997.

Section 315.5. Contributions for Olympics. (a) The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired to the United States Olympic Committee Pennsylvania Division.

(b) The amount so designated by an individual on the income tax return form shall be deducted from the tax refund to which such individual is entitled and shall not constitute a charge against the income tax revenues due the Commonwealth.

(c) The department_shall determine annually the total amount designated pursuant to this section, less reasonable administrative costs, and shall report such amount to the State Treasurer, who shall transfer such amount from the General Fund to the United States Olympic Committee, Pennsylvania Division.

Section 315.6. Contributions to Korea/Vietnam Memorial National Education Center.—(a) For tax years 1997, 1998, 1999 and 2000, the department_shall_provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount from the individual's tax refund to KVM.

(b) The amount designated by an individual on the Pennsylvania individual income tax return form shall be deducted from the tax refund to which such individual is entitled and shall not constitute a charge against the income tax revenues due the Commonwealth.

(c) The department shall determine annually the total amount designated by individual taxpayers under this section and shall report the amount to the State Treasurer who shall prepare the appropriate documentation and transfer the designated amount from the General Fund to KVM for use as provided in section 2507(b) of the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929."

(d) The department shall provide adequate information regarding the center and its purposes in its instructions for tax years 1997, 1998, 1999 and 2000 which accompany Pennsylvania individual income tax return forms to include the address of KVM to which contributions may be sent by taxpayers who wish to make additional contributions to the center.

(e) This subsection shall apply solely to taxable years 1997, 1998, 1999 and 2000.

Section 2. (a) The following acts and parts of acts are repealed:

Sections 2506 and 2507(a) of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929.

Section 4 of the act of June 23, 1982 (P.L.597, No.170), known as the Wild Resource Conservation Act.

20 Pa.C.S. § 8618.

(b) Section 12 of the act of June 23, 1982 (P.L.597, No.170), known as the Wild Resource Conservation Act, insofar as it is inconsistent with this act.

Section 3. This act shall apply to taxable years beginning on or after January 1, 1997.

Section 4. This act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The SPEAKER. On the question of the adoption of the amendment, the Chair recognizes the gentleman, Mr. Saylor, for a brief explanation of the amendment.

Mr. SAYLOR. Thank you, Mr. Speaker.

This amendment, 24, simply converts the bill to a tax reform code and consolidates the existing personal income tax checkoffs, currently four, into one location. The existing checkoffs are scattered throughout the statute, and this will clean up the bill, and there are no changes otherwise made to the existing checkoff program.

The SPEAKER. The Chair thanks the gentleman.

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

The following roll call was recorded:

YEAS-198

Adolph	Donatucci	Major	Schroder
Allen	Druce	Manderino	Schuler
Argall	Eachus	Markosek	Scrimenti
Armstrong	Egolf	Marsico	Semmel
Baker	Evans	Masland	Serafini
Bard	Fairchild	Mayemik	Seyfert
Barley	Fargo	McCall	Shaner
Barrar	Feese	McGeehan	Smith, B.
Battisto	Fichter	McGill	Smith, S. H.
Bebko-Jones	Fleagle	McIlhattan	Snyder, D. W.
Belardi	Flick	McNaughton	Staback
Belfanti	Gannon	Melio	Stairs
Benninghoff	Geist	Michlovic	Steelman
Birmelin	George	Micozzie	Steil
Bishop	Gigliotti	Mihalich	Stern
Blaum	Gladeck	Miller	Stetler
Boscola	Godshall	Mundy	Stevenson
Boyes	Gordner	Myers	Strittmatter
Brown	Gruitza	Nailor	Sturla
Browne	Gruppo	Nickol	Surra
Bunt	Habay	O'Brien	Tangretti
Butkovitz	Haluska	Olasz	Taylor, E. Z.
Buxton	Hanna	Oliver	Taylor, J.
Caltagirone	Harhart	Orie	Thomas
Cappabianca	Hasay	Perzel	Tigue
Carone	Hennessey	Pesci	Travaglio
Casorio	Herman	Petrarca	Trello
Cawley	Hershey	Petrone	Trich
Chadwick	Hess	Pettit	True
Civera	Hutchinson	Phillips	Tulli
Clark	ltkin	Pippy	Vance

LEGISLATIVE JOURNAL — HOUSE

Clymer	Jadlowiec	Platts	Van Horne
Cohen, L. I.	James	Preston	Veon
Cohen, M.	Jarolin	Ramos	Vitali
Colafella	Josephs	Raymond	Walko
Colaizzo	Kaiser	Readshaw	Washington
Conti	Keller	Reber	Waugh
Cornell	Kenney	Reinard	Williams, A. H.
Corpora	Kirkland	Rieger	Williams, C.
Corrigan	LaGrotta	Roberts	Wilt
Coy	Laughlin	Robinson	Wogan
Curry	Lawless	Roebuck	Wojnaroski
Daley	Lederer	Rohrer	Wright, M. N.
Dally	Leh	Rooney	Yewcic
DeLuca	Lescovitz	Ross	Youngblood
Dempsey	Levdansky	Rubley	Zimmerman
Dent	Lloyd	Sainato	Zug
Dermody	Lucyk	Santoni	-
DeWeese	Lynch	Sather	Ryan,
DiGirolamo	Maitland	Saylor	Speaker

NAYS-0

NOT VOTING-1

Carn

EXCUSED-4

Cowell	Horsey	Krebs	Pistella

The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

On the question,

Will the House agree to the bill on third consideration as amended?

Mr. CURRY offered the following amendment No. A0040:

Amend Title, page 1, lines 1 and 2, by striking out all of said lines and inserting

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," repealing certain provisions imposing sales and use tax on lawn care services; and providing for income tax refund checkoffs for breast and cervical cancer research.

Amend Bill, page 1, lines 5 through 13; page 2, lines 1 through 30; page 3, lines 1 through 17, by striking out all of said lines on said pages and inserting

Section 1. Section 201(b), (f), (g), (k). (o) and (jj) of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended or added August 4, 1991 (P.L.97, No.22) and December 13, 1991 (P.L.373, No.40), are amended to read:

Section 201. Definitions.-The following words, terms and phrases when used in this Article II shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning: * * *

(b) "Maintaining a place of business in this Commonwealth."

(1) Having or maintaining within this Commonwealth, directly or by a subsidiary, an office, distribution house, sales house, warehouse, service enterprise or other place of business, or any agent of general or restricted authority irrespective of whether the place of business or agent is located here permanently or temporarily or whether the person or subsidiary maintaining such place of business or agent is authorized to do business within this Commonwealth; or

(2) The engaging in any activity as a business within this Commonwealth by any person, directly or by a subsidiary, in connection with the lease, sale or delivery of tangible personal property or the performance of services thereon for use, storage or consumption or in connection with the sale or delivery for use of the services described in subclauses (11) through (16) and (18) of clause (k) of this section, including, but not limited to, having, maintaining or using any office, distribution house, sales house, warehouse or other place of business, any stock of goods or any solicitor, salesman, agent or representative under its authority, at its direction or with its permission, regardless of whether the person or subsidiary is authorized to do business in this Commonwealth.

(3) Regularly or substantially soliciting orders within this Commonwealth in connection with the lease, sale or delivery of tangible personal property to or the performance thereon of services or in connection with the sale or delivery of the services described in subclauses (11) through (16) and (18) of clause (k) of this section for residents of this Commonwealth by means of catalogues or other advertising, whether such orders are accepted within or without this Commonwealth.

* * *

(f) "Purchase at retail."

(1) The acquisition for a consideration of the ownership, custody or possession of tangible personal property other than for resale by the person acquiring the same when such acquisition is made for the purpose of consumption or use, whether such acquisition shall be absolute or conditional, and by whatsoever means the same shall have been effected.

(2) The acquisition of a license to use or consume, and the rental or lease of tangible personal property, other than for resale regardless of the period of time the lessee has possession or custody of the property.

(3) The obtaining for a consideration of those services described in subclauses (2), (3) and (4) of clause (k) of this section other than for resale.

(4) A retention after March 7, 1956, of possession, custody or a license to use or consume pursuant to a rental contract or other lease arrangement (other than as security), other than for resale.

(5) The obtaining for a consideration of those services described in subclauses (11) through (16) and (18) of clause (k) of this section.

The term "purchase at retail" with respect to "liquor" and "malt or brewed beverages" shall include the purchase of "liquor" from any "Pennsylvania Liquor Store" by any person for any purpose, and the purchase of "malt or brewed beverages" from a "manufacturer of malt or brewed beverages," "distributor" or "importing distributor" by any person for any purpose, except purchases from a "manufacturer of malt or brewed beverages" by a "distributor" or "importing distributor" or purchases from an "importing distributor" or "importing distributor" or purchases from an "importing distributor" by a "distributor" within the meaning of the "Liquor Code." The term "purchase at retail" shall not include any purchase of "malt or brewed beverages" from a "retail dispenser" or any purchase of "liquor" or "malt or brewed beverages" from a person holding a "retail liquor license" within the meaning of and pursuant to the provisions of the "Liquor Code," but shall include any purchase or acquisition of "liquor" or "malt or brewed beverages" other than pursuant to the provisions of the "Liquor Code."

(g) "Purchase price."

(1) The total value of anything paid or delivered, or promised to be paid or delivered, whether it be money or otherwise, in complete performance of a sale at retail or purchase at retail, as herein defined, without any deduction on account of the cost or value of the property sold, cost or value of transportation, cost or value of labor or service, interest or discount paid or allowed after the sale is consummated, any other taxes imposed by the Commonwealth of Pennsylvania or any other expense except that there shall be excluded any gratuity or separately stated deposit charge for returnable containers.

(2) There shall be deducted from the purchase price the value of any tangible personal property actually taken in trade or exchange in lieu of the whole or any part of the purchase price. For the purpose of this clause, the amount allowed by reason of tangible personal property actually taken in trade or exchange shall be considered the value of such property.

