

COMMONWEALTH OF PENNSYLVANIA

LEGISLATIVE JOURNAL

MONDAY, APRIL 23, 1990

SESSION OF 1990

174TH OF THE GENERAL ASSEMBLY

No. 26

SENATE

MONDAY, April 23, 1990.

The Senate met at 2:00 p.m., Eastern Daylight Saving Time.

The PRESIDENT pro tempore (Robert C. Jubelirer) in the Chair.

PRAYER

The Chaplain, the Reverend Mr. TYRONE CAMPBELL, Pastor of Bethel Baptist Church, Bethel Park, offered the following prayer:

Let us bow our heads.

Gracious Father, we come to You in the blessed name of Jesus Christ, asking You to look upon us today as all decisions are in Your hands. Father, look upon the hearts and make them strong. Look upon the decisions and make them right. Father, we know You are able to do Your will in this place.

Bless the House also, and bless the Senate. Bless all those who are gathered around, Lord God, and bless these decisions in Jesus' name, that everyone who is gathered here in this House says, Amen.

The PRESIDENT pro tempore. The Chair thanks Reverend Campbell who is the guest this week of Senator Fisher.

JOURNAL APPROVED

The PRESIDENT pro tempore. A quorum of the Senate being present, the Clerk will read the Journal of the preceding Session of April 18, 1990.

The Clerk proceeded to read the Journal of the preceding Session, when, on motion of Senator LOEPER, further reading was dispensed with, and the Journal was approved.

COMMUNICATIONS FROM THE GOVERNOR

NOMINATIONS BY THE GOVERNOR REFERRED TO COMMITTEE

The PRESIDENT pro tempore laid before the Senate the following communications in writing from His Excellency, the Governor of the Commonwealth, which were read as follows, and referred to the Committee on Rules and Executive Nominations:

SECRETARY OF CORRECTIONS

April 19, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Joseph D. Lehman, 28922 Twelfth Avenue South, Federal Way, Washington 98003, for appointment as Secretary of Corrections, to serve until the third Tuesday of January, 1991 and until his successor shall have been appointed and qualified, vice The Honorable David S. Owens, Jr., resigned.

ROBERT P. CASEY.

MEMBER OF THE BLAIR COUNTY BOARD OF ASSISTANCE

April 19, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Daniel J. Gioiosa (Democrat), 1103 Peach View Lane, Duncansville 16635, Blair County, Thirtieth Senatorial District, for appointment as a member of the Blair County Board of Assistance, to serve until December 31, 1990 and until his successor is appointed and qualified, vice Michael J. Brennan, Altoona, deceased.

ROBERT P. CASEY.

RECALL COMMUNICATION REFERRED TO COMMITTEE

The PRESIDENT pro tempore laid before the Senate the following communication in writing from His Excellency, the Governor of the Commonwealth, which was read as follows, and referred to the Committee on Rules and Executive Nominations:

MEMBER OF THE INDUSTRIAL BOARD

April 19, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated April 9, 1990 for the appointment of Raymond Sannie, 2638 Columbia Street, Allentown 18104, Lehigh County, Sixteenth Senatorial District, as a member of the Industrial Board, to serve until the third Tuesday of January, 1991 and until his successor is appointed and qualified, vice Chester L. Allen, Mechanicsburg, resigned.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

**RECALL COMMUNICATIONS
LAID ON THE TABLE**

The PRESIDENT pro tempore laid before the Senate the following communications in writing from His Excellency, the Governor of the Commonwealth, which were read as follows, and laid on the table:

**MEMBER OF THE STATE BOARD
OF ACCOUNTANCY**

April 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated December 15, 1989 for the appointment of James M. Lynn, Esquire (Public Member), 3200 School House Lane, Philadelphia 19144, Philadelphia County, Seventh Senatorial District, as a member of the State Board of Accountancy, to serve for a term of four years and until his successor is appointed and qualified, but not longer than six months beyond that period, vice Marilyn L. Painter, Pittsburgh, whose term expired.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

**MEMBER OF THE COUNCIL OF TRUSTEES
OF CLARION UNIVERSITY OF
PENNSYLVANIA OF THE STATE SYSTEM
OF HIGHER EDUCATION**

April 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated January 23, 1990 for the appointment of Helen J. Jackson, 113 Harrison Drive, Edinboro 16412, Erie County, Forty-ninth Senatorial District, as a member of the Council of Trustees of Clarion University of Pennsylvania of the State System of Higher Education, to serve until the third Tuesday of January, 1995 and until her successor is appointed and qualified, vice Donald L. Stroup, Clarion, whose term expired.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

HOUSE MESSAGES

SENATE BILL RETURNED WITH AMENDMENTS

The Clerk of the House of Representatives returned to the Senate **SB 682**, with the information the House has passed the same with amendments in which the concurrence of the Senate is requested.

The PRESIDENT pro tempore. Pursuant to Senate Rule XV, Section 5, this bill will be referred to the Committee on Rules and Executive Nominations.

HOUSE RESOLUTION FOR CONCURRENCE

The Clerk of the House of Representatives presented to the Senate the following resolution for concurrence, which was referred to the committee indicated:

April 20, 1990

House Concurrent Resolution No. 301 — Committee on Rules and Executive Nominations.

BILLS INTRODUCED AND REFERRED

The PRESIDENT pro tempore laid before the Senate the following Senate Bills numbered, entitled and referred as follows, which were read by the Clerk:

April 20, 1990

Senators GREENLEAF, FISHER, PECORA, STOUT, PETERSON, RHOADES, AFFLERBACH, O'PAKE, CORMAN, PUNT, BELL, SHAFFER, HELFRICK, SALVATORE, REIBMAN, JUBELIRER and BAKER presented to the Chair **SB 1569**, entitled:

An Act amending the act of April 14, 1972 (P. L. 221, No. 63), entitled, as amended, "Pennsylvania Drug and Alcohol Abuse Control Act," providing for the commitment of certain children.

Which was committed to the Committee on PUBLIC HEALTH AND WELFARE, April 20, 1990.

Senators MUSTO and LEMMOND presented to the Chair **SB 1570**, entitled:

An Act amending the act of December 22, 1988 (P. L. 1915, No. 193), entitled "An act authorizing and directing the Department of General Services, with the approval of the Governor and the Department of Agriculture, to convey and confirm two tracts of land located in Penn Township, Snyder County, Pennsylvania, to Randall W. Bailey and Ellen S. Bailey, his wife, and Rick L. Bailey and Kathy A. Bailey, his wife; authorizing and directing the Department of General Services, with the approval of the Governor, to convey a tract of land located in Logan Township, Blair County, Pennsylvania, to Joseph A. Grappone, H. Zane Helsel and Augusto N. Delorme, as tenants in common; and authorizing and directing the Department of General Services, with the approval of the Governor, to convey to the Greater Wilkes-Barre Industrial Fund a tract of land situate in Plains Township, Luzerne County, Pennsylvania," further providing for the conveyance of real estate to the Greater Wilkes-Barre Industrial Fund.

Which was committed to the Committee on STATE GOVERNMENT, April 20, 1990.

Senators LINCOLN, DAWIDA, RHOADES and JONES presented to the Chair **SB 1571**, entitled:

An Act providing for health plan payments for acupuncture services.

Which was committed to the Committee on BANKING AND INSURANCE, April 20, 1990.

Senator PUNT presented to the Chair **SB 1572**, entitled:

An Act amending the act of December 21, 1989 (P. L. 672, No. 87), entitled "Health Club Act," changing the effective date of the act.

Which was committed to the Committee on CONSUMER PROTECTION AND PROFESSIONAL LICENSURE, April 20, 1990.

Senator PUNT presented to the Chair SB 1573, entitled:

An Act amending the act of May 11, 1949 (P. L. 1210, No. 367), entitled "Group Life Insurance Policy Law," further providing for policies issued to creditors.

Which was committed to the Committee on BANKING AND INSURANCE, April 20, 1990.

Senator LOEPER presented to the Chair SB 1574, entitled:

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for compulsory arbitration.

Which was committed to the Committee on JUDICIARY, April 20, 1990.

RESOLUTIONS INTRODUCED AND REFERRED

The PRESIDENT pro tempore laid before the Senate the following Senate Resolutions numbered, entitled and referred as follows, which were read by the Clerk:

April 20, 1990

MEMORIALIZING THE CONGRESS TO ENACT AN AMENDMENT TO THE FAIR LABOR STANDARDS ACT OF 1938 TO ALLOW CERTAIN VOLUNTEERS TO SERVE WITHOUT COMPENSATION

Senator HOLL offered the following resolution (Senate Resolution No. 156), which was read and referred to the Committee on Intergovernmental Affairs:

In the Senate, April 20, 1990.

A RESOLUTION

Memorializing the Congress to enact an amendment to the Fair Labor Standards Act of 1938 to allow certain volunteers to serve without compensation.

WHEREAS, A shortage of trained volunteers is hampering ambulance and emergency medical service organizations in their efforts to provide continuous coverage to residents of this Commonwealth; and

WHEREAS, Increasingly, ambulance and emergency medical service organizations have had to resort to paying ambulance drivers and other emergency personnel in order to maintain round-the-clock service; and

WHEREAS, In many cases the ambulance drivers and other emergency personnel who receive payment also serve during certain periods as unpaid volunteers; and

WHEREAS, Regulations recently adopted by the United States Department of Labor under sections 6 and 7 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, 29 U.S.C. § 201 et seq.) require ambulance and emergency medical service organizations to compensate volunteers who also on occasion serve as paid drivers and emergency medical personnel; and

WHEREAS, The regulations effectively prevent public-spirited individuals from volunteering their services to ambulance and emergency medical service organizations; and

WHEREAS, The regulations threaten the continued existence of these essential, life-saving organizations; therefore be it

RESOLVED, That the Senate memorialize the Congress of the United States to expeditiously enact an amendment to the Fair Labor Standards Act of 1938 that would allow ambulance and emergency medical service organizations to use volunteers, who also occasionally serve as paid personnel, without having to compensate them for the hours they contribute as volunteers.