(3) In determining the purchase price on the sale or use of taxable tangible personal property or a service described in subclauses (11) through (16) and (18) of clause (k) of this section where, because of affiliation of interests between the vendor and purchaser, or irrespective of any such affiliation, if for any other reason the purchase price declared by the vendor or taxpaver on the taxable sale or use of such tangible personal property or service is, in the opinion of the department, not indicative of the true value of the article or service or the fair price thereof, the department shall, pursuant to uniform and equitable rules, determine the amount of constructive purchase price upon the basis of which the tax shall be computed and levied. Such rules shall provide for a constructive amount of purchase price for each such sale or use which would naturally and fairly be charged in an arms-length transaction in which the element of common interest between the vendor or purchaser is absent or if no common interest exists, any other element causing a distortion of the price or value is likewise absent. For the purpose of this clause where a taxable sale or purchase at retail transaction occurs between a parent and a subsidiary, affiliate or controlled corporation of such parent corporation, there shall be a rebuttable presumption, that because of such common interest such transaction was not at arms-length.

(4) Where there is a transfer or retention of possession or custody, whether it be termed a rental, lease, service or otherwise, of tangible personal property including, but not limited to linens, aprons, motor vehicles, trailers, tires, industrial office and construction equipment, and business machines the full consideration paid or delivered to the vendor or lessor shall be considered the purchase price, even though such consideration be separately stated and be designated as payment for processing, laundering, service, maintenance, insurance, repairs, depreciation or otherwise. Where the vendor or lessor supplies or provides an employe to operate such tangible personal property, the value of the labor thus supplied may be excluded and shall not be considered as part of the purchase price if separately stated. There shall also be included as part of the purchase price the value of anything paid or delivered, or promised to be paid or delivered by a lessee, whether it be money or otherwise, to any person other than the vendor or lessor by reason of the maintenance, insurance or repair of the tangible personal property which a lessee has the possession or custody of under a rental contract or lease arrangement.

(5) With respect to the tax imposed by subsection (b) of section 202 upon any tangible personal property originally purchased by the user of such property six months or longer prior to the first taxable use of such property within the Commonwealth, such user may elect to pay tax on a substituted base determined by considering the purchase price of such property for tax purposes to be equal to the prevailing market price of similar tangible personal property at the time and place of such first use within the Commonwealth. Such election must be made at the time of filing a tax return with the department and reporting such tax liability and paying the proper tax due plus all accrued penalties and interest, if there be any, within six months of the due date of such report and payment, as provided for by subsections (a) and (c) of section 217 of this article.

(6) The purchase price of employment agency services and help supply services shall be the service fee paid by the purchaser to the vendor or supplying entity. The term "service fee," as used in this subclause, shall be the total charge or fee of the vendor or supplying entity minus the costs of the supplied employe which costs are wages, salaries, bonuses and commissions, employment benefits, expense reimbursements and payroll and withholding taxes, to the extent that these costs are specifically itemized or that these costs in aggregate are stated in billings from the vendor or supplying entity. To the extent that these costs are not itemized or stated on the billings, then the service fee shall be the total charge or fee of the vendor or supplying entity.

(7) Unless the vendor separately states that portion of the billing which applies to premium cable service as defined in clause (ll) of this section, the total bill for the provision of all cable services shall be the purchase price. * * *

(k) "Sale at retail."

(1) Any transfer, for a consideration, of the ownership, custody or possession of tangible personal property, including the grant of a license to use or consume whether such transfer be absolute or conditional and by whatsoever means the same shall have been effected.

(2) The rendition of the service of printing or imprinting of tangible personal property for a consideration for persons who furnish, either directly or indirectly the materials used in the printing or imprinting.

(3) The rendition for a consideration of the service of-

(i) Washing, cleaning, waxing, polishing or lubricating of motor vehicles of another, whether or not any tangible personal property is transferred in conjunction therewith; and

(ii) Inspecting motor vehicles pursuant to the mandatory requirements of "The Vehicle Code."

(4) The rendition for a consideration of the service of repairing, altering, mending, pressing, fitting, dyeing, laundering, drycleaning or cleaning tangible personal property other than wearing apparel or shoes, or applying or installing tangible personal property as a repair or replacement part of other tangible personal property except wearing apparel or shoes for a consideration, whether or not the services are performed directly or by any means other than by coin-operated self-service laundry equipment for wearing apparel or household goods and whether or not any tangible personal property is transferred in conjunction therewith, except such services as are rendered in the construction, reconstruction, remodeling, repair or maintenance of real estate: Provided, however, That this subclause shall not be deemed to impose tax upon such services in the preparation for sale of new items which are excluded from the tax under clause (26) of section 204, or upon diaper service.

(8) Any retention of possession, custody or a license to use or consume tangible personal property or any further obtaining of services described in subclauses (2), (3) and (4) of this clause pursuant to a rental or service contract or other arrangement (other than as security).

The term "sale at retail" shall not include (i) any such transfer of tangible personal property or rendition of services for the purpose of resale, or (ii) such rendition of services or the transfer of tangible personal property including, but not limited to, machinery and equipment and parts therefor and supplies to be used or consumed by the purchaser directly in the operations of-

(A) The manufacture of tangible personal property;

(B) Farming, dairying, agriculture, horticulture or floriculture when engaged in as a business enterprise. The term "farming" shall include the propagation and raising of ranch raised fur-bearing animals and the propagation of game birds for commercial purposes by holders of propagation permits issued under 34 Pa.C.S. (relating to game);

(C) The producing, delivering or rendering of a public utility service, or in constructing, reconstructing, remodeling, repairing or maintaining the facilities which are directly used in producing, delivering or rendering such service;

(D) Processing as defined in clause (d) of this section.

The exclusions provided in paragraphs (A), (B), (C) and (D) shall not apply to any vehicle required to be registered under The Vehicle Code, except those vehicles used directly by a public utility engaged in business as a common carrier; to maintenance facilities; or to materials, supplies or equipment to be used or consumed in the construction, reconstruction, remodeling, repair or maintenance of real estate other than directly used machinery, equipment, parts or foundations therefor that may be affixed to such real estate.

The exclusions provided in paragraphs (A), (B), (C) and (D) shall not apply to tangible personal property or services to be used or consumed in managerial sales or other nonoperational activities, nor to the purchase or use of tangible personal property or services by any person other than the person directly using the same in the operations described in paragraphs (A), (B), (C) and (D) herein.

The exclusion provided in paragraph (C) shall not apply to (i) construction materials, supplies or equipment used to construct, reconstruct, remodel, repair or maintain facilities not used directly by the purchaser in the production, delivering or rendition of public utility service, (ii) construction materials, supplies or equipment used to construct, reconstruct, remodel, repair or maintain a building, road or similar structure, or (iii) tools and equipment used but not installed in the maintenance of facilities used directly in the production, delivering or rendition of a public utility service.

The exclusions provided in paragraphs (A), (B), (C) and (D) shall not apply to the services enumerated in clauses (k)(11) through (16) and (18) and (w) through (ii) and (kk), except that the exclusion provided in this subclause for farming, dairying and agriculture shall apply to the service enumerated in clause (z).

(9) Where tangible personal property or services are utilized for purposes constituting a "sale at retail" and for purposes excluded from the definition of "sale at retail," it shall be presumed that such tangible personal property or services are utilized for purposes constituting a "sale at retail" and subject to tax unless the user thereof proves to the department that the predominant purposes for which such tangible personal property or services are utilized do not constitute a "sale at retail."

(10) The term "sale at retail" with respect to "liquor" and "malt or brewed beverages" shall include the sale of "liquor" by any "Pennsylvania liquor store" to any person for any purpose, and the sale of "malt or brewed beverages" by a "manufacturer of malt or brewed beverages," "distributor" or "importing distributor" to any person for any purpose, except sales by a "manufacturer of malt or brewed beverages" to a "distributor" or "importing distributor" or sales by an "importing distributor" or a "distributor" within the meaning of the "Liquor Code." The term "sale at retail" shall not include any sale of "malt or brewed beverages" by a "retail dispenser" or any sale of "liquor" or "malt or brewed beverages" by a person holding a "retail liquor license" within the meaning of and pursuant to the provisions of the "Liquor Code," but shall include any sale of "liquor" or "malt or brewed beverages" other than pursuant to the provisions of the "Liquor Code."

(11) The rendition for a consideration of lobbying services.

(12) The rendition for a consideration of adjustment services, collection services or credit reporting services.

(13) The rendition for a consideration of secretarial or editing services.

(14) The rendition for a consideration of disinfecting or pest control services, building maintenance or cleaning services.

(15) The rendition for a consideration of employment agency services or help supply services.

(16) The rendition for a consideration of computer programming services; computer-integrated systems design services; computer processing, data preparation or processing services; information retrieval services; computer facilities management services; or other computer-related services. At a minimum, such services shall not include services that are part of electronic fund transfers, electronic financial transactions or services, banking or trust services, or management or administrative services, including transfer agency, shareholder, custodial and portfolio accounting services, provided directly to any entity that duly qualifies to be taxed as a regulated investment company or a real estate investment trust under the provisions of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.) or to an entity that provides such services to an entity so qualifying.

[(17) The rendition for a consideration of lawn care service.]

(18) The rendition for a consideration of self-storage service.

* * * (o) "Use."

(1) The exercise of any right or power incidental to the ownership, custody or possession of tangible personal property and shall include, but not be limited to transportation, storage or consumption.

(2) The obtaining by a purchaser of the service of printing or imprinting of tangible personal property when such purchaser furnishes, either directly or indirectly, the articles used in the printing or imprinting.

(3) The obtaining by a purchaser of the services of (i) washing, cleaning, waxing, polishing or lubricating of motor vehicles whether or not any tangible personal property is transferred to the purchaser in conjunction with such services, and (ii) inspecting motor vehicles pursuant to the mandatory requirements of "The Vehicle Code."

(4) The obtaining by a purchaser of the service of repairing, altering, mending, pressing, fitting, dyeing, laundering, drycleaning or cleaning tangible personal property other than wearing apparel or shoes or applying or installing tangible personal property as a repair or replacement part of other tangible personal property other than wearing apparel or shoes, whether or not the services are performed directly or by any means other than by means of coin-operated self-service laundry equipment for wearing apparel or household goods, and whether or not any tangible personal property is transferred to the purchaser in conjunction therewith, except such services as are obtained in the construction, reconstruction, *remodeling*, *repair or maintenance of real estate:* Provided, however, That this subclause shall not be deemed to impose tax upon such services in the preparation for sale of new items which are excluded from the tax under clause (26) of section 204, or upon diaper service: And provided further, That the term "use" shall not include-

(A) Any tangible personal property acquired and kept, retained or over which power is exercised within this Commonwealth on which the taxing of the storage, use or other consumption thereof is expressly prohibited by the Constitution of the United States or which is excluded from tax under other provisions of this article.

(B) The use or consumption of tangible personal property, including but not limited to machinery and equipment and parts therefor, and supplies or the obtaining of the services described in subclauses (2), (3) and (4) of this clause directly in the operations of-

(i) The manufacture of tangible personal property;

(ii) Farming, dairying, agriculture, horticulture or floriculture when engaged in as a business enterprise. The term "farming" shall include the propagation and raising of ranch-raised furbearing animals and the propagation of game birds for commercial purposes by holders of propagation permits issued under 34 Pa.C.S. (relating to game);

(iii) The producing, delivering or rendering of a public utility service, or in constructing, reconstructing, remodeling, repairing or maintaining the facilities which are directly used in producing, delivering or rendering such service;

(iv) Processing as defined in subclause (d) of this section.

The exclusions provided in subparagraphs (i), (ii), (iii) and (iv) shall not apply to any vehicle required to be registered under The Vehicle Code except those vehicles directly used by a public utility engaged in the business as a common carrier; to maintenance facilities; or to materials, supplies or equipment to be used or consumed in the construction, reconstruction, remodeling, repair or maintenance of real estate other than directly used machinery, equipment, parts or foundations therefor that may be affixed to such real estate. The exclusions provided in subparagraphs (i), (ii), (iii) and (iv) shall not apply to tangible personal property or services to be used or consumed in managerial sales or other nonoperational activities, nor to the purchase or use of tangible personal property or services by any person other than the person directly using the same in the operations described in subparagraphs (i), (ii), (iii) and (iv).

The exclusion provided in subparagraph (iii) shall not apply to (A) construction materials, supplies or equipment used to construct, reconstruct, remodel, repair or maintain facilities not used directly by the purchaser in the production, delivering or rendition of public utility service or (B) tools and equipment used but not installed in the maintenance of facilities used directly in the production, delivering or rendition of a public utility service.

The exclusion provided in subparagraphs (i), (ii), (iii) and (iv) shall not apply to the services enumerated in clauses (o)(9) through (14) and (16) and (w) through (ii) and (kk), except that the exclusion provided in subparagraph (ii) for farming, dairying and agriculture shall apply to the service enumerated in clause (z).

(5) Where tangible personal property or services are utilized for purposes constituting a "use," as herein defined, and for purposes excluded from the definition of "use," it shall be presumed that such property or services are utilized for purposes constituting a "sale at retail" and subject to tax unless the user thereof proves to the department that the predominant purposes for which such property or services are utilized do not constitute a "sale at retail."

(6) The term "use" with respect to "liquor" and "malt or brewed beverages" shall include the purchase of "liquor" from any "Pennsylvania liquor store" by any person for any purpose and the purchase of "malt or brewed beverages" from a "manufacturer of malt or brewed beverages," "distributor" or "importing distributor" by any person for any purpose, except purchases from a "manufacturer of malt or brewed beverages" by a "distributor" or "importing distributor," or purchases from an "importing distributor" by a "distributor" within the meaning of the "Liquor Code." The term "use" shall not include any purchase of "malt or brewed beverages" from a "retail dispenser" or any purchase of "liquor" or "malt or brewed beverages" from a person holding a "retail liquor license" within the meaning of and pursuant to the provisions of the "Liquor Code," but shall include the exercise of any right or power incidental to the ownership, custody or possession of "liquor" or "malt or brewed beverages" obtained by the person exercising such right or power in any manner other than pursuant to the provisions of the "Liquor Code."

(7) The use of tangible personal property purchased at retail upon which the services described in subclauses (2), (3) and (4) of this clause have been performed shall be deemed to be a use of said services by the person using said property.

(8) The term "use" shall not include the providing of a motor vehicle to a nonprofit private or public school to be used by such a school for the sole purpose of driver education.

(9) The obtaining by the purchaser of lobbying services.

(10) The obtaining by the purchaser of adjustment services, collection services or credit reporting services.

(11) The obtaining by the purchaser of secretarial or editing services.

(12) The obtaining by the purchaser of disinfecting or pest control services, building maintenance or cleaning services.

(13) The obtaining by the purchaser of employment agency services or help supply services.

(14) The obtaining by the purchaser of computer programming services; computer-integrated systems design services; computer processing, data preparation or processing services; information retrieval services; computer facilities management services; or other computer-related services. At a minimum, such services shall not include services that are part of electronic fund transfers, electronic financial transactions or services, banking or trust services, or management or administrative services, including transfer agency, shareholder, custodial and portfolio accounting services, provided directly to any entity that duly qualifies to be taxed as a regulated investment company or a real estate investment trust under the provisions of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.) or to an entity that provides such services to an entity so qualifying.

[(15) The obtaining by the purchaser of lawn care service.]
(16) The obtaining by the purchaser of self-storage service.
* * *

[(jj) "Lawn care service." Providing services for lawn upkeep, including, but not limited to, fertilizing, lawn mowing, shrubbery trimming or other lawn treatment services.]

Section 2. Article III of the act is amended by adding a part to read: <u>PART VI-A</u>

CONTRIBUTIONS OF REFUNDS BY CHECKOFF

Section 315.1. Definitions.—The following words, terms and phrases, when used in this part, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Department." The Department of Revenue of the Commonwealth. "Individual income tax." The tax imposed under this article.

Section 315.2. Contributions to Breast and Cervical Cancer

Research.-(a) The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired to be utilized for breast and cervical cancer research in the Department of Health.

(b) The amount so designated on the individual income tax return form shall be deducted from the tax refund to which the individual is entitled and shall not constitute a charge against the income tax revenues due to the Commonwealth.

(c) The department shall determine annually the total amount designated under this section, less reasonable administrative costs, and shall report the amount to the State Treasurer, who shall transfer the amount from the General Fund to the Pennsylvania Cancer Control, Prevention and Research Advisory Board within the Department of Health.

(d) The department shall provide adequate information concerning the checkoff for breast and cervical cancer research in its instructions which accompany State income tax return forms. The information concerning the checkoff shall include the listing of an address furnished by the Department of Health, to which contributions may be sent by taxpayers wishing to contribute to this effort, but who do not receive refunds. Additionally, the Department of Health shall be charged with the duty to conduct a public information campaign on the availability of this opportunity to Pennsylvania taxpayers.

(e) The Department of Health shall report annually to the respective committees of the Senate and the House of Representatives which have jurisdiction over health matters on the amount received via the checkoff plan and how the funds were utilized.

(f) The General Assembly may, from time to time, appropriate funds for breast and cervical cancer research within the Department of Health. Section 3. This act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS--196

	Adolph	DiGirolamo	Manderino	Schroder
	Allen	Donatucci	Markosek	Schuler
	Argall	Druce	Marsico	Scrimenti
	Armstrong	Eachus	Masland	Semmel
	Baker	Egolf	Mayernik	Serafini
	Bard	Evans	McCall	Seyfert
	Barley	Fairchild	McGeehan	Shaner
	Bartar	Fargo	McGill	Smith, B.
	Battisto	Feese	McIlhattan	Smith, S. H.
	Bebko-Jones	Fichter	McNaughton	Snyder, D. W.
ļ	Belardi	Fleagle	Melio	Staback
ł	Belfanti	Flick	Michlovic	Stairs

FEB.	RU	AR	Y	4
------	----	----	---	---

100		L	EGISLATIVE
Benninghoff	Gannon	Micozzie	Steelman
Birmelin	Geist	Mihalich	Steil
Bishop	George	Miller	Stern
Blaum	Gigliotti	Mundy	Stetler
Boscola	Gladeck	Myers	Stevenson
Boyes	Godshall	Nailor	Strittmatter
Brown	Gordner	Nickol	Sturla
Browne	Gruppo	O'Brien	Surra
Bunt	Habay	Olasz	Tangretti
Butkovitz	Haluska	Oliver	Taylor, E. Z.
Buxton	Hanna	Orie	Taylor, J.
Caltagirone	Harhart	Perzel	Thomas
Cappabianca	Hasay	Pesci	Travaglio
Carn	Hennessey	Petrarca	Trello
Carone	Herman	Petrone	Trich
Casorio	Hershey	Pettit	True
Cawley	Hess	Phillips	Tulli
Chadwick	Hutchinson	Pippy	Vance
Civera	Itkin	Platts	Van Horne
Clark	Jadlowiec	Preston	Veon
Clymer Cohon I I	James	Ramos	Vitali
Cohen, L. I.	Jarolin	Raymond	Walko
Cohen, M.	Josephs	Readshaw	Washington
Colafella	Kaiser	Reber	Waugh
Colaizzo	Keller	Reinard	Williams, A. H.
Conti	Kenney Kirkland	Rieger	Williams, C.
Cornell	Kirkland	Roberts	Wilt
Corpora	LaGrotta	Robinson Roebuck	Wogan
Corrigan	Laughlin Lawless	Rohrer	Wojnaroski Wright M. N
Coy Curry	Lederer	Rooney	Wright, M. N. Yewcic
Daley	Leh	Ross	Youngblood
Daily	Lescovitz	Rubley	Zimmerman
DeLuca	Levdansky	Sainato	Zug
Dempsey	Lucyk	Santoni	Lug
Dent	Lynch	Sather	Ryan,
Dermody	Maitland	Saylor	Speaker
DeWeese	Major	349101	Speaker
]	NAYS-2	
Lloyd	Tigue		
	NOT	VOTING-1	
Gruitza			
	ЕХ	CUSED-4	
Cowell	Horsey	Krebs	Pistella
The major	ity baying yote	l in the affirm	ative the question y

The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

On the question recurring,

Will the House agree to the bill on third consideration as amended?