REQUESTING THE PENNSYLVANIA GAME COMMISSION TO DIRECT IMMEDIATE ATTENTION TO RELIEVING THE EFFECTS OF DEER OVERPOPULATION ON THIS COMMONWEALTH'S GROWING CROPS, TIMBER AND HORTICULTURAL RESOURCES, TO EXECUTE A DEER "HOT-SPOT" MANAGEMENT PLAN IN SIX MONTHS, AND TO PERIODICALLY REPORT THE SUCCESS OF THIS ACTION TO THE GAME AND FISHERIES COMMITTEE OF THE SENATE

Senators STEWART, STAPLETON, BELAN, AFFLERBACH, RHOADES, PORTERFIELD, SHAFFER and PETERSON offered the following resolution (Senate Resolution No. 157), which was read and referred to the Committee on Game and Fisheries:

In the Senate, April 20, 1990.

A RESOLUTION

Requesting the Pennsylvania Game Commission to direct immediate attention to relieving the effects of deer overpopulation on this Commonwealth's growing crops, timber and horticultural resources, to execute a deer "hot-spot" management plan in six months, and to periodically report the success of this action to the Game and Fisheries Committee of the Senate.

WHEREAS, There has been increasingly extensive damage and destruction of crop and timber resources due to deer overpopulation in Pennsylvania farmlands and forests; and

WHEREAS, A recent survey by the "Pennsylvania Farmer" magazine estimates the annual farm losses from deer overpopulation to be \$100,000,000 and the full impact on Pennsylvania's economy to be more than \$500,000,000 annually; and

WHEREAS, A recent estimate by the United States Department of Agriculture places the amount of forest damage in Pennsylvania from deer overpopulation at approximately \$200,000,000 annually; and

WHEREAS, The Pennsylvania Game Commission, under 34 Pa.C.S. §§ 541 (relating to authority to provide deterrent fences) and 2121 (relating to killing game or wildlife to protect property), is mandated to manage the deer herd; therefore be it

RESOLVED, That the Pennsylvania Game Commission develop a deer management plan that addresses the problem of deer crop damage in site-specific, "hot-spot" crop damage areas to curb any serious negative impact the deer may create on the farming and timber industries; and be it further

RESOLVED, That the deer management plan be in operation within six months, and that it be executed with the concurrence and cooperation of both farmers and leading sportsmen's groups; and be it further

RESOLVED, That the Pennsylvania Game Commission report the results of its deer management plan to the Game and Fisheries Committee of the Senate no later than September 30 of each year following the adoption date of this resolution.

**PROCLAIMING THE MONTH OF MAY 1990,
AS "REACT MONTH" IN PENNSYLVANIA
TO HONOR THE PENNSYLVANIA STATE
COUNCIL OF REACT TEAMS**

Senators AFFLERBACH, REIBMAN, BELL, SHUMAKER, REGOLI, O'PAKE, HELFRICK, PECORA, BAKER, PORTERFIELD, PETERSON, SHAFFER, HOPPER, STAPLETON, STOUT and BELAN offered the following resolution (**Senate Resolution No. 158**), which was read and referred to the Committee on Rules and Executive Nominations:

In the Senate, April 20, 1990.

A RESOLUTION

Proclaiming the month of May 1990, as "REACT Month" in Pennsylvania to honor the Pennsylvania State Council of REACT teams.

WHEREAS, The Pennsylvania Council of REACT teams is a Statewide voluntary network, established in 1975, that provides emergency communication throughout this Commonwealth; and

WHEREAS, There are 38 local REACT teams located throughout this Commonwealth; and

WHEREAS, The local REACT teams are comprised of men, women, young people and senior citizens; and

WHEREAS, REACT teams provide essential and valuable services to the community including:

- (1) establishing radio communication during disasters;
- (2) developing and implementing safety and administrative communication networks for charitable events, such as walk-a-thons and bike-a-thons; and
- (3) conducting safety, highway coffee breaks for motorists during peak travel times, such as Memorial Day, Independence Day and Labor Day; and

WHEREAS, The contributions of the REACT teams should not go unrecognized; therefore be it

RESOLVED, That the Senate proclaim May 1990, as "REACT Month" in Pennsylvania to honor the Pennsylvania State Council of REACT teams.

GENERAL COMMUNICATIONS

JOB TRAINING PARTNERSHIP ACT PLANS

The PRESIDENT pro tempore laid before the Senate the following communications, which were read by the Clerk as follows:

CITY OF PITTSBURGH

Department of Personnel & Civil Service Commission
Employment & Training-Grant Administration

March 2, 1990

Hon. Robert C. Jubelirer
President Pro Tempore
Senate of Pennsylvania
Main Capitol Building
Harrisburg, Pennsylvania 17120

Dear Senator Jubelirer:

In accordance with Section 105 of the Job Training Partnership Act, final drafts of the City of Pittsburgh's JTPA Master Plan (July 1, 1990 - June 30, 1992) and Annual Plans for Adults and Youth and for Older Workers (July 1, 1990 - June 30, 1991) have been issued.

Copies may be obtained by contacting this office at (412) 255-2329.

Sincerely,
DAVE FARLEY
Manager
Pittsburgh Partnership

YORK COUNTY OFFICE OF EMPLOYMENT
AND TRAINING
1 Marketway West 2nd Floor
York, PA 17401

March 16, 1990

Honorable Robert C. Jubelirer
President Pro Tempore
Senate of Pennsylvania
Main Capitol Building
Harrisburg, PA 17120

Dear Mr. Jubelirer:

Please be informed that the York County Board of Commissioners and the York County Private Industry Council, through the York County Office of Employment and Training have submitted a Master Plan Summary to the Pennsylvania Department of Labor and Industry for utilization of Job Training Partnership Act Funds in the amount of \$851,285. The funding period will be July 1, 1990 to June 30, 1991.

The purpose of the Plan is to provide employment and training activities that will prepare youth and unskilled adults for entry into the labor force.

The York County Service Delivery Area will strive to service those individuals in York County who are economically disadvantaged and the following targeted groups designated in the Governor's Coordination and Special Services Plan:

Physically or Mentally Handicapped
General Assistance or Welfare Recipients
Dislocated Workers
Displaced Homemakers
At-Risk Youth

The activities that will be supported with funds from the Grant will include:

Basic Skills and Pre-Entry Level Training
Occupational Skill Training
Youth Programs
On-the-Job Training
Advanced Technology
Older Workers Program
Up-Grade Training Programs
Retraining Programs

Copies of the Plan will be available for examination at the York County Office of Employment and Training after January 2, 1990.

Should you have the need for additional information, please feel free to contact this office.

Sincerely,
JAMES E. CROSBY
Deputy Director

LANCASTER COUNTY EMPLOYMENT
AND TRAINING AGENCY
128 East Grant Street
P.O. Box 3480
Lancaster, PA 17603-1881

March 23, 1990

Honorable Robert C. Jubelirer
President Pro Tempore
Senate of Pennsylvania

Main Capitol Building
Harrisburg, PA 17120

Dear Mr. President:

The County of Lancaster on behalf of the Lancaster Employment and Training Agency (LETA), the administrative entity and grant recipient for Job Training Partnership Act (JTPA) funds for Lancaster County is submitting a Master Plan for the period July 1, 1990 to June 30, 1992. This Plan outlines the administrative systems and program goals of local JTPA programs.

For the two-year plan, the major objective is to provide employment and training services to individuals of Lancaster County who are experiencing difficulties in obtaining suitable employment and to limit the individual's dependency upon government assistance programs.

A copy of this plan is available from LETA, 128 East Grant Street, Lancaster, Pennsylvania, 17603.

Sincerely,
J. THOMAS MYERS
Executive Director

The PRESIDENT pro tempore. The communications will be filed in the Library.

**DEPARTMENT OF PUBLIC WELFARE
ANNUAL REPORT ON THE FAMILY
PRESERVATION PROGRAM**

The PRESIDENT pro tempore laid before the Senate the following communication, which was read by the Clerk as follows:

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
P.O. Box 2675
Harrisburg, Pennsylvania 17105

April 18, 1990

Mr. Mark R. Corrigan, Secretary
Senate of Pennsylvania
Harrisburg, Pennsylvania 17120

Dear Mr. Corrigan:

Pursuant to the mandate of Act 35 of July 7, 1989, known as the Family Preservation Act, I am pleased to hereby transmit the Department of Public Welfare's first annual report to the Pennsylvania General Assembly on Family Preservation.

The act requires that by November 1 of each year, the Department submit a report covering the preceding fiscal year. The report is to provide an evaluation of the effectiveness of the act in meeting its stated purposes. This report therefore is submitted for the Fiscal Year 1988/89.

The Department through administrative action initiated Family Preservation Programs in Fiscal Year 1988/89. The funding for these programs was released in June 1989. The report which we are submitting focuses on activity in these programs rather than the programs authorized by Act 35. This report also establishes a framework upon which future reports will be based.

Thank you for your continuing interest in services to children, youth and their families.

Best wishes.

Sincerely,
JOHN F. WHITE, JR.
Secretary

The PRESIDENT pro tempore. The report will be filed in the Library.

**DEPARTMENT OF LABOR AND INDUSTRY
ANNUAL ACTUARIAL EVALUATION OF THE
UNEMPLOYMENT COMPENSATION TRUST FUND**

The PRESIDENT pro tempore laid before the Senate the following communication, which was read by the Clerk as follows:

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF LABOR AND INDUSTRY
Harrisburg, Pennsylvania 17120

April 5, 1990

Honorable Mark R. Corrigan
Secretary of the Senate
Senate Post Office
Harrisburg, Pennsylvania 17120

Dear Mr. Corrigan:

I am pleased to send you this copy of the annual actuarial evaluation of the financial condition of the Unemployment Compensation Trust Fund as required by the Unemployment Compensation Law.

Last year was the first year the program operated under the provisions of the trigger mechanism.

During 1989 employers received a \$160 million cut in their state unemployment taxes, workers saved \$108 million due to the suspension of the .1 percent employe tax and \$48 million in benefit payments were restored to claimants through the suspension of the 5 percent benefit reduction provision.

At the same time, the balance in the Unemployment Trust Fund increased from 1.164 million to \$1,550 million between January 1 and December 31.

Due to the healthy fund balance, the trigger mechanism called for a further tax savings of \$17 million for employers in 1990. This is in addition to a continuation of the savings and benefit restorations enjoyed by employers, workers and claimants in 1989.

We project these savings will continue through 1993 and the fund balance will grow to \$2,319 million by the end of 1992.