The SPEAKER. The Chair recognizes the gentleman, Mr. Trello, who has, I am told, two amendments, Mr. Trello? Mr. Trello, two amendments?

Mr. TRELLO. Yes, Mr. Speaker, but Representative Williams is going to offer one of my amendments. She is going to offer amendment 0048. I am offering 0047.

The SPEAKER. The clerk will read 0047.

On the question recurring,

Will the House agree to the bill on third consideration as amended?

Mr. TRELLO offered the following amendment No. A0047:

Amend Title, page 1, lines 1 and 2, by striking out all of said lines and inserting

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation bycodifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," further providing for bakery products in relation to the sales tax; providing for an income tax refund checkoff for breast and cervical cancer research; making a repeal; and making an editorial change.

Amend Bill, page 1, lines 5 through 13; page 2, lines 1 through 30; page 3, lines 1 through 17, by striking out all of said lines on said pages and inserting

Section 1. Section 201(c) and (d) of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended August 4, 1991 (P.L.97, No.22), June 16, 1994 (P.L.279, No.48) and June 30, 1995 (P.L.139, No.21), are amended to read:

Section 201. Definitions.-The following words, terms and phrases when used in this Article II shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

* * *

(c) "Manufacture." The performance of manufacturing, fabricating, compounding, processing or other operations, engaged in as a business, which place any tangible personal property in a form, composition or character different from that in which it is acquired whether for sale or use by the manufacturer, and shall include, but not be limited to-

(1) Every operation commencing with the first production stage and ending with the completion of tangible personal property having the physical qualities (including packaging, if any, passing to the ultimate consumer) which it has when transferred by the manufacturer to another;

(2) The publishing of books, newspapers, magazines and other periodicals and printing;

(3) Refining, blasting, exploring, mining and quarrying for, or otherwise extracting from the earth or from waste or stock piles or from pits or banks any natural resources, minerals and mineral aggregates including blast furnace slag;

(4) Building, rebuilding, repairing and making additions to, or replacements in or upon vessels designed for commercial use of registered tonnage of fifty tons or more when produced upon special order of the purchaser, or when rebuilt, repaired or enlarged, or when replacements are made upon order of, or for the account of the owner;

(5) Research having as its objective the production of a new or an improved (i) product or utility service, or (ii) method of producing a product or utility service, but in either case not including market research or research having as its objective the improvement of administrative efficiency.

(6) Remanufacture for wholesale distribution by a remanufacturer of motor vehicle parts from used parts acquired in bulk by the remanufacturer using an assembly line process which involves the complete disassembly of such parts and integration of the components of such parts with other used or new components of parts, including the salvaging, recycling or reclaiming of used parts by the remanufacturer.

(7) Remanufacture or retrofit by a manufacturer or remanufacturer of aircraft, armored vehicles, other defense-related vehicles having a finished value of at least fifty thousand dollars (\$50,000). Remanufacture or retrofit involves the disassembly of such aircraft, vehicles, parts or components, including electric or electronic components, the integration of those parts and components with other used or new parts or

components, including the salvaging, recycling or reclaiming of the used parts or components and the assembly of the new or used aircraft, vehicles, parts or components. For purposes of this clause, the following terms or phrases have the following meanings:

 (i) "aircraft" means fixed-wing aircraft, helicopters, powered aircraft, tilt-rotor or tilt-wing aircraft, unmanned aircraft and gliders;

(ii) "armored vehicles" means tanks, armed personnel carriers and all other armed track or semitrack vehicles; or

(iii) "other defense-related vehicles" means trucks, truck-tractors, trailers, jeeps and other utility vehicles, including any unmanned vehicles.

The term "manufacture[,]" shall not include constructing, altering, servicing, repairing or improving real estate or repairing, servicing or installing tangible personal property, nor the cooking[,] or freezing [or baking] of fruits, vegetables, mushrooms, fish, seafood, meats[,] or poultry [or bakery products].

* * *

(d) "Processing." The performance of the following activities when engaged in as a business enterprise:

(1) The filtering or heating of honey, the cooking[, baking] or freezing of fruits, vegetables, mushrooms, fish, seafood, meats[,] or poultry [or bakery products], when the person engaged in such business packages such property in sealed containers for wholesale distribution.

(1.1) The processing of vegetables by cleaning, cutting, coring or chopping and treating to preserve, sterilize or purify and substantially extend the useful shelf life of the vegetables, when the person engaged in such activity packages such property in sealed containers for wholesale distribution.

(2) The scouring, carbonizing, cording, combing, throwing, twisting or winding of natural or synthetic fibers, or the spinning, bleaching, dyeing, printing or finishing of yarns or fabrics, when such activities are performed prior to sale to the ultimate consumer.

(3) The electroplating, galvanizing, enameling, anodizing, coloring, finishing, impregnating or heat treating of metals or plastics for sale or in the process of manufacturing.

(4) The rolling, drawing or extruding of ferrous and non-ferrous metals.

(5) The fabrication for sale of ornamental or structural metal or of metal stairs, staircases, gratings, fire escapes or railings (not including fabrication work done at the construction site).

(6) The preparation of animal feed or poultry feed for sale.

(7) The production, processing and bottling of non-alcoholic beverages for wholesale distribution.

(8) The operation of a saw mill or planing mill for the production of lumber or lumber products for sale.

(9) The milling for sale of flour or meal from grains.

(10) The slaughtering and dressing of animals for meat to be sold or to be used in preparing meat products for sale, and the preparation of meat products including lard, tallow, grease, cooking and inedible oils for wholesale distribution.

(11) The processing of used lubricating oils.

(12) The broadcasting of radio and television programs of licensed commercial or educational stations.

* * *

Section 2. Article III of the act is amended by adding a part to read: PART_VI-A

CONTRIBUTIONS OF REFUNDS BY CHECKOFF

Section 315.1. Definitions.—The following words, terms and phrases, when used in this part, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Department." The Department of Revenue of the Commonwealth. "Individual income tax." The tax imposed under this article.

Section 315.2. Contributions to Breast and Cervical Cancer Research.-(a). The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired to be utilized for breast and cervical cancer research in the Department of Health.

(b) The amount so designated on the individual income tax return form shall be deducted from the tax refund to which the individual is entitled and shall not constitute a charge against the income tax revenues due to the Commonwealth.

(c) The department shall determine annually the total amount designated under this section, less reasonable administrative costs, and shall report the amount to the State Treasurer, who shall transfer the amount from the General Fund to the Pennsylvania Cancer Control, Prevention and Research Advisory Board within the Department of Health.

(d) The department shall provide adequate information concerning the checkoff for breast and cervical cancer research in its instructions which accompany State income tax return forms. The information concerning the checkoff shall include the listing of an address furnished by the Department of Health, to which contributions may be sent by taxpayers wishing to contribute to this effort, but who do not receive refunds. Additionally, the Department of Health shall be charged with the duty to conduct a public information campaign on the availability of this opportunity to Pennsylvania taxpayers.

(e) The Department of Health shall report annually to the respective committees of the Senate and the House of Representatives which have jurisdiction over health matters on the amount received via the checkoff plan and how the funds were utilized.

(f) The General Assembly may, from time to time, appropriate funds for breast and cervical cancer research within the Department of Health.

Section 3. Section 12 of the act of June 23, 1982 (P.L.597, No.170), known as the Wild Resource Conservation Act, insofar as it is inconsistent with this act.

Section 4. This act shall apply as follows:

(1) The amendment of section 201(c) and (d) of the act shall apply on and after July 1, 1997.

(2) The addition of sections 315.1 and 315.2 of the act shall apply to the taxable years beginning on or after January 1, 1997. Section 5. This act shall take effect immediately.

On the question,

Will the House agree to the amendment?

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

Mr. TRELLO. Mr. Speaker, my amendment restores a manufacturer's tax exemption for sales tax for the purchase of machinery and equipment by small bakers.

In 1991 in the tax bill, we repealed the exemption and later reestablished it for the larger wholesale bakers and not for the "mom and pop" operators. I suggest that it is time to level the playing field and permit everyone to compete under the same rules. And under the Governor's address today, he is adamant about helping small businesses, and this is a good way to start.

I ask everybody to support the amendment for the "mom and pop" bakers. Thank you.

The SPEAKER. The lady, Ms. Williams, from Montgomery County. The lady, Ms. Williams, is recognized. Do you seek recognition on this amendment, Ms. Williams?

It is my understanding that I made a mistake when I said "Mr. Williams" and that you are desirous of offering the next amendment. Is that correct? I will come back to you.

Mr. Boyes.

Cowell

Mr. BOYES. Thank you, Mr. Speaker.

I rise to support the amendment and ask for an affirmative vote on this amendment. We have been over this issue before. It is one that we need to resolve and to make a strong statement in solid support for the amendment today. Thank you very much.

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

The following roll call was recorded:

YEAS-198

Adolph
Allen
Argail
Armstrong
Baker
Bard
Barley
Barrar
Battisto
Bebko-Jones
Belardi
Belfanti
Benninghoff
Birmelin
Bishop
Blaum
Boscola
Boyes
Doyus
Brown
Browne
Bunt
Butkovitz
Ruyton
Caltagirone Cappabianca Carn Carone Casorio Cawley Chadwick
Cannabianca
Cappaolalica
Cam
Carone
Casorio
Cawley
Chadwick
Civera
Clock
Clark
Clymer
Cohen, L. I.
Cohen, M.
Colafella
Colaizzo
Conti
Cornell
Corpora Corrigan
Corrigan
Coy
Curry
Daley
Daley
Dally
DeLuca
Dempsey
Dent
Dermody
DeWeese
2.0.110000

Maitland DiGirolamo Donatucci Major Manderino Druce Eachus Markosek Egolf Marsico Evans Masland Mavernik Fairchild Fargo McCall Feese McGeehan Fichter McGill Fleagle McIlhattan Flick McNaughton Gannon Melio Michlovic Geist Micozzie George Gigliotti Mihalich Miller Gladeck Godshall Mundy Gordner Myers Gruitza Nailor Gruppo Nickol Habay O'Brien Haluska Olasz Hanna Oliver Harhart Orie Hasay Perzel Pesci Hennessev Petrarca Herman Hershev Petrone Pettit Hutchinson Phillips Itkin Pippy Jadlowiec Platts James Preston Jarolin Ramos Raymond Josephs Readshaw Kaiser Keller Reber Reinard Kenney Kirkland Rieger LaGrotta Roberts Robinson Laughlin Lawless Rohrer Lederer Rooney Ross Lescovitz Rubley Levdansky Sainato Lloyd Santoni Sather Lucyk

Hess

Leh

Lynch

Schroder Schuler Scrimenti Semmel Serafini Seyfert Shaner Smith, B. Smith, S. H. Snyder, D. W. Staback Stairs Steelman Steil Stern Stetler Stevenson Strittmatter Sturla Surra Tangretti Taylor, E. Z. Taylor, J. Thomas Tigue Travaglio Trello Trich Тпіе Tulli Vance Van Horne Veon Vitali Walko Washington Waugh Williams, A. H. Williams, C. Wilt Wogan Wojnaroski Wright, M. N. Yewcic Youngblood Zimmerman Zug Ryan, Speaker

NAYS-0

Saylor

NOT VOTING-1

	EXCUSED-4	
Horsey	Krebs	Pistella

The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

On the question recurring,

Will the House agree to the bill on third consideration as amended?

The SPEAKER. The clerk will read the other amendment prepared in Mr. Trello's name, offered by the lady from Montgomery, Ms. Williams.

On the question recurring,

Will the House agree to the bill on third consideration as amended?

Ms. WILLIAMS offered the following amendment No. A0048:

Amend Title, page 1, lines 1 and 2, by striking out all of said lines and inserting

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," further defining "small corporation"; and providing for an income tax refund checkoff for breast and cervical cancer research; and making a repeal.

Amend Bill, page 1, lines 5 through 13; page 2, lines 1 through 30; page 3, lines 1 through 17, by striking out all of said lines on said pages and inserting

Section 1. Section 301 introductory paragraph and (s.2) of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended or added August 31; 1971 (P.L.362, No.93) and December 23, 1983 (P.L.370, No.90), are amended to read:

Section 301. Definitions .- The following words, terms and phrases when used in this article shall have the meaning ascribed to them in this section except where the context clearly indicates a different meaning. [Any] Unless specifically provided otherwise, any reference in this article to the Internal Revenue Code shall include the Internal Revenue Code of 1954, as amended to the date on which this article is effective: * * *

(s.2) "Small corporation" means any corporation which has a valid election in effect under subchapter S of Chapter 1 of the [Internal Revenue Code of 1954, as amended as of January 1, 1983] Internal Revenue Code of 1986, as amended by the act of August 20, 1996, (Public Law 104-188), and which does not have passive investment income in excess of twenty-five per cent of its gross receipts. For purposes of this clause, "passive investment income" means gross receipts derived from royalties, rents, dividends, interest, annuities and sales or exchanges of stock or securities (gross receipts from such sales or exchanges being taken into account only to the extent of gains therefrom). * * *

Section 2. Article III of the act is amended by adding a part to read:

PART VI-A CONTRIBUTIONS OF REFUNDS BY CHECKOFF

Section 315.1. Definitions.—The following words, terms and phrases, when used in this part, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Department." The Department of Revenue of the Commonwealth. "Individual income tax." The tax imposed under this article.

Section 315.2. Contributions to Breast and Cervical Cancer Research.-(a) The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired to be utilized for breast and cervical cancer research in the Department of Health.

(b) The amount so designated on the individual income tax return form shall be deducted from the tax refund to which the individual is entitled and shall not constitute a charge against the income tax revenues due to the Commonwealth.

(c) The department shall determine annually the total amount designated under this section, less reasonable administrative costs, and shall report the amount to the State Treasurer, who shall transfer the amount from the General Fund to the Pennsylvania Cancer Control, Prevention and Research Advisory Board within the Department of Health.

(d) The department shall provide adequate information concerning the checkoff for breast and cervical cancer research in its instructions which accompany State income tax return forms. The information concerning the checkoff shall include the listing of an address furnished by the Department of Health, to which contributions may be sent by taxpayers wishing to contribute to this effort, but who do not receive refunds. Additionally, the Department of Health shall be charged with the duty to conduct a public information campaign on the availability of this opportunity to Pennsylvania taxpayers.

(e) The Department of Health shall report annually to the respective committees of the Senate and the House of Representatives which have jurisdiction over health matters on the amount received via the checkoff plan and how the funds were utilized.

(f) The General Assembly may, from time to time, appropriate funds for breast and cervical cancer research within the Department of Health.

Section 3. Section 12 of the act of June 23, 1982 (P.L.597, No.170), known as the Wild Resource Conservation Act, insofar as it is inconsistent with this act.

Section 4. This act shall apply to taxable years beginning on or after January 1, 1997.

Section 5. This act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The SPEAKER. On the question, the Chair recognizes the lady. Ms. WILLIAMS. Thank you, Mr. Speaker.

My amendment very simply makes the S-corporation provisions in our State code uniform with those in the Federal statute. This is necessary, because the Federal statute was changed last year and our law references the Federal law, which now has a new reference.

The most important change in this S corporation is that now it will be allowed to have 75 shareholders rather than the current 35. S corporations are one of the ways that we will be able to create more jobs and get better business in Pennsylvania, and I am happy to propose this amendment.

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

Mr. TRELLO. Mr. Speaker, in 1986 I sponsored the legislation creating the subchapter-S program. At that time the Federal guidelines were 35 stockholders. Recently the Federal Government increased that to 75, and this amendment just complies with the Federal Government.

Representative Pat Browne and I from the Finance Committee talked about this legislation on a number of occasions and would appreciate an affirmative vote to comply with the Federal regulations to help our small businesses. Thank you, Mr. Speaker.

The SPEAKER. On the question, the gentleman, Mr. Browne. Mr. BROWNE. Thank you, Mr. Speaker.

I rise in support – very strong support – of the Williams amendment. It is something that was part, originally, of the Small Business Protection Act signed by President Clinton in 1996 and that the NFIB (National Federation of Independent Business) strongly supported.

One of the major provisions of this is it allows subchapter S corporations to have investors who are profit sharing in pension plans. There are billions of dollars available for our Pennsylvania subchapter S corporations through these provisions that would possibly go to other States if we do not adopt this change and the change in the Federal statute.

Also, it allows subchapter S companies to have subsidiaries. A lot of times small business owners had to put very risky activities with their other activities in the same corporation, exposing their assets to possible litigation. This allows them to separate them so they would have incentives to invest in more risky activities.

It is a tremendous proposal that will allow for expansion of our subchapter S companies, and I ask for an affirmative vote.

LEAVE OF ABSENCE CANCELED

The SPEAKER. The Chair returns momentarily to leaves of absence and instructs the clerk to remove the gentleman, Mr. Krebs, from leave.

CONSIDERATION OF HB 134 CONTINUED

The SPEAKER. Are there any further members desiring recognition on this amendment? Hearing none, the members will proceed to vote.

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

The following roll call was recorded:

YEAS-200

Adolph	Donatucci	Major	Schroder
Allen	Druce	Manderino	Schuler
Argall	Eachus	Markosek	Scrimenti
Armstrong	Egolf	Marsico	Semmel
Baker	Evans	Masland	Serafini
Bard	Fairchild	Mayernik	Seyfert
Barley	Fargo	McCall	Shaner
Barrar	Feese	McGeehan	Smith, B.
Battisto	Fichter	McGill	Smith, S. H.
Bebko-Jones	Fleagle	McIlhattan	Snyder, D. W.
Belardi	Flick	McNaughton	Staback
Belfanti	Gannon	Melio	Stairs
Benninghoff	Geist	Michlovic	Steelman

Birmelin	George
Bishop	Gigliott
Blaum	Gladeck
Boscola	Godsha
Boyes	Gordner
Brown	Gruitza
Browne	Gruppo
Bunt	Habay
Butkovitz	Haluska
Buxton	Hanna
Caltagirone	Harhart
Cappabianca	Hasay
Cappabianca Carn Carone	Henness
Carone	Herman
Casorio	Hershey
Cawley	Hess
Chadwick	Hutchin
Civera	Itkin
Clark	Jadlowi
Clymer	James
Cohen, L. I.	Jarolin
Cohen, M.	Josephs
Colafella	Kaiser
Colaizzo	Keller
Contí	Kenney
Cornell	Kirklan
Corpora	Krebs
Corrigan	LaGrott
Соу	Laughli
Ситу	Lawless
Daley	Lederer
Daily	Leh
DeLuca	Lescovi
Dempsey	Levdans
Dent	Lloyd
Dermody	Lucyk
DeWeese	Lynch
DiGirolamo	Maitlan

Gigliotti Mihalich Gladeck Miller Godshall Mundy Gordner Myers Nailor Gruitza Nickol Gruppo O'Brien Habay Olasz Haluska Hanna Oliver Harhart Orie Hasay Perzel Hennessey Pesci Herman Petrarca Petrone Hershey Hess Pettit Hutchinson Phillips Itkin Pippy Jadlowiec Platts Preston James Jarolin Ramos Josephs Raymond Readshaw Kaiser Keller Reber Kenney Reinard Kirkland Rieger Roberts Krebs Robinson LaGrotta Roebuck Laughlin awless Rohrer Rooney Lederer Leh Ross Lescovitz Rublev Levdansky Sainato Santoni Lloyd Sather Lucyk Saylor Lynch Maitland

Micozzie

Steil Stem Stetler Stevenson Strittmatter Sturla Surra Tangretti Taylor, E. Z. Taylor, J. Thomas Tigue Travaglio Trello Trich Тгие Tulli Vance Van Horne Veon Vitali Walko Washington Waugh Williams, A. H. Williams, C. Wilt Wogan Woinaroski Wright, M. N. Yewcic Youngblood Zimmerman Zug Ryan, Speaker

NAYS-0

NOT VOTING-0

EXCUSED-3

Cowell

Pistella

The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

On the question recurring,

Horsey

Will the House agree to the bill on third consideration as amended?