Sincerely,
HARRIS WOFFORD
Secretary

The PRESIDENT pro tempore. The report will be filed in the Library.

ANNUAL REPORT OF THE ATTORNEY GENERAL

The PRESIDENT pro tempore laid before the Senate the following communication, which was read by the Clerk as follows:

COMMONWEALTH OF PENNSYLVANIA
OFFICE OF ATTORNEY GENERAL
Harrisburg, PA 17120

April 4, 1990

Honorable Robert C. Jubelirer
President Pro Tempore
Senate of Pennsylvania
292 Main Capitol
Harrisburg, PA 17120

Dear Senator Jubelirer:

Pursuant to Section 3(a) of the Act of September 28, 1978, P.L. 788, No. 152 (the Sovereign Immunity Act), the Attorney General is required to report annually to the General Assembly regarding the institution and disposition of tort claims against the Commonwealth.

In response to that requirement, I am pleased to submit the enclosed annual report for the year ending March 31, 1990.

Sincerely yours,
ERNEST D. PREATE, JR.
Attorney General

The PRESIDENT pro tempore. The report will be filed in the Library.

**STATUS OF CATASTROPHIC LOSS
BENEFITS CONTINUATION FUND**

The PRESIDENT pro tempore laid before the Senate the following communication, which was read by the Clerk as follows:

COMMONWEALTH OF PENNSYLVANIA
INSURANCE DEPARTMENT
Harrisburg

April 16, 1990

Subject: Status of Catastrophic Loss Benefits
Continuation Fund
To: John J. Zubeck, Chief Clerk of the House
Mark R. Corrigan, Secretary of the Senate
From: CONSTANCE B. FOSTER
Insurance Commissioner
MICHAEL H. HERSHOCK
Secretary of the Budget

We are respectfully submitting an update, as of March 31, of the status of the Catastrophic Loss Benefits Continuation Fund which was issued on January 31, 1990.

The PRESIDENT pro tempore. The report will be filed in the Library.

**RESOLUTION OF THE STATE
OF NEW HAMPSHIRE**

The PRESIDENT pro tempore laid before the Senate the following communication, which was read by the Clerk as follows:

STATE OF NEW HAMPSHIRE
HOUSE OF REPRESENTATIVES
Concord

April 6, 1990

The Honorable Mark S. Singel
President of the Senate
Room 200, Main Capitol Building
Harrisburg, PA 17120

Dear Mr. President:

The New Hampshire House of Representatives, on April 3, 1990, adopted House Resolution 57 requesting the United States Congress to amend the United States Constitution to prohibit flag desecration.

Enclosed, for your files, is a copy of the adopted Resolution.

Also enclosed is a copy of the adopted Resolution and a brief cover letter to the Secretary of State which I respectfully request that you forward on my behalf.

Thank you for your kind consideration.

Sincerely,
LEO J. CALLAHAN
Assistant House Clerk

1990 SESSION

HOUSE RESOLUTION NO. 57

Introduced by: Rep. Pepino of Hillsborough Dist. 37;
Rep. Hunter of Hillsborough Dist. 6;
Rep. Benton of Rockingham Dist. 5;
Rep. Barberia of Merrimack Dist. 6;
Rep. Brady of Hillsborough Dist. 33

Referred to: State-Federal Relations

HR 57

STATE OF NEW HAMPSHIRE

In the year of Our Lord one thousand
nine hundred and ninety

A RESOLUTION requesting the United States Congress to amend the United States Constitution to prohibit flag desecration.

Whereas, the American flag is a sacred symbol of the United States of America; and

Whereas, there is a legitimate public interest in preserving the sanctity of "Old Glory"; and

Whereas, the desecration of "Old Glory" is abhorrent and reprehensible to most Americans; now, therefore, be it

Resolved by the House of Representatives:

That the Congress of the United States is requested to institute procedures to amend the Constitution of the United States and to prepare and submit to the several states for ratification an amendment to prohibit flag desecration; and

That copies of this resolution be forwarded to the President of the United States, to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the New Hampshire delegation to the United States Congress; and

That copies of this resolution be prepared and forwarded to the secretaries of state and to the presiding officers of the legislatures of the several states with the request that they join this state in making application to the Congress of the United States to pass such an amendment.

REPORT FROM COMMITTEE

Senator TILGHMAN, from the Committee on Appropriations, reported the following bill:

HB 98 (Pr. No. 3327) (Rereported)

An Act amending the act of October 22, 1986 (P. L. 1452, No. 143), known as the "Adult Literacy Act," providing for the establishment of and powers and duties of a literacy council.

LEGISLATIVE LEAVES

Senator LOEPER. Mr. President, I would request legislative leaves for today's Session on behalf of Senator Lemmond and Senator Pecora and a temporary legislative leave on behalf of Senator Hopper.

The PRESIDENT pro tempore. Senator Loeper requests legislative leaves for today's Session for Senator Lemmond and Senator Pecora and a temporary Capitol leave for Senator Hopper. The Chair hears no objection. The leaves will be granted.

Senator MELLOW. Mr. President, I request legislative leaves for the week for Senator Lewis and Senator Lynch and temporary Capitol leave for Senator Porterfield.

The PRESIDENT pro tempore. Senator Mellow requests legislative leaves for this week's Session for Senator Lewis and Senator Lynch and a temporary Capitol leave for Senator Porterfield. The Chair hears no objection. Those leaves will be granted.

SENATE CONCURRENT RESOLUTION

WEEKLY ADJOURNMENT

Senator LOEPER offered the following resolution, which was read as follows:

In the Senate, April 23, 1990.

RESOLVED, (the House of Representatives concurring), That when the Senate adjourns this week, it reconvene on Monday, April 30, 1990, unless sooner recalled by the President Pro Tempore of the Senate; and be it

RESOLVED, That when the Senate adjourns the week of April 30, 1990, it reconvene on Monday, May 21, 1990, unless sooner recalled by the President Pro Tempore of the Senate; and be it further

RESOLVED, That when the House of Representatives adjourns this week, it reconvene on Monday, May 21, 1990, unless sooner recalled by the Speaker of the House of Representatives.

Senator LOEPER asked and obtained unanimous consent for the immediate consideration of this resolution.

On the question,
Will the Senate adopt the resolution?

SENATE CONCURRENT RESOLUTION ADOPTED

Senator LOEPER. Mr. President, I move that the Senate do adopt this resolution.

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

LEGISLATIVE LEAVE

Senator MELLOW. Mr. President, I request temporary Capitol leave for Senator Fattah.

The PRESIDENT pro tempore. Senator Mellow requests temporary Capitol leave for Senator Fattah. The Chair hears no objection. The leave will be granted.

And the question recurring,
Will the Senate agree to the motion?

The yeas and nays were required by Senator LOEPER and were as follows, viz:

YEAS—49

Afflerbach	Greenleaf	Lynch	Rocks
Andrezeski	Greenwood	Madigan	Salvatore
Armstrong	Helfrick	Mellow	Scanlon
Baker	Hess	Musto	Shaffer
Belan	Holl	O'Pake	Shumaker
Bell	Hopper	Pecora	Stapleton
Bodack	Jones	Peterson	Stewart
Brightbill	Jubelirer	Porterfield	Stout
Corman	Lemmond	Punt	Tilghman

Dawida	Lewis	Regoli	Wenger
Fattah	Lincoln	Reibman	Williams
Fisher	Loeper	Rhoades	Wilt
Fumo			

NAYS—0

A majority of the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate present the same to the House of Representatives for concurrence.

**PENNSYLVANIA'S JUNIOR MISS
PRESENTED TO SENATE**

Senator BAKER. Mr. President, I rise with the pleasant responsibility to introduce Pennsylvania's Junior Miss, or as it is newly styled, the Young Woman of the Year for 1990. She is from my district and her name is Carole Jane Armstrong of West Chester. She is a senior at Unionville High School. She is a member of the National Honor Society, honor roll, marching band, varsity cross-country, district band and orchestra, chorus and is also a member of the state orchestra, state band and state chorus, as well as being active in school musicals and the National Mathematics Merit Testing. Her career ambition is to enter the medical field. Her parents, Ralph and Jane Armstrong, are also with us today, as well as her chaperone, Brenda Bayliss, and Tom DeFroschia, the Chester County Chairman of the Junior Miss competition. They also deserve our congratulations. Carole will compete for the national title in July in Mobile, Alabama.

Mr. President, I have sponsored a congratulatory Senate message which I will present to Carole later on. I now ask permission for Carole Jane Armstrong to address the Senate.

The PRESIDENT pro tempore. The Chair thanks the gentleman from Chester County, Senator Baker. At this time I would ask if Carole Jane Armstrong, Pennsylvania's Young Woman of the Year, would care to come forward and address the Members of the Senate.

Miss ARMSTRONG. Good afternoon, Mr. President, Members of the Senate of Pennsylvania and guests, I would like you to know that even though my name is Armstrong, I do not have anything to do with Senate Bill No. 1310 this afternoon, but I wish that you would still please listen.

As most of you probably already know, the recent demographic studies of the Pennsylvania school districts reveal that there is a majority of minorities. A number of children now come to school with inadequate care, encouragement and nourishment. Too many come from broken homes, unwed mothers and a declining family structure. The number of children qualifying for special education is on the rise. Special education includes over 10 percent of our children now and falls into two groups: the deaf, blind and physically impaired and the academically gifted who, as you know, have an IQ of over 130. It is all too apparent to everyone in this room that the revenue picture for the new fiscal year is one dampening initiatives. There is a shortfall of funding for all phases of education. However, we do not need to feel discouraged.

Just after World War II, Japan was desolate. Doctor Suzuki was touched by the children's needs so he innovated a step-by-step approach to ability development. He founded a school for these children and experimented with two approaches to teaching. Classroom A was a normal classroom setting with the normal grading system A, B, C, D and F. Classroom B was a classroom with the same teacher and textbook, but the grading system was only 100 percent mastery. In other words, this classroom did not progress to the next level until everyone had attained a 100 percent - A.

After three months of learning, class A was ahead of class B in the text. However class B was only slightly behind, but maintaining a 100 percent grade average. But after six months of testing, both classes were at the same lesson, still class B maintaining 100 percent, while class A had varied levels of development. By the end of the year, class B had completed the text and had started new material, retaining at the 100 percent level, while class A had just completed the text maintaining a varied development on the A, B, C, D, and F grading structure.