Mr. CLYMER offered the following amendment No. A0049:

Amend Title, page 1, lines 1 and 2, by striking out all of said lines and inserting

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," providing for an income tax refund checkoff for breast and cervical cancer research; further excluding certain transfers of real

property to trusts from taxation under the Realty Transfer Tax; and making a repeal.

Amend Bill, page 1, lines 5 through 13; page 2, lines 1 through 30; page 3, lines 1 through 17, by striking out all of said lines on said pages and inserting

Section 1. Article III of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended by adding a part to read: PART VI-A

CONTRIBUTIONS OF REFUNDS BY CHECKOFF

Section 315.1. Definitions-The following words, terms and phrases, when used in this part, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Department." The Department of Revenue of the Commonwealth. "Individual income tax." The tax imposed under this article.

Section 315.2. Contributions to Breast and Cervical Cancer Research -(a) The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired to be utilized for breast and cervical cancer research in the Department of Health.

(b) The amount so designated on the individual income tax return form shall be deducted from the tax refund to which the individual is entitled and shall not constitute a charge against the income tax revenues due to the Commonwealth.

(c) The department shall determine annually the total amount designated under this section, less reasonable administrative costs, and shall report the amount to the State Treasurer, who shall transfer the amount from the General Fund to the Pennsylvania Cancer Control. Prevention and Research Advisory Board within the Department of Health.

(d) The department shall provide adequate information concerning the checkoff for breast and cervical cancer research in its instructions which accompany State income tax return forms. The information concerning the checkoff shall include the listing of an address furnished by the Department of Health, to which contributions may be sent by taxpayers wishing to contribute to this effort, but who do not receive refunds. Additionally, the Department of Health shall be charged with the duty to conduct a public information campaign on the availability of this opportunity to Pennsylvania taxpayers.

(e) The Department of Health shall report annually to the respective committees of the Senate and the House of Representatives which have jurisdiction over health matters on the amount received via the checkoff plan and how the funds were utilized.

(f) The General Assembly may, from time to time, appropriate funds for breast and cervical cancer research within the Department of Health.

Section 2. Section 1101-C of the act, is amended by adding definitions to read:

Section 1101-C. Definitions.-The following words when used in this article shall have the meanings ascribed to them in this section: * * *

"Living trust." Any trust, other than a business trust, intended as a will substitute by the settlor which becomes effective during the lifetime of the settlor, but from which trust distributions cannot be made to any beneficiaries other than the settlor prior to the death of the settlor. * * *

"Ordinary trust." Any trust, other than a business trust or a living trust, which takes effect during the lifetime of the settlor and for which the trustees of the trust take title to property primarily for the purpose of protecting, managing or conserving it until distribution to the named beneficiaries of the trust. An ordinary trust does not include a trust that has an objective to carry on business and divide gains nor does it either expressly or impliedly have any of the following features: the treatment of beneficiaries as associates, the treatment of the interests in the trust as personal property, the free transferability of beneficial interests in the

trust, centralized management by the trustee or the beneficiaries, or continuity of life. * * *

Section 3. Section 1102-C.3(8) and (9) of the act, added July 2, 1986 (P.L.318, No.77), are amended and the section is amended by adding clauses to read:

Section 1102-C.3. Excluded Transactions.-The tax imposed by section 1102-C shall not be imposed upon: * * *

(8) A transfer for no or nominal actual consideration to a trustee of an ordinary trust where the transfer of the same property would be exempt if the transfer was made directly from the grantor to all of the possible beneficiaries that are entitled to receive the property or proceeds from the sale of the property under the trust, whether or not such beneficiaries are contingent or specifically named. A trust clause which identifies the contingent beneficiaries by reference to the heirs of the trust settlor as determined by the laws of the intestate succession shall not disqualify a transfer from the exclusion provided by this clause. No such exemption shall be granted unless the recorder of deeds is presented with a copy of the trust instrument that clearly identifies the grantor and all possible beneficiaries.

(8.1) A transfer for no or nominal actual consideration to a trustee of a living trust from the settlor of the living trust. No such exemption shall be granted unless the recorder of deed is presented with a copy of the living trust instrument.

(9) A transfer for no or nominal actual consideration from a trustee [to a beneficiary of an ordinary trust.] of an ordinary trust to a specifically named beneficiary that is entitled to receive the property under the recorded trust instrument or to a contingent beneficiary where the transfer of the same property would be exempt if the transfer was made by the grantor of the property into the trust to that beneficiary. However, any transfer of real estate from a living trust during the settlor's lifetime shall be considered for the purposes of this article as if such transfer were made directly from the settlor to the grantee.

(9.1) A transfer for no or nominal actual consideration from a trustee of a living trust after the death of the settlor of the trust or from a trustee of a trust created pursuant to the will of a decedent to a beneficiary to whom the property is devised or bequeathed.

(9.2) A transfer for no or nominal actual consideration from the trustee of a living trust to the settlor of the living trust if such property was originally conveyed to the trustee by the settlor.

* * *

Section 4. Section 12 of the act of June 23, 1982 (P.L.597, No.170), known as the Wild Resource Conservation Act, is repealed insofar as it is inconsistent with this act.

Section 5. This act shall apply as follows:

(1) The addition of sections 315.1 and 315.2 of the act shall apply to the taxable years beginning on or after January 1, 1997.

(2) The amendment or addition of sections 1101-C and 1102-C.3 of the act shall apply to any document made, executed, delivered, accepted or presented for recording after the effective date of this act. Section 6. This act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The SPEAKER. On the question of the adoption of the amendment, the Chair recognizes the gentleman, Mr. Clymer.

Mr. CLYMER. Thank you, Mr. Speaker.

Mr. Speaker, this amendment inserts provisions which would fix a problem in the statute whereby property transferred into a living trust is subject to the realty transfer tax under certain given situations.

Many unsuspecting taxpayers have faced assessments, interest, and penalties because of the unexpected impact of the transfer. This amendment would correct the problem, and the language was suggested last year by the Department of Revenue in their list of legislative proposals.

Mr. Speaker, I would ask the members to vote affirmative on this amendment. Thank you,

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

The following roll call was recorded:

YEAS-200

Major

Manderino

Markosek

Marsico

Masland

Mayernik

McGeehan

McIlhattan

Michlovic

Micozzie

Mihalich

Miller

Mundy

Myers

Nailor

Nickol

Olasz

Oliver

Orie

Perzel

Pesci

Petrarca

Petrone

Phillips

Pippy

Platts

Preston

Ramos

Reber

Reinard

Rieger

Roberts

Robinson

Roebuck

Rohrer

Roonev

Rubley

Sainato

Santoni

Sather

Saylor

Ross

Raymond

Readshaw

Pettit

O'Brien

McCall

McGill

Melio

Adolph	Donatucci
Allen	Druce
	Eachus
Argall	
Armstrong	Egolf
Baker	Evans
Bard	Fairchild
Barley	Fargo
Barrar	Feese
Battisto	Fichter
Bebko-Jones	Fleagle
Belardi	Flick
Belfanti	Gannon
Benninghoff	Geist
Birmelin	
-	George
Bishop	Gigliotti
Blaum	Gladeck
Boscola	Godshall
Boyes	Gordner
Brown	Gruitza
Browne	
	Gruppo
Bunt	Habay
Butkovitz	Haluska
Buxton	Hanna
Caltagirone	Harhart
Cappabianca	Hasay
Carn	
	Hennessey
Carone	Herman
Casorio	Hershey
Cawley	Hess
Chadwick	Hutchinson
Civera	Itkin
Clark	Jadlowiec
Clymer	James
Cohen, L. I.	Jarolin
Cohen, M.	Josephs
Colafella	Kaiser
Colaizzo	Keller
Conti	Kenney
Cornell	Kirkland
Corpora	Krebs
Corrigan	LaGrotta
Coy	Laughlin
Curry	Lawless
Daley	Lederer
Dally	Leh
DeLuca	Lescovitz
Dempsey	Levdansky
Dent	Lloyd
Dermody	Lucyk
DeWeese	Lynch
DiGirolamo	Maitland
2.QHOIMIIU	

Schroder Schuler Scrimenti Semmel Serafini Seyfert Shaner Smith. B. Smith, S. H. Snyder, D. W. McNaughton Staback Stairs Steelman Steil Stern Stetler Stevenson Strittmatter Sturla Surra Tangretti Taylor, E. Z. Taylor, J. Thomas Tigue Travaglio Trello Trich True Tulli Vance Van Horne Veon Vitali Walko Washington Waugh Williams, A. H. Williams, C. Wilt Wogan Wojnaroski Wright, M. N. Yewcic Youngblood Zimmerman Zug Rvan. Speaker

NAYS-0

NOT VOTING-0

EXCUSED-3

Cowell

Pistella

The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

On the question recurring,

Horsey

Will the House agree to the bill on third consideration as amended?

Mr. STETLER offered the following amendment No. A0056:

Amend Title, page 1, lines 1 and 2, by striking out all of said lines and inserting

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," further providing for the level of poverty income; providing for income tax refund checkoffs for breast and cervical cancer research; and making a repeal.

Amend Bill, page 1, lines 5 through 13; page 2, lines 1 through 30; page 3, lines 1 through 17, by striking out all of said lines on said pages and inserting

Section 1. Section 304(d)(1) of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended June 16, 1994 (P.L.279, No.48), is amended to read:

Section 304. Special Tax Provisions for Poverty -* * *

(d) Any claim for special tax provisions hereunder shall be determined in accordance with the following:

(1) If the poverty income of the claimant during an entire taxable year is six thousand three hundred dollars (\$6,300) or less, the claimant shall be entitled to a refund or forgiveness of any moneys which have been paid over to (or would except for the provisions of this act be payable to) the Commonwealth under the provisions of this article, with an additional income allowance of [three thousand dollars (\$3,000)] four thousand dollars (\$4,000) for the first additional dependent and an additional income allowance of [three thousand dollars (\$3,000)] four thousand dollars (\$4,000) for each additional dependent of the claimant.

* * *

Section 2. Article III of the act is amended by adding a part to read: <u>PART VI-A</u>

CONTRIBUTIONS OF REFUNDS BY CHECKOFF

Section 315.1. Definitions.—The following words, terms and phrases, when used in this part, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Department." The Department of Revenue of the Commonwealth. "Individual income tax." The tax imposed under this article.

Section 315.2. Contributions to Breast and Cervical Cancer Research.-(a) The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired to be utilized for breast and cervical cancer research in the Department of Health.

(b) The amount so designated on the individual income tax return form shall be deducted from the tax refund to which the individual is entitled and shall not constitute a charge against the income tax revenues due to the Commonwealth. (c) The department shall determine annually the total amount designated under this section, less reasonable administrative costs, and shall report the amount to the State Treasurer, who shall transfer the amount from the General Fund to the Pennsylvania Cancer Control, Prevention and Research Advisory Board within the Department of Health.

(d) The department shall provide adequate information concerning the checkoff for breast and cervical cancer research in its instructions which accompany State income tax return forms. The information concerning the checkoff shall_include the listing_of_an_address_furnished_by_the Department of Health, to which contributions may be sent by taxpayers wishing_to contribute to this effort, but who do_not_receive refunds. Additionally, the Department of Health shall be charged with the duty to conduct_a_public_information_campaign_on_the_availability_of_this opportunity to Pennsylvania taxpayers.

(e) The Department of Health shall report annually to the respective committees of the Senate and the House of Representatives which have jurisdiction over health matters on the amount received via the checkoff plan and how the funds were utilized.

(f) The General Assembly may, from time to time, appropriate funds for breast and cervical cancer research within the Department of Health.

Section 3. Section 12 of the act of June 23, 1982 (P.L.597, No.170). known as the Wild Resource Conservation Act, is repealed insofar as it is inconsistent with this act.

Section 4. This act shall apply to taxable years beginning on or after January 1, 1997.

Section 5. This act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The SPEAKER. On the question of the adoption of the amendment, the Chair recognizes the gentleman.

Mr. STETLER. Thank you, Mr. Speaker.

Amendment A0056 is a very simple amendment. All it does is raise the special tax provisions by \$1,000, so that the amount no longer is \$3,000 per dependent but increases that to \$4,000. Basically, this amendment puts into the Tax Reform Code the recommendations that the Governor just made in his address to us moments ago.

Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

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

The following roll call was recorded:

YEAS-200

Adolph
Allen
Argall
Armstrong
Baker
Bard
Barley
Barrar
Battisto
Bebko-Jones
Belardi
Belfanti
Benninghoff
Birmelin
Bishop
Blaum

Donatucci Major Druce Manderino Eachus Markosek Egolf Marsico Evans Masland Fairchild Mayemik Fargo McCall Feese McGeehan Fichter McGill Fleagle McIlhattan Flick McNaughton Gannon Melio Geist Michlovic George Micozzie Gigliotti Mihalich Gladeck Miller

Schroder Schuler Scrimenti Semmel Serafini Seyfert Shaner Smith, B. Smith, S. H. Snyder, D. W. Staback Stairs Steelman Steil Stern Stetler

Boscola
Boyes
Brown
Browne
Bunt
Butkovitz
Buxton
Caltagirone
Cappabianca
Carn
Carone
Casorio
Cawley
Chadwick
Civera
Civera Clark
Clymer
Cohen, L. I.
Cohen, M.
Colafella
Colaizzo
Conti
Cornell
Corpora
Corrigan
Cov
Ситу
Daley
Dally
DeLuca
Dempsey
Dent
Dermody
DeWeese
DiGirolamo

Godshall Mundy Gordner Myers Gruitza Nailor Nickol Gruppo Habay O'Brien Haluska Olasz Hanna Oliver Harhart Orie Hasay Perzel Hennessey Pesci Herman Petrarca Hershey Petrone Pettit Hutchinson Phillips Pippy Jadlowiec Platts lames Preston Jarolin Ramos Raymond Josephs Kaiser Readshaw Keller Reber Reinard Kenney Kirkland Rieger Krebs Roberts LaGrotta Robinson Laughlin Roebuck Lawless Rohrer Lederer Rooney Ross Lescovitz Rubley Levdansky Sainato Lloyd Santoni Lucyk Sather Lynch Saylor

Hess

Itkin

Leh

Maitland

Strittmatter Sturla Surra Tangretti Taylor, E. Z. Taylor, J. Thomas Tigue Travaglio Trello Trich True Tulli Vance Van Horne Veon Vitali Walko Washington Waugh Williams, A. H. Williams, C. Wilt Wogan Wojnaroski Wright, M. N. Yewcic Youngblood Zimmerman Zug Ryan,

Speaker

Stevenson

NAYS-0

NOT VOTING-0

EXCUSED-3

Cowell Horsey Pistella

The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

On the question recurring,

Will the House agree to the bill on third consideration as amended?

Mr. EACHUS offered the following amendment No. A0052:

Amend Title, page 1, lines 1 and 2, by striking out all of said lines and inserting

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," further providing for the level of poverty income; providing for income tax refund checkoffs for breast and cervical cancer research; and making a repeal.

Amend Bill, page 1, lines 5 through 13; page 2, lines 1 through 30; page 3, lines 1 through 17, by striking out all of said lines on said pages and inserting

Section 1. Section 304(d)(1) of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended June 16, 1994 (P.L.279, No.48), is amended to read:

Section 304. Special Tax Provisions for Poverty .- * * *

(d) Any claim for special tax provisions hereunder shall be determined in accordance with the following:

(1) If the poverty income of the claimant during an entire taxable year is [six thousand three hundred dollars (\$6,300) seven thousand three hundred dollars (\$7,300) or less, the claimant shall be entitled to a refund or forgiveness of any moneys which have been paid over to (or would except for the provisions of this act be payable to) the Commonwealth under the provisions of this article, with an additional income allowance of [three thousand dollars (\$3,000)] four thousand dollars (\$4,000) for the first additional dependent and an additional income allowance of [three thousand dollars (\$3,000)] four thousand dollars (\$4,000) for each additional dependent of the claimant.

Section 2. Article III of the act is amended by adding a part to read: PART VI-A

CONTRIBUTIONS OF REFUNDS BY CHECKOFF

Section 315.1. Definitions -- The following words, terms and phrases. when used in this part, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Department." The Department of Revenue of the Commonwealth. "Individual income tax." The tax imposed under this article.

Section 315.2. Contributions to Breast and Cervical Cancer Research -- (a) The department shall provide a space on the face of the Pennsylvania individual income tax return form whereby an individual may voluntarily designate a contribution of any amount desired to be utilized for breast and cervical cancer research in the Department of Health.

(b) The amount so designated on the individual income tax return form shall be deducted from the tax refund to which the individual is entitled and shall not constitute a charge against the income tax revenues due to the Commonwealth.

(c) The department shall determine annually the total amount designated under this section, less reasonable administrative costs, and shall report the amount to the State Treasurer, who shall transfer the amount from the General Fund to the Pennsylvania Cancer Control, Prevention and Research Advisory Board within the Department of Health.

(d) The department shall provide adequate information concerning the checkoff for breast and cervical cancer research in its instructions which accompany State income tax return forms. The information concerning the checkoff shall include the listing of an address furnished by the Department of Health, to which contributions may be sent by taxpayers wishing to contribute to this effort, but who do not receive refunds. Additionally, the Department of Health shall be charged with the duty to conduct a public information campaign on the availability of this opportunity to Pennsylvania taxpayers.

(e) The Department of Health shall report annually to the respective committees of the Senate and the House of Representatives which have jurisdiction over health matters on the amount received via the checkoff plan and how the funds were utilized.

(f) The General Assembly may, from time to time, appropriate funds for breast and cervical cancer research within the Department of Health.

Section 3. Section 12 of the act of June 23, 1982 (P.L.597, No.170), known as the Wild Resource Conservation Act, is repealed insofar as it is inconsistent with this act.

Section 4. This act shall apply to taxable years beginning on or after January 1, 1997.

Section 5. This act shall take effect immediately.

On the question, Will the House agree to the amendment? The SPEAKER. On the question of the adoption of the amendment, the Chair recognizes the gentleman, Mr. Eachus. Mr. EACHUS. Thank you, Mr. Speaker.

I am pleased to be able to follow the Governor's lead in granting tax relief to our citizens most in need. Like the Governor, my proposal increases the income allowance per dependent by \$1,000.

However, that is not good enough. The Governor's own budget document from last year shows that if no changes are made in the provisions, the outlays of the program will fall from \$90 million in fiscal year 1994-95 to \$69 million in the year 2000-2001. In other words, \$21 million less tax relief will be available for the most needy if we do nothing. So the Governor's program is merely an attempt to keep people in this program whole.

But what it fails to do is that. In 1994 there were 897,442 tax returns filed that claimed some tax forgiveness. Of that, 728,000 - over 81 percent - did not claim a dependent. In other words, the Governor's proposal will give additional tax relief to only 19 percent of those receiving benefits currently. That is not enough.