What does this experiment have to do with us in the Senate today? How can this research have an impact on our thinking today? We do not understand the infinite possibilities within each of us. I believe it is our joint and singular responsibility to initiate a program that will work to that end. I attribute the honor of serving as Pennsylvania's Young Woman of the Year to my basic childhood training which was influenced by Dr. Suzuki. Before I tell you about this training, I would like to tell you a story about a parakeet.

A Japanese professor, Mr. Miyazawa, bought a parakeet whom he named Peeko. He taught him to say, "I am Peeko Miyazawa." In order to make the parakeet speak and develop his ability, it was necessary to repeat the words "Peeko Miyazawa" over and over again. Mr. Miyazawa repeated Peeko's name 50 times daily, making 3,000 times in two months. At last, the bird began to say "Peeko." After teaching the bird to say "Peeko" after 3,000 times, his last name "Miyazawa" was then added. After hearing "Peeko Miyazawa" daily for 15 minutes, he called and was able to say his last name after only 200 times. The beginning was slow and this procedure required time, but gradually a higher ability developed. Later, Peeko was able to learn various words by himself.

The training I received in my childhood and in kindergarten was similar to this parakeet story. I began studying the Suzuki method of music in kindergarten. There are four primary steps to this method: listening, memorizing, repeating and repeating again. First, a child will listen to an instruction or a phrase of music. Then the child memorizes what he has heard. The third step is to repeat what he has learned, and the fourth step is to repeat it again and again. Then our finished product is self-control. The final necessary element is adult support. With adult support, any child, whether he be in special education or normal classes, can vastly benefit from this method. This simple process of listening, memorizing and repeating, and 100 percent mastery can be established in our schools

today, thereby elevating the abilities of each and every child and enabling them to reach higher levels of education. We cannot afford to overlook this method of instruction for developing abilities in our youth. As I stated previously, we are aware that the cost of education is high, but the price we will pay for the undeveloped ability is much higher.

(Applause.)

The PRESIDENT pro tempore. The Chair thanks Carole Jane Armstrong and certainly understands why she is Pennsylvania's Young Woman of the Year. Congratulations and thank you for visiting us. I assume all of these people are with you. Would you all please stand. These, I am sure, are family, friends and people who accompanied Carole today. Thank you for coming.

(Applause.)

MEMBERS OF YMCA YOUTH IN GOVERNMENT MODEL LEGISLATURE PRESENTED TO SENATE

Senator SHUMAKER. Mr. President, I am very proud today to welcome and introduce to the Senate Matt Smyers, who was Lieutenant Governor of the YMCA Youth in Government which was held this past weekend at the local Sheraton East. Matt has served as delegation leader of the East Shore YMCA delegation for the past four years. Last year he served as Speaker and this year as Lieutenant Governor. Matt's school activities at Central Dauphin include student council, class council, varsity baseball and football. Matt plans to attend Juniata or Albright College in the fall and major in either political science or pre-law or, perhaps, both.

With Matt today are his father, Joe Smyers; his grandmother, Mrs. Mildred Smyers; Larry Bock, who is Executive Director of the State YMCA and the person who professionally heads the Youth in Government program. Seated in the gallery is his mother, Joanne Smyers. At this time I would ask permission of the Chair to have Matt address the Senate.

The PRESIDENT pro tempore. The Chair is delighted to welcome Matt Smyers, the Youth Lieutenant Governor, and invite him to address the Members of the Senate. Matt, would you come forward.

MR. SMYERS. Thank you. Senator Shumaker, Mr. President, Senators and guests, first, I would like to extend a special thank you to Senator Shumaker for all he has done to help the East Shore delegation and the Youth in Government program. I would also like to thank the Senators for the use of these beautiful Chambers. I am sure you will find everything just as you left it. The use of the Capitol facilities is what makes this program work. So many students are drawn to the program by the fact that the use of the Chamber creates an atmosphere of reality that cannot be duplicated anywhere else. I hope the good relationship between the YMCA and the Capitol officials will continue so we may return here year after year.

Now that my Youth in Government career has come to a close, I reflect back on what it has meant to me and what a

tremendous impact it has had on my life. The Youth in Government program has served as a guiding light in my life over the past four years. Looking back, I think of all the changes that have taken place in my life since I have joined the club, but Youth in Government has been the one constant that has enabled me to keep things in their proper perspective. Looking at things objectively is sometimes not easy to do. No matter how strongly you feel that your opinion must be the answer, there is always someone who is entitled to disagree. In realizing this, my views on certain issues that I thought would never change actually have changed, making me a more open-minded and level-headed person. Be open-minded, have respect for others and stand up for what you believe in. That is what the Youth in Government program has taught me.

I parted ways with some very dear friends this weekend thinking I would never see them again. The more I thought about it, the more I realized I could not be more wrong. You see, the students involved in Youth in Government are leaders now and will be leaders for life. I am sure I will be hearing about them somewhere down the road. After all, our program is not just made up of political leaders, it is made up of future businessmen, doctors and artists as well as Nobel Prize winners and great peacemakers. You see, our club is made up of the future. Our club is made up of youth.

(Applause.)

The PRESIDENT pro tempore. The Chair thanks Matt and, perhaps, you would like your family and friends to stand for a round of applause. Would those accompanying Matt please stand.

(Applause.)

The PRESIDENT pro tempore. I am not sure if this is directed at Senator Shumaker or Lieutenant Governor Singel, but I noticed a little note up here thanking Lieutenant Governor Singel for the use of his desk, and the last sentence says, "Maybe some day I will use it for real." I do not know whether that is directed at you, Senator Shumaker, or the Lieutenant Governor, but I have a feeling that Matt is going to make his mark in state government.

Senator SHAFFER. It is my pleasure today to introduce to this assemblage the Youth Speaker who hails from Butler County, Michael Dunmyre, who resides in Chicora, Pennsylvania, and is a second-year participant in the model legislature program. Mike was elected Speaker by his peers and has already spoken just a few moments ago before the Pennsylvania House of Representatives. He has also served as Speaker of the House in the American Legion Boys State as well as the Secretary of the Nationalist Party at Boys Nation in Washington D.C. Back in Butler County Mike is president of his student council, Youth in Government delegation, the yearbook staff, and he is the Vice President of the National Honor Society at Karns City High School. He is also an appointed member of the Karns City Area High School Board. In the fall, of course, Mike plans to attend college. Mr. President, please ask recognition for this leader of tomorrow who is from Butler County.

The PRESIDENT pro tempore. Would Michael Dunmyre please stand so we may give you a warm welcome and recognize your outstanding achievements.

(Applause.)

Senator GREENLEAF. Mr. President, I rise for the Senate to recognize Jason Schwartz who was the Youth Governor and son of Steven and Brenda Schwartz from Meadowbrook, which is a Senatorial district I represent. He is a three-year participant in the YMCA Model Legislature and has served as a Senator, House committee chairman and now as Governor. Jason is presently a senior at Abington High School. He is planning to go on to college at George Washington University this fall and major in international affairs. He has also been very involved in the legislative process, working with Representative Fox in his office as an intern. I would like the Senate to recognize Jason, if it will.

The PRESIDENT pro tempore. Jason, would you stand so we may welcome you, congratulate you and give you a round of applause.

(Applause.)

The PRESIDENT pro tempore. I want to congratulate all these young people for their outstanding achievements. I think they are an outstanding representation of the young people today, and for you to come here to the seat of state government, you honor us. We are delighted to have you here today and hope you find your stay enjoyable and educational.

GUESTS OF SENATOR TERRY L. PUNT PRESENTED TO SENATE

Senator PUNT. Mr. President, we are honored today to have with us eight students from a college which has achieved quite a history in its tradition, not only in Franklin County in Pennsylvania but throughout our nation. It, indeed, has a reputation held paramount to many other institutions in our country. These students are from Wilson College. I would like to call upon them and ask them to stand for the Senate to extend a warm welcome to them. They are Deo and Rachel Brodbeck, Marty Byers, Bill Marvin, Ashley Shuey, Deb and Hollie Smith and Sally Wade. They are accompanied today by their instructor, Bill Sloane. They just had the opportunity to see the other Chamber in action, and I am sure they have seen the difference between the House proceedings and the Senate proceedings. We welcome you fine students from Wilson College to the Chamber of the Senate of Pennsylvania.

The PRESIDENT pro tempore. Would those guests of Senator Punt who are in the gallery please rise so the Senate may give you a warm welcome.

(Applause.)

LINE MOUNTAIN HIGH SCHOOL PIAA CLASS AA WRESTLING STATE CHAMPIONS PRESENTED TO SENATE

Senator SHUMAKER. Mr. President, under one umbrella I am going to make two separate introductions relating to the same group. We have seated in the gallery the PIAA Class AA

State Tournament Wrestling Champions who culminated a season of record breaking wins in the acquisition of several local and regional titles. They are under the expert guidance of head coach Dennis Erdman and assistant coaches Mike Carson and Bruce Wallace. They are the Line Mountain High School Wrestling Team of Herndon, Pennsylvania. I am rising not only on my behalf but on behalf of Senator Helfrick. It so happens that the school is in my district but the students come from his district and my district, and I have the pleasure of introducing them to this Body. I would ask the Senate to give these champions, who are champions in every regard, including scholastics, our usual warm welcome.

The PRESIDENT pro tempore. Would those guests of Senator Helfrick and Senator Shumaker who are in the gallery please rise so we may give you our warm welcome.

(Applause.)

Senator SHUMAKER. Mr. President, also with this group in the gallery and a part of this group is a young man named Troy Erdman. It is obvious if you heard before who the coach is, it is his father. He was coached by his father, Dennis, also of Line Mountain High School in Herndon, that recently won the State Title in the PIAA Class AA State Wrestling Tournament and placed fifth in the National High School Tournament, which made him a high school All-American. I wish, again, that we would give to Troy our warm welcome and congratulations.

The PRESIDENT pro tempore. Would this outstanding young Pennsylvanian please rise so we may welcome you.

(Applause.)

The PRESIDENT pro tempore. We have now had the opportunity to meet some of the most outstanding young people in all of Pennsylvania.

GUESTS AND FATHER OF SENATOR ROBERT J. MELLOW PRESENTED TO SENATE

Senator MELLOW. Mr. President, on a day when we have been able to pay tribute to young Pennsylvanians who have demonstrated ability above and beyond what the norm would call for, I have the opportunity of recognizing and introducing to the Senate for recognition, but more importantly than that, just for their presence to be here, four people who are very, very close to me, especially one individual. You know, a lot of people will tell you that they are responsible for your political success. This one particular individual who I am going to introduce first is responsible for me being here totally, and that is my dad. I wish you would give my father, Jim Mellow, who is seated up in the gallery, our cordial warm reception to the Senate, and the other three gentlemen who are with him, Tony Perry, Walter Ranakowsky and Frank Russo.

The PRESIDENT pro tempore. Some of us have been wondering who was responsible for Senator Mellow, and will that individual please rise.

(Applause.)

The PRESIDENT pro tempore. We are obviously very pleased to welcome you gentlemen here today, and it is always a special pleasure and a great honor to have members of our family. We salute you for being here, and we are delighted that you could join us today.

REPORT OF COMMITTEE OF CONFERENCE SUBMITTED AND LAID ON THE TABLE

Senator ROCKS submitted the Report of Committee of Conference on **HB 1068**, which was laid on the table.

RECESS

Senator LOEPER. Mr. President, at this time I would ask for a recess of the Senate for the purpose of a Republican caucus to begin immediately in the Majority caucus room on the first floor, with an expectation of returning to the floor at approximately 4:45 p.m.

Senator MELLOW. Mr. President, I also request that the Members of the Democrat caucus report immediately to our caucus room.

The PRESIDENT pro tempore. For purposes of Republican and Democratic caucuses to take place immediately in respective caucus rooms, the Senate will stand in recess.

AFTER RECESS

The PRESIDENT (Lieutenant Governor Mark S. Singel) in the Chair.

The PRESIDENT. The time of recess having elapsed, the Senate will be in order.

CALENDAR

BILL ON CONCURRENCE IN HOUSE AMENDMENTS AS AMENDED

BILL OVER IN ORDER TEMPORARILY

SB 1310 — Without objection, the bill was passed over in its order temporarily at the request of Senator LOEPER.

BILL ON CONCURRENCE IN HOUSE AMENDMENTS

SENATE CONCURS IN HOUSE AMENDMENTS

SB 747 (Pr. No. 2055) — The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of March 10, 1949 (P. L. 30, No. 14), entitled "Public School Code of 1949," increasing the amount of work of any nature which can be performed on property owned by a school district without advertising and without competitive bids; providing for price quotations on certain contracts and purchases that are not subject to advertisement and competitive bidding; and increasing the amount of furniture, equipment and supplies that can be purchased without advertisement.

Senator LOEPER. Mr. President, I move the Senate do concur in the amendments made by the House to Senate Bill No. 747.

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

LEGISLATIVE LEAVES

Senator MELLOW. Mr. President, I request temporary Capitol leaves for Senator O’Pake, Senator Williams and Senator Scanlon.

Senator LOEPER. Mr. President, also, Senator Corman has been called to his office and I would request temporary Capitol leave on his behalf.

The PRESIDENT. Senator Mellow requests temporary Capitol leaves for Senator O’Pake, Senator Williams and Senator Scanlon. Senator Loeper requests temporary Capitol leave for Senator Corman. The Chair hears no objection. The leaves will be granted.

LEGISLATIVE LEAVE CANCELLED

The PRESIDENT. The Chair recognizes the presence on the floor of Senator Fattah. His temporary Capitol leave will be cancelled.

And the question recurring,
Will the Senate agree to the motion?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—48

Afflerbach	Greenleaf	Lynch	Rocks
Andrezeski	Greenwood	Madigan	Salvatore
Armstrong	Helfrick	Mellow	Scanlon
Baker	Hess	Musto	Shaffer
Belan	Holl	O’Pake	Shumaker
Bodack	Hopper	Pecora	Stapleton
Brightbill	Jones	Peterson	Stewart
Corman	Jubelirer	Porterfield	Stout
Dawida	Lemmond	Punt	Tilghman
Fattah	Lewis	Regoli	Wenger
Fisher	Lincoln	Reibman	Williams
Fumo	Loeper	Rhoades	Wilt

NAYS—1

Bell

A constitutional majority of all the Senators having voted “aye,” the question was determined in the affirmative.

Ordered, That the Secretary of the Senate inform the House of Representatives accordingly.

LEGISLATIVE LEAVES

Senator LOEPER. Mr. President, I would ask for temporary Capitol leaves on behalf of Senator Helfrick as well as Senator Salvatore, who have been called to their offices.

Senator MELLOW. Mr. President, I request temporary Capitol leave for Senator Dawida.

The PRESIDENT. Senator Loeper requests temporary Capitol leaves for Senator Helfrick and Senator Salvatore. Senator Mellow requests temporary Capitol leave for Senator Dawida. The Chair hears no objection. The leaves will be granted.

LEGISLATIVE LEAVES CANCELLED

The PRESIDENT. The Chair recognizes the presence on the floor of Senator Porterfield, Senator Scanlon, Senator Lemmond and Senator Hopper. Their temporary Capitol leaves will be cancelled.

CONSIDERATION OF CALENDAR RESUMED

SB 1310 CALLED UP

SB 1310 (Pr. No. 2108) — Without objection, the bill, which previously went over temporarily in its order, was called up, from page 1 of the Calendar under Bill on Concurrence in House Amendments as Amended, by Senator LOEPER.

SENATE CONCURS IN HOUSE AMENDMENTS AS AMENDED BY THE SENATE

SB 1310 (Pr. No. 2108) — The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 15 (Corporations and Unincorporated Associations) of the Pennsylvania Consolidated Statutes, clarifying the fiduciary obligations of directors of corporations and other associations; clarifying certain definitions; adding provisions relating to control-share acquisitions; and providing for disgorgement by certain controlling shareholders following attempts to acquire control of certain corporations, for severance compensation for employees terminated following certain control-share acquisitions and for the effect of business combination transactions on labor contracts.

Senator LOEPER. Mr. President, I move the Senate do concur in the amendments made by the House as amended by the Senate to Senate Bill No. 1310.

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

Senator WENGER. Mr. President, once again I rise in this Chamber urging my colleagues to support passage of Senate Bill No. 1310. Senate Bill No. 1310 will significantly curtail the corporate slash and burn techniques utilized by corporate raiders during the decade of the ‘80s. Senate Bill No. 1310 sets new ground rules for the ‘90s, providing Pennsylvania boardrooms with the breathing room necessary to direct their attention to product development and research and global competition rather than fending off takeovers and paying greenmail. The new ground rules I am referring to can be summarized in four key areas.

First, the bill requires the board of directors of a corporation to consider the potential impact of a takeover on employees, suppliers and communities in addition to shareholders.

Second, the control-share acquisition section would prohibit a raider who acquires more than 20 percent of a company from voting his or her own shares to change corporate control without the approval of the remaining shareholders.

Third, the bill has an innovative provision which requires a raider to disgorge, or give back to the target company, any short-term gains earned by the raider from putting a company in play.

Last, but not least, the bill provides for severance payments to eligible employees and the honoring of labor contracts following a control-share acquisition.

Are the provisions I just outlined really that radical? Not according to an April 10, 1990, New York Times article. The article points out that in recent years courts have increasingly ruled in favor of laws that deter acquisitions. According to the Times, in 1987 the United States Supreme Court upheld an Indiana statute that limited takeover activity in that state by requiring certain hostile bidders to obtain approval of disinterested shareholders in order to vote their own shares. Other states followed suit by enacting similar measures.

The control-share subchapter in Senate Bill No. 1310 is modeled after the Indiana law. Last February, a three-judge panel of the Delaware Supreme Court ruled that corporations had the right to decide their own future, rather than having to sell to the highest bidder. The suit reaffirmed the decision in a case brought by Paramount Communications, which had tried to block the offer by Time, Incorporated to buy Warner Communications. The fiduciary duties in the subchapter of Senate Bill No. 1310 parallels this line of thinking. The disgorgement section is the only section that has not been considered by the courts. The only reason it is causing such a stir in the investment community is because it will take the teeth out of corporate takeovers by eliminating certain profits.

Mr. President, the bill we have before us today is an improved version of the bill we passed in this Chamber last December which passed the Senate overwhelmingly. With strong support from its Members, the House of Representatives amended the bill in several areas. Briefly, key House amendments have the following effect. Corporations can opt out of the fiduciary duty subchapter within 90 days and be governed by current law. This already was the case in the control-share and the disgorgement subchapters as we had passed the bill previously. Boards of directors must consider specifically the interests of employees and communities in determining the recommendation that it must make to shareholders with respect to according voting rights to controlled shares. The disgorgement subchapter was amended in several areas to clarify proxy concerns, and the severance pay provision was clarified and expanded. An amendment clarifies that this legislation will in no way impact the fiduciary duties of pension system trustees. One House amendment requiring that all disgorged profits be spent in Pennsylvania was removed last week by the Senate Committee on Rules and Executive Nominations because of constitutional concerns.

In closing, Mr. President, I am asking each and every one of my colleagues to cast an affirmative vote for Senate Bill No. 1310. By casting a "yes" vote, you will be voting for Pennsylvania chartered corporations, for Pennsylvania workers, for Pennsylvania communities and for Pennsylvania shareholders who will benefit by the long-term stability that will be created by the enactment of Senate Bill No. 1310. Mr. President, this bill was considered and overwhelmingly passed by the Senate, likewise in the House. It is back for concurrence in those amendments. I respectfully request the support

of all my colleagues in the Senate for concurrence to this bill, Senate Bill No. 1310.

MOTION TO SUSPEND RULES

Senator ANDREZESKI. Mr. President, at this time I would like to ask if we could suspend the Rules so I may offer an amendment. What I am asking for is unanimous consent to suspend the Rules for the offering of an amendment.

The PRESIDENT. Does the Chair understand the gentleman to move the suspension of Rule No. XV for the purpose of offering amendments to House amendments to Senate Bill No. 1310?

Senator ANDREZESKI. Mr. President, yes.

The PRESIDENT. The Chair would give the friendly admonition that the motion is non-debatable.

On the question,

Will the Senate agree to the motion?

Senator LOEPER. Mr. President, I would ask for a negative vote on the Rule suspension.

Senator MELLOW. Mr. President, I would also like to join with the Republican Leader and ask for a "no" vote on the suspension of the Rules.

Senator FUMO. Mr. President, is it in order to interrogate the maker of the motion?

The PRESIDENT. The Chair would indicate to the gentleman that that would constitute initiating a debate on the issue, and it is a non-debatable motion.

Senator FUMO. Mr. President, in order for me to vote whether or not to suspend the Rule, would it not be appropriate for me to know why the gentleman wants the Rules suspended?

The PRESIDENT. It may very well be, but this is not the forum under which you could proceed in that way.

Senator FUMO. Mr. President, so the gentleman cannot tell me why he wants to suspend the Rules?

The PRESIDENT. Unfortunately, under the Rules of the Senate, it is a non-debatable motion. That would not be in order.

Senator FUMO. Mr. President, could I suspend that Rule so I can get to the truth? Can I suspend the Rule under which that is not debatable?

The PRESIDENT. The Chair would advise the gentleman that we should deal with a motion made by Senator Andrezeski at this time.

Senator FUMO. Mr. President, so I cannot suspend the Rule that prohibits me from knowing why the gentleman wants to make a motion?

The PRESIDENT. The Chair would advise the gentleman, if he is desirous of gaining information, he should, perhaps, ask the gentleman from Erie.

Senator FUMO. Mr. President, I would like to. Senator Andrezeski, can you tell me why you want to suspend the Rules?

The PRESIDENT. The Chair would again point out that it is a non-debatable motion.

Senator FUMO. Mr. President, I am only following the Chair's directive.

The PRESIDENT. If the gentleman would proceed to make that interrogation off microphone, he is perfectly willing to do that.

Senator FUMO. Well, I think it is important for the record, Mr. President.

The PRESIDENT. That may very well be, but this is a non-debatable motion and the Chair is not about to allow us to violate that Rule of the Senate.

Senator FUMO. Thank you, Mr. President.

And the question recurring,
Will the Senate agree to the motion?

The yeas and nays were required by Senator ANDREZESKI and were as follows, viz:

YEAS—2

Andrezeski Fumo

NAYS—47

Afflerbach	Greenwood	Madigan	Salvatore
Armstrong	Helfrick	Mellow	Scanlon
Baker	Hess	Musto	Shaffer
Belan	Holl	O'Pake	Shumaker
Bell	Hopper	Pecora	Stapleton
Bodack	Jones	Peterson	Stewart
Brightbill	Jubelirer	Porterfield	Stout
Corman	Lemmond	Punt	Tilghman
Dawida	Lewis	Regoli	Wenger
Fattah	Lincoln	Reibman	Williams
Fisher	Loeper	Rhoades	Wilt
Greenleaf	Lynch	Rocks	

Less than a majority of all the Senators having voted "aye," the question was determined in the negative.

And the question recurring,

Will the Senate concur in the amendments made by the House as amended by the Senate to Senate Bill No. 1310?

Senator FUMO. Mr. President, I rise to oppose Senate Bill No. 1310 and urge my colleagues in this Chamber to put duty before politics and exercise some leadership and join me in defeating this bill. The gentleman from Lancaster, Senator Wenger, referred to an article that appeared on April 10, 1990 in the New York Times. I did not see that article, but if we are to look to the Times—and I think perhaps we should—for some guidance, there was a much more important article that appeared on April 8th. In that article it basically said something very important that I had not thought about the last time I debated this bill. That is that this bill will have a devastating effect upon smaller corporations in Pennsylvania trying to raise capital, as well as those corporations attempting to come to market to raise capital. I will cite from the Times. It said: The fundamental paradox to the Pennsylvania proposal is that it is being supported in the name of protecting jobs and long-term economic growth, but it is likely to hit hardest at exactly those companies that contribute such an important share of any region's jobs and economic growth: young companies that need new equity capital to grow. It goes on and on, Mr. President, to say how similar provisions in

other legislatures, where they were so foolishly enacted, resulted in depressed values of the shares of the stock. In some cases it was as high as four percent. I have heard estimates that this bill, if enacted, would depress Pennsylvania corporation stocks by as much as 10 percent.

Mr. President, I will cite from an editorial in the New York Times: This bill insulates managers from effective criticism, an outrageous assault on shareholders that has been criticized by the Chairman of the Securities and Exchange Commission and major institutional investors. We have become the laughingstock of the nation when it comes to understanding the financial impact of this bill.

Mr. President, Senator Wenger clearly set forth the four major areas of the bill, but I think they bear a little bit more scrutiny. This bill changes the entire concept of the free enterprise system in this country. It changes what is meant by capitalism and it takes us and puts us into a socialistic form of government, the likes of which have not been seen since the days of Lenin. The bill basically says that boards of directors and their managers no longer have a primary fiduciary responsibility to the shareholders that own the companies. Many people find that a little bit difficult to believe and, therefore, understand. Some people even think that people who sit on the boards of directors of companies and the managers actually own the companies. But, in reality, Mr. President, in many, many instances, they probably do not own five percent to ten percent of those companies. Rather, they stand there as fiduciaries, trustees, if you will, charged with the responsibility of managing other people's money so they can return to the people who gave them the money the proper dividend they are entitled to. But now, in this wave of new socialism, this General Assembly will be saying, no longer do we believe in those concepts, but now it is the responsibility of private entrepreneurs and private shareholders to worry about interests other than their own. Mr. President, that is government's responsibility. That is not private industry's responsibility and that is not the shareholder's responsibility in this government. Certainly we tax people enough to handle our mandates without now telling them their capital is going to be used for some sort of unnamed social purpose that the board of directors may determine. All that does, Mr. President, is lead to the corruption in those companies.

Mr. President, I have long stood in government and hoped that government would learn from business effective ways to run itself so we would not be wasting taxpayers' monies. Certainly, that used to be a good goal. But in the 10 to 12 years I have been here, now I find myself listening to a Republican controlled Senate telling me about socialistic ideas and how good they are. I also find myself, much to my amazement, watching our corporate executives learn from government all the evils of government rather than us learning from them all the good. What corporate executives are attempting to do by passing this bill is to lock themselves into some sort of civil service status so they can sit there and waste shareholders' monies any way they see fit. Some cynics may even say they might start wasting shareholders' money the way we waste

taxpayers' monies. Mr. President, that is not what America is about. It just knocks at the very foundations of what this country stands for. I cannot believe I see this happening in this General Assembly.

Mr. President, the other provision that was talked about requires people who own shares to get the permission of other people before they can vote those shares. Nothing more absurd have I ever seen in this Chamber. But we did take care of a few special interests as is the style in this Chamber. We took care of the Pew family and the Heinz family. We gave them a back door. We treated them specially. They are very powerful people in this Commonwealth. God forbid we should treat them the same as everybody else. So we took care of them as well, very quietly.

Then, Mr. President, we talk about disgorgement. We are saying not only to incorporate raiders but also to anyone who might have been in that corporation at the time, that their shares and profits have to be disgorged if somebody puts them into play and there is some money made, if they own a certain percentage. Yes, Mr. President, we gave labor some concessions in the end that I warned you Republicans, and I warned the business community, you will regret. I do not want to hear you complain when labor comes back for a few more concessions that they are being piggish. Certainly today when the gentleman from Erie, Senator Andrezeski, wanted to amend this bill to put in some more pro-labor positions, we saw where you stood.

Mr. President, I want to close this debate by reading into the record a letter written by a Rodney E. Bate. It was written in the New York Times Forum section, April 22, 1990, and it is a written message to Pennsylvania investors.

"To the editor:

"It is indeed ironic that just as so many socialist and Communist nations are taking bold steps toward a capitalistic economy, the Pennsylvania Legislature has seen fit to pass a law that can only be seen as socialist in its primary thrust. ('A paradoxical Anti-takeover Law, April 8') While this law does not actually remove private capital from the hands of investors, it makes the status of that ownership nominal at best, removing the last vestiges of any influence or control shareholders have had over the people actually running the firms they own. Moreover, it clearly allows boards of directors to favor the interests of 'stakeholders'—like employees or communities—over those of stockholders.

"Much of this was done in the name of encouraging stability. Yet free-enterprise capitalism has never been and never will be 'stable'. Indeed, it is Joseph Schumpeter's 'creative destruction' that typifies the very heart of capitalism and which has provided, over all, its generous bounty. We might all ponder what those seeking 'stability' might have wrought had they thwarted the advent of the automobile 90 years ago, in the name of protecting the horse, buggy and harness industries from economic disruption and job losses.

"Pennsylvania has sent a very clear message to investors, whose only logical response is to avoid the securities of Pennsylvania-based corporations, perhaps their products and services too."

Mr. President, the passage of this bill would be a national disgrace. Please do not let that happen in this state. Again, I beg you to exercise leadership over political expediency.

Senator ARMSTRONG. Mr. President, in Senate Bill No. 1310 it is possible there could be a few short term negatives, but I think in the long term the positives far outweigh any short term repercussions. The gentleman from Philadelphia, Senator Fumo, was saying it is possible, by passing this bill, we could depress Pennsylvania based companies by as much as ten percent. I do not think that is possible. If it were, you would see a lot of money managers out there right now shorting these stocks, hoping to pick up the ten percent, and they would make a killing when this bill passes. But the other side of the effect would be that they could actually push the stocks higher because by shorting a stock, sometime in the future they have to buy that stock back which, in effect, creates buyers. When there are fewer sellers, the stock prices go up. In actuality, it could have a positive effect on the stock prices in the future.

We debated this bill for hours the last time it was here, and since that time we have seen what has happened to the junk bond market and the many bankruptcies that have taken place throughout our nation because of these takeovers and this junk bond financing. Savings and loans have been in worse shape because of junk bonds they have put in their portfolios. We as taxpayers have to fund that and bail them out. We have seen insurance companies that were once in financially good shape, that purchased junk bonds, that are now in bad shape, and the ripple effect spreads throughout the nation. In Lancaster County I know of a corporation that was selling goods in New York City. The company they were selling to was a big department store. You would think, well, how could they get hurt? Well, the big department store is one of many that went bankrupt because of the junk bonds due to this takeover. They were not paid. They, in fact, in Lancaster County had a shortfall in their cash, and they were in jeopardy as far as paying their shareholders. They also had trouble meeting their payment to the warehouse which they were renting, which caused problems to the people who had the warehouse. It just has a long-term ripple effect. We are competing on an international market. We are competing with the European nations that are getting stronger and stronger. We are competing with Japan, and we are competing with the countries in the Pacific Rim. We need all the help we can get to make our companies sound, and I think this bill will do that. I think we all agree on a free enterprise system in this country, and we know we want a system that is fair and equitable. But sometimes this system makes way to greed. Like I said the last time, some people will walk over their grandmother for a dollar bill. Well, some of these corporate raiders' grandmothers have footprints all over them.

Now let me talk about the human side of this. Armstrong World Industries is based in Lancaster County. In my particular district there are 5,000 families who work for Armstrong World Industries. They do not know what is going to happen. They do not know what impact it is going to have on their

jobs, what impact it is going to have on their families, their children, whether they should make a purchase or whether they should not, whether their kids can go to college or not. They are feeling distressed through this. I meet people on the street and they say, hey, look, please pass this so we can get this behind us. The effect on the chief executive officer and the management, it affects them, too. The CEO, Bill Adams, is spending hours and hours and hours of every day on this particular takeover. That is not productive time. The management, they are being bombarded by headhunters. Headhunters are going to this company and trying to recruit some of the top management away from Armstrong World Industries, hoping they will come with them because they do not know how secure their jobs are. They say, look, your job is unstable. Come with us and we will pay you a little bit more, and they are losing some of their best brains. I do not think that is in the best interest of Armstrong World Industries, the employees or the citizens of Pennsylvania.

I was looking at Ben Franklin there and he was one of the wisest men in our history. Ben Franklin, when he made a decision, he had the pluses and minuses. He would weigh them. He said you weigh the pluses and you weigh the minuses. This is not a perfect bill. There is no bill we pass here that is a perfect bill. But based on the Ben Franklin principle, you weigh the pluses and you weigh the minuses. In this particular case, I think Ben would say the pluses far outweigh the minuses in this particular bill. Sam Belzberg says, well, I am for the shareholders, this is going to benefit the shareholders. Sam Belzberg could care less about any shareholder. He uses the shareholders for his own benefit. He has taken over 33 companies in the United States. Of those 33, he got caught with two. He could not put them in play and sell them to somebody else. He got stuck with two because he could not unload them. One was anti-trust and one he just could not unload. Those two companies are just in horrendous shape. The guy cannot run a company. He just puts companies in play.

Once again, to Sam Belzberg and Carl Icahn and all the other corporate raiders, you do not have a friend in Pennsylvania when this bill passes. You really do not. We do not want you here. We do not think it is in the best interests of Pennsylvania to have you here. Senate Bill No. 1310 is a good bill and it will have a long-term, positive effect on Pennsylvania citizens, her employees and her investors.

Senator FATTAH. Mr. President, I desire to interrogate the gentleman from Lancaster, Senator Wenger.

The PRESIDENT. Will the gentleman from Lancaster, Senator Wenger, permit himself to be interrogated?

Senator WENGER. I will, Mr. President.

Senator FATTAH. Mr. President, there have been a lot of concerns raised about this bill, and the previous speaker just said that it was not perfect. I want to understand from the gentleman as the prime sponsor what he thinks about the concerns that have been raised, in particular the concerns that it would be difficult for Pennsylvania companies to attract capital investment after the passage of this bill?

Senator WENGER. Mr. President, Senate Bill No. 1310 was introduced in mid-October of 1989. It was voted here in the Senate in December of 1989, and all of us, including myself, have had the opportunity during committee debate, floor debate and the benefit of hearings held over in the other Chamber to study the issue and to try to determine in our own minds what impact it would have in those areas. The gentleman from Philadelphia was speaking of that particular concern about the raising of capital. As you know, there is an opt-out provision, and that means if a corporation feels that the provisions in this bill could be detrimental in their efforts to raise capital or any other part of their management program, they could opt out. In fact, for small corporations, those that are not publicly traded, they would have up to one year to determine if they wanted to opt out or not. For the larger publicly traded corporations, it is 90 days. So, in the first place, you have a safety valve there if, indeed, it is needed. But, on the other hand, let us assume—and we are promoting the bill—that corporations, generally speaking, will not opt out. And so you say, well, how is that going to impact on them? Well, you look at the value of shares and shares fluctuate from day to day and from week to week. None of us knows why people will buy or sell shares on any given day, and you do not really know why the market goes up and down at any particular time. But, in the long run, the value of shares is based on the earnings of that company or the potential earnings or what someone perceives they can earn. This kind of legislation that we are looking at here gives management an opportunity, be it a small corporation or a larger corporation, to take a look at the big picture, at the long term. Instead of looking over your shoulder and saying, well, I am going to have to produce the best bottom line for the next quarterly statement or I will have a raider looking over my shoulder, they can look at the long term, and they can say this is what is good for the long term. We are going to invest money in capital expansion or in research and development or in innovative marketing techniques, and it may take a little time to reap the benefits of that kind of management, but it is precisely the kind of management that Pennsylvania and U.S. corporations are going to need if they are going to be competitive in the world market. It seems to me that in the long term, passage of this bill will enhance investment opportunity as well as employment opportunity in Pennsylvania. The gentleman made reference to interfering with the private sector and the private enterprise system. One can well imagine that the same argument was used at the turn of the century when anti-trust laws were passed to prevent monopolistic practices by several large corporations. At that particular time it was looked upon as an intrusion upon the private sector and it was going to bring all those dire results that are predicted if we pass this bill, but it did not happen. Mr. President, it only enhanced investment opportunity because there were interested players. There was opportunity for innovative management. I think this is exactly what we are going to accomplish by the passage of Senate Bill No. 1310.

Senator FATTAH. Mr. President, could the speaker attempt to respond, what if you are wrong? What if, for instance, there was a problem and we were not able to attract capital investment in Pennsylvania firms? Do you view that as something this Senate should be concerned about, the possibility that, perhaps, the wise investor reading the Wall Street Journal, The New York Times, The London Financial Times, The Philadelphia Inquirer, says, well, maybe rather than send my money to Pennsylvania and invest, I will invest someplace else? Are you at all concerned about the possible impact if you are wrong?

Senator WENGER. Mr. President, we could raise almost any hypothetical scenario that we wish to raise here this afternoon as to what might happen if. But rather than going into highly speculative things, why do we not look at what has happened under the current system—

Senator FATTAH. Mr. President, the stock market is highly speculative.

Senator WENGER.—where we have seen the activities of the hostile takeovers and the kind of devastation it has left. We have been left with companies that have been dissipated, that have been split up, and even those that have not been split up, many times, due to the fighting of the takeover, are now deeply in debt, highly leveraged, barely able to pay their bills. And, so, we do not have to speculate what might happen if we pass this bill, because we know what will happen if we do not pass the bill. I think, certainly, the benefit is on our side.

Senator FATTAH. Mr. President, would you not think a far better response would be for the federal government to regulate the hostile takeover problem in the country rather than to do that as a state-by-state enterprise where in Indiana, for instance, there seems to have been some significant drop in the value of the stock held by companies after their bill, which is considerably more moderate than this bill, it seems. Do you not think, at least, that would probably be a better way to attempt to respond to this problem?

Senator WENGER. Mr. President, the answer, obviously, is that the federal government has not acted and the courts have determined that states have broad latitude and flexibility in doing their own thing in this particular area. Here we are in Pennsylvania. If we are going to wait on the federal government to act, we are going to see some more of our Pennsylvania based corporations dissipated by hostile raider activity. I think the time to act is now. If at a later date the federal government does act and comes up with additional regulations in this particular area, then, of course, we can look at that at that point. You and I are here in the Pennsylvania Senate. Our responsibility is to the people of Pennsylvania, to the workers of Pennsylvania, to those people who employ those workers. Certainly, I think it is appropriate for us to act now rather than to procrastinate, thinking, perhaps, somewhere down the road the federal government might act.

Senator FATTAH. Mr. President, I have one final question. Did the Senate hold public hearings on Senate Bill No. 1310?

Senator WENGER. Mr. President, when Senate Bill No. 1310 was in the Senate Committee on Judiciary, as I recall, there was a fact-finding meeting. I am not sure if it was billed as a public hearing or not, but I know they had several days of hearings from the standpoint of having outside persons coming in. I am not quite sure what reference was given or the description of those particular meetings, but there are Members here who are also Members of the Senate Committee on Judiciary. I think Senator Fisher is a Member of that committee and he could respond to that, but I know the bill was debated thoroughly in that kind of a setting.

Senator FATTAH. Mr. President, I desire to interrogate the gentleman from Allegheny, Senator Fisher, to answer just one question.

The PRESIDENT. Will the gentleman from Allegheny, Senator Fisher, permit himself to be interrogated?

Senator FISHER. I will, Mr. President.

Senator FATTAH. Mr. President, did we hold public hearings on Senate Bill No. 1310?

Senator FISHER. Mr. President, it is my recollection that although a public hearing may not have been held on Senate Bill No. 1310, the Senate Committee on Judiciary had extensive public discussions, both by members from the outside and by the committee Members, on Senate Bill No. 1310 that spanned the scope of at least three days. I do not remember any bill this Session that has been as broadly debated by the Members of the Committee on Judiciary over those three days as this bill has.

Senator FATTAH. Mr. President, I desire to interrogate the gentleman from Philadelphia, Senator Fumo.

The PRESIDENT. Will the gentleman from Philadelphia, Senator Fumo, permit himself to be interrogated?

Senator FUMO. I will, Mr. President.

Senator FATTAH. Mr. President, would the gentleman respond as to the nature of the public discussion in the Committee on Judiciary on this bill?

Senator FUMO. Yes, Mr. President. I was at that meeting. It was conducted after we had already reported the bill out. It was a way in which, I guess, the people in charge tried to pacify some of the people. It was not, in fact, a hearing, as we know it. It was not conducted in the most orderly fashion, but most importantly, the bill had already been reported out so there was not a lot of interest. The proper way I think it should have been done, which was not done, was that you would have had a hearing to decide whether or not you were going to put the bill out, but there was so much special interest up there that we were precluded from having our normal methodology of dealing with legislation.

Senator FATTAH. Mr. President, I would just like to make some concluding remarks on Senate Bill No. 1310. I am not a shareholder in any Pennsylvania corporation. I cannot afford to be. But it does seem to me that this is something of a gamble, and maybe it is absolutely as the prime sponsor would want us to believe, that this is a way in which we can legitimately protect the interests of Pennsylvania corporations from hostile takeovers. It seems to me, however, Pennsyl-

vania's economy is not in a vacuum, that, indeed, we are involved now in a global marketplace. But more germane to those of us here in the United States, we at least have a federal system of regulatory requirements for corporate investment activity. The chairman of the Securities and Exchange Commission has, in a very strongly worded statement, suggested there are serious problems with this legislation. I think the absence of a public hearing on this in which we could hear from the Dean of the Wharton School or the head of the business school at the University of Pittsburgh or the leadership of some of our major Pennsylvania corporations is important. It is interesting that labor is supportive of this bill and that is good, I guess. But I remember when we had the debate on the minimum wage. It was not the opinion of many people who are for this bill that we should go against federal law and raise the minimum wage so workers in this state could have a better standard of living, but that we should wait again on the federal government to regulate the economy as a whole rather than to jump out there as a lone ranger, if you will, in which we may be doing the right thing or we may not be doing the right thing. For those of us concerned about the future of this state, and especially as it relates to the development of capable businesses in our state that can compete in this world environment, perhaps we should not gamble.

Senator FISHER. Mr. President, I rise to urge an affirmative vote on Senate Bill No. 1310. I do not know of any bill that has been before us, perhaps other than the abortion bill that we debated sometime last year, that has been discussed as widely in the newspapers, not only across this Commonwealth but elsewhere and with as much in-depth discussion as the ramifications of this bill will have for Pennsylvania corporations. By the way, all those people who were writing about this bill were not writing about New York corporations, Delaware corporations or Ohio corporations; they were writing about Pennsylvania corporations right here within our state where the people whom we represent work, where the people whom we represent have worked for many, many years, corporations that by and large have helped make our many communities the strong communities that they are across this Commonwealth. We have had extensive debate on this bill here in the Senate. There was extensive debate on the bill in the House of Representatives. Yes, there have been very valid points raised by both sides, sharply contrasting views raised by the opponents as well as the proponents of Senate Bill No. 1310. But I believe we are at a point where we have to decide whether or not we want to provide Pennsylvania corporations, and whether or not we want to give Pennsylvania's business climate the opportunity to continue to grow. The gentlemen from Philadelphia, Senator Fumo and Senator Fattah, in their questioning raised the question of whether or not passage of this bill could be detrimental to the future growth of small corporations. The gentleman from Lancaster, Senator Wenger, in response to that argument and in response to the questions by Senator Fattah, indicated there are certain opt-out provisions for those small corporations. I want to explain further at least my interpretation of the discretion that

is contained within this bill that really can allow each and every corporation within Pennsylvania to pattern the corporation law—and that is all this is—to mirror the needs of that corporation, to mirror the needs of their employees, to mirror the needs of the stockholders, to mirror the needs of the community.

There are two different kinds of corporations governed under our corporation code that are covered by this bill: the registered corporation, or the big corporation, which number about 300 in Pennsylvania, and then every other corporation. In each and every one of those other corporations, corporations which may not be registered on any of the national stock exchanges and are probably those small corporations that Senator Fumo and many of the rest of us are concerned about, as to whether or not this bill will deny or stunt their future growth, not only can those corporations opt out within the next 90 days or within 90 days of passage of this legislation, not only could they opt out within a year, because it says that the boards of directors of the other non-registered corporations can opt out within a year, but also the shareholders of those corporations, whether they be two shareholders or three shareholders or five shareholders or 20 shareholders, if, in fact, they are going out for capital on the market, they can opt out at any time by amending the articles of incorporation. That is discretion that has been added in this bill through the passage of the House amendments. That is what we are really here about today. This bill has been made, I think, in the voyage through the House, into a better bill than when it originally started out, because when it started out we had a lot of questions, and those questions by and large through the process of the debate have been answered. We answered some more of them last week when we adopted an amendment in the Senate Committee on Rules and Executive Nominations to clarify the question of proxy voting. I believe we are now at a point with Senate Bill No. 1310 that we are at a crossroads. The gentleman from Lancaster, Senator Armstrong, mentioned the anxiety that has been raised by the many people in his district and his county who are uncertain about the future of Armstrong World Industries. Well, I can remember very well and people in my district still tell me very clearly about the anxiety they had when they were employed by Gulf back in the early '80s, the mid '80s, when they were employed by Koppers in 1988 and 1989, and did not know from day to day, from month to month, and many of them today who are still part of that Koppers organization that was bought out and sold off do not know how long their jobs are going to remain. That kind of anxiety I believe, by and large, can be put to rest by us in passing this legislation to give Pennsylvania corporations the opportunity to structure their corporate structure and their corporate government in a way to deter the hostile takeovers that have been threatened here in this Commonwealth. I think Senator Armstrong is correct when he said that hostile takeovers and the corporate raiders do not have a friend in Pennsylvania. I think it is time for us to state loud and clear that we are not interested in having Pennsylvania's corporations be the ball field for the financial speculators all

over this state, all over this country and all over this world. If we want to do that, then we should concur in the House amendments and we should vote "yes" on final passage of Senate Bill No. 1310.

Senator LINCOLN. Mr. President, I do not profess to have the kind of information and knowledge of this bill that the gentleman from Allegheny, Senator Fisher, has just displayed in his debate, but I think I can take it down to what we are all about here, and that is representing the people who live in Pennsylvania. I did that during the debate on this bill some months ago when we passed it here. It amuses me that one of the previous speakers had made reference to socialism and Lenin and some other people who have stood for socialism for years. Why I find that a little amusing is because I probably would be a much stronger opponent of Lenin and socialism. The amazing thing about that part of the debate that caught my attention was that this is a unique and a very controversial change in Pennsylvania law. The strangest thing that comes out of that remark about socialism is, what happened in Russia when the Revolution took place, whenever the Russian peasants and workers stood up and finally overthrew the Czar, they did that because the Czar had starved many millions of them to death and had brutally murdered, displaced and had no respect for human rights or human dignity, and out of that Revolution came socialism, not that that was the intent of bringing the Revolution about, but that is when the men and women of Russia decided they would try to best build a future for themselves. I do not believe there is any correlation whatsoever between socialism and Senate Bill No. 1310, but I do believe some of the same type of disregard for human beings is what brought this type of effort into being. Whenever we debated this in the past, I talked about Fruehauf Corporation here in Middletown and Fruehauf Corporation in Uniontown, and the fact that in 1985 they were one of the most successful money-making companies in this country. Because of a leveraged buy-out and a hostile takeover, right now there are almost 1,000 people who worked at that plant in Middletown who no longer have jobs. The disruption of the families and the psychological effect on many of the workers, not being young men or women, having to look for jobs, happened at very bad times in their lives. Also, in Uniontown the work force has been cut by two-thirds. Just recently a contract was ratified that most labor people would not go out and jump up and down about, but it was one that had to be accepted because of the horrible financial conditions of the company. If those 230 people who are still working there, along with 75 of the white collar people, wanted to continue working, then they had to accept the contract that may have been a little bit less than what they would have gotten if Fruehauf Corporation had not been attacked so disastrously by a corporate takeover. That leveraged buy-out and that hostile takeover resulted in one thing. The people who were involved in it, as the hostile raider made money, the people who worked there and gave their lives there for many different reasons and lived long and normal lives from their jobs at Fruehauf no longer have them.

The other thing that I would like to point out is there seems to be a position being developed by people debating this that this was a Republican effort. I believe you will find that this is not a Republican effort. This is a bipartisan effort. The votes to pass this bill when it passed, I think in December, were very equally shared between the Republican and Democrat Members of this Senate. God knows that I am probably as partisan as anybody that has ever served on this floor, but I do not believe this is an issue that in any way, shape or form can be stretched to be called a partisan issue. I believe that we have done the right thing in making an effort to come to a conclusion with this today. I believe it was debated to some great extent back in December. I believe we had an opportunity in the Committee on Rules and Executive Nominations to test a Rules change that I did not agree with when it took place. But I have to say that particular meaning, the Rule that was in effect allowing amendments to be offered to House amendments, worked the way it was planned. I am not sure I still agree with that being part of the process, but it did work the way it was supposed to. I think it is time for us to finish our debate on this, whether it be in ten minutes or whether it be in ten hours. I am not averse to either one. I believe it has been discussed. There have been accusations. There have been cheap shots taken, I think on both sides of this issue. We had a question about bringing in scholars. Well, there were scholars involved in this sometime back, and two of them sold their souls to the Belzbergs and made false claims to the Governor about this bill when they were, in fact, standing to financially gain from defeat of this legislation. I think there are times that the 50 of us who are in a different fraternity than anything else in Pennsylvania have to come to a point where we have to decide from our own experiences, our own intelligence and our own personal philosophical approaches as to what we are finally going to do. It cannot be done for us by anybody else. It is like a big funnel. It starts out with everything at the top and it finally gets down to a point, and those of us here in the Senate have had to get to that point. We are there now. You have to make a decision as to how you are going to vote, based on what you honestly believe. I do not think anyone would be able to change most people's belief on how they are going to vote here today, and I really do not see any need in carrying this any further. I am willing to stay for whatever the debate is, but I think we should conclude by passing this. I would urge that everyone vote "yes" on this particular piece of legislation.

Senator ANDREZESKI. Mr. President, I am going to reluctantly join the stampede here today to save the mom and pop corporations of America, specifically the mom and pop corporations here in Pennsylvania. But I would like to rhetorically ask where is this coalition to save mom and pop specifically by passage of House Bill No. 700, the Medicare overcharge measure? I again rhetorically ask why would one bill languish in a committee subject to public hearings around the state? Why would one bill languish in a committee that affects such a human need while Senate Bill No. 1310 sails on through the General Assembly like a ten-meter race boat?

Although we here in the Senate, upon passage of this, can now say in some way that we have now helped the little guy keep his job and keep companies in Pennsylvania, we still cannot say we have helped them with parental and family leave. We cannot say we have helped them with plant closing legislation, and we cannot say we have helped them with a strike cooling-off period.

POINT OF ORDER

Senator LOEPER. Mr. President, I rise to a point of order.

The PRESIDENT. The gentleman from Delaware, Senator Loeper