So my amendment, in addition to raising the income allowance for dependents by 1,000, also increases the base by 1,000 to 7,300.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS-200

Adolph	Donatucci	Major	Schroder
Allen	Druce	Manderino	Schuler
Argall	Eachus	Markosek	Scrimenti
Armstrong	Egolf	Marsico	Semmel
Baker	Evans	Masland	Serafini
Bard	Fairchild	Mayernik	Seyfert
Barley	Fargo	McCall	Shaner
Barrar	Feese	McGeehan	Smith, B.
Battisto	Fichter	McGill	Smith, S. H.
Bebko-Jones	Fleagle	McIlhattan	Snyder, D. W.
Belardi	Flick	McNaughton	Staback
Belfanti	Gannon	Melio	Stairs
Benninghoff	Geist	Michlovic	Steelman
Birmelin	George	Micozzie	Steil
Bishop	Gigliotti	Mihalich	Stern
Blaum	Gladeck	Miller	Stetler
Boscola	Godshall	Mundy	Stevenson
Boyes	Gordner	Myers	Strittmatter
Brown	Gruitza	Nailor	Sturla
Browne	Gruppo	Nickol	Surra
Bunt	Habay	O'Brien	Tangretti
Butkovitz	Haluska	Olasz	Taylor, E. Z.
Buxton	Hanna	Oliver	Taylor, J.
Caltagirone	Harhart	Orie	Thomas
Cappabianca	Hasay	Perzel	Tigue
Carn	Hennessey	Pesci	Travaglio
Carone	Herman	Petrarca	Trello
Casorio	Hershey	Petrone	Trich
Cawley	Hess	Pettit	True
Chadwick	Hutchinson	Phillips	Tulli
Civera	Itkin	Pippy	Vance
Clark	Jadlowiec	Platts	Van Horne
Clymer	James	Preston	Veon
Cohen, L. I.	Jarolin	Ramos	Vitali
Cohen, M.	Josephs	Raymond	Walko
Colafella	Kaiser	Readshaw	Washington
Colaizzo	Keller	Reber	Waugh

Conti	Kenney		
Cornell	Kirkland		
Corpora	Krebs		
Corrigan	LaGrotta		
Coy	Laughlin		
Сипу	Lawless		
Daley	Lederer		
Dally	Leh		
DeLuca	Lescovitz		
Dempsey	Levdansky		
Dent	Lloyd		
Dermody	Lucyk		
DeWeese	Lynch		
DiGirolamo	Maitland		

Reinard Rieger Roberts Robinson Roebuck Rohrer Rooney Ross Rubley Sainato Santoni Sather Saylor Williams, A. H. Williams, C. Wilt Wojnaroski Wright, M. N. Yewcic Youngblood Zimmerman Zug

Ryan, Speaker

NAYS-0

NOT VOTING-0

EXCUSED-3

Cowell

Pistella

The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

On the question recurring,

Will the House agree to the bill on third consideration as amended?

Bill as amended was agreed to.

Horsey

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 Chair recognizes the lady, Mrs. True.

Mrs. TRUE. Thank you, Mr. Speaker.

This is the third term that this legislation has been introduced – a tax checkoff for research in breast and cervical cancer.

I would like to thank all the cosponsors; there were so many. I would like to thank Chairman Boyes for bringing this bill out promptly and leadership for running it. I only hope that it comes back within a reasonable time and that we can get this to the Governor on behalf of all our families in Pennsylvania. Thank you.

On the question recurring,

Shall the bill pass finally?

The SPEAKER. Agreeable to the provisions of the Constitution, the yeas and nays will now be taken.

YEAS-200

Adolph	Donatucci	Major	Schroder
Allen	Druce	Manderino	Schuler
Argall	Eachus	Markosek	Scrimenti
Armstrong	Egolf	Marsico	Semmel
Baker	Evans	Masland	Serafini
Bard	Fairchild	Mayemik	Seyfert
Barley	Fargo	McCall	Shaner
Barrar	Feese	McGeehan	Smith, B.
Battisto	Fichter	McGill	Smith, S. H.
Bebko-Jones	Fleagle	McIlhattan	Snyder, D. W.
Belardi	Flick	McNaughton	Staback
Belfanti	Gannon	Melio	Stairs
Benninghoff	Geist	Michlovic	Steelman

FEBRUARY 4

Birmelin
Bishop
Blaum
Boscola
Boyes
Brown
Browne
Bunt
Butkovitz
Buxton
Caltagirone
Cappabianca
Carn
Carone
Casorio
Cawley
Chadwick
Civera
Clark
Clymer
Cohen I I
Cohen, M. Colafella Colaizzo Conti
Colafella
Colaizzo
Conti
Cornell
Corpora
Corrigan
Cov
Curry
Daley
Dally
DeLuca
Dempsey
Dent
Dermody
DeWeese
DiGirolamo

George Gigliotti Gladeck Godshall Gordner Gruitza Gruppo Habav Haluska Hanna Harhart Hasay Hennessey Herman Hershey Hess Hutchinson Itkin Jadlowiec James Jarolin Josephs Kaiser Keller Kenney Kirkland Krebs LaGrotta Laughlin Lawless Lederer Leh Lescovitz Levdansky Lloyd Lucyk Lynch Maitland

Micozzie

Mihalich

Miller

Mundy

Myers

Nailor

Nickol

Olasz

Oliver

Orie

Perzel

Pesci

Petrarca

Petrone

Phillips

Pettit

Pippy

Platts

Preston

Ramos Raymond

Reber

Reinard

Rieger

Roberts

Robinson

Roebuck

Rohrer

Rooney

Rubley

Sainato

Santoni

Sather

Saylor

Ross

Readshaw

O'Brien

Steil Stem Stetler Stevenson Strittmatter Sturla Surra Tangretti Taylor, E. Z. Taylor, J. Thomas Tigue Travaglio Trello Trich True Tulli Vance Van Horne Veon Vitali Walko Washington Waugh Williams, A. H. Williams, C. Wilt Wogan Wojnaroski Wright, M. N. Yewcic Youngblood Zimmerman Zug Ryan, Speaker

NAYS-0

NOT VOTING--0

EXCUSED-3

Cowell

Pistella

Horsev

The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative and the bill passed finally.

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

GUEST INTRODUCED

The SPEAKER. The Chair is pleased to welcome to the hall of the House today, as the guest of Representative Nickol, Charles Peck. Charles is a junior at South Western School District. Charles, where are you seated? He is right here to the front of the Speaker. Please rise.

APPROPRIATIONS COMMITTEE MEETING

The SPEAKER. The Chair recognizes the gentleman, Mr. Barley, for the purpose of calling a meeting. Mr. Barley. Mr. BARLEY. Thank you, Mr. Speaker.

I would like to call a meeting of the House Appropriations Committee immediately upon recess or the break in the committee room, in the Appropriations complex. Thank you.

The SPEAKER. Are there any further announcements by committee chairmen? Announcements by caucus leaders, caucus chairmen?

Floor leaders, do either of the two floor leaders have announcements? Mr. Perzel, do you have any announcements? Does the Democratic floor leader have any announcements?

DEMOCRATIC CAUCUS

The SPEAKER. Mr. Cohen.

Mr. COHEN. Mr. Speaker, just a reminder for members of the caucus, there will be a budget caucus at 10 a.m. tomorrow in the Democratic caucus room; 10 a.m. tomorrow to discuss the budget.

The SPEAKER. There will be a Democrat caucus at 10 a.m. tomorrow.

ANNOUNCEMENT BY MR. SURRA

The SPEAKER. The gentleman, Mr. Surra.

Mr. SURRA. Thank you, Mr. Speaker.

I am asked to announce, members of the Democratic Policy Committee, there will be a meeting in our caucus room right after the break. Thank you.

The SPEAKER. The Democratic Policy Committee will meet in the caucus room now.

There will be no further votes.

BILLS REMOVED FROM TABLE

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

Mr. PERZEL. Mr. Speaker, I move that HB 89, HB 132, and HB 133 be removed from the table.

On the question, Will the House agree to the motion? Motion was agreed to.

BILLS RECOMMITTED

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

Mr. PERZEL. Mr. Speaker, I move that HB 89, HB 132, and HB 133 be recommitted to the Committee on Appropriations.

On the question, Will the House agree to the motion? Motion was agreed to. The SPEAKER. Are there any corrections of the record? Any further announcements?

RECESS

The SPEAKER. The Chair declares a recess until 3 p.m., unless sooner recalled by the Chair.

The only business the Chair expects to engage in at 3 p.m. is receiving reports of the committees that are presently meeting.

This House will stand in recess till 3 p.m., unless sooner recalled by the Chair.

AFTER RECESS

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

BILL REREPORTED FROM COMMITTEE

SB 178, PN 336

By Rep. BARLEY

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for the number of judges of the courts of common pleas in certain judicial districts.

APPROPRIATIONS.

BILL ON SECOND CONSIDERATION

The following bill, having been called up, was considered for the second time and agreed to, and ordered transcribed for third consideration:

SB 178, PN 336.

SUPPLEMENTAL REPORT OF COMMITTEE ON COMMITTEES

The SPEAKER. The Chair is in receipt of a communication from the chairman of the Committee on Committees, which the clerk will read.

The following communication was read:

Representative Thomas Stevenson wishes to resign as a member of the House Standing Finance Committee. Representative Mark S. McNaughton is appointed to fill the vacancy on the Finance Committee created by Representative Stevenson's resignation.

On the question, Will the House adopt the resolution? Resolution was adopted.

ADJOURNMENT

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

Hearing none, the Chair recognizes the gentleman from Armstrong County, Mr. Pesci.

Mr. PESCI. Mr. Speaker, I move that this House do now adjourn until Wednesday, February 5, 1997, at 11 a.m., e.s.t., unless sooner recalled by the Speaker.

On the question, Will the House agree to the motion ? Motion was agreed to, and at 3:13 p.m., e.s.t., the House adjourned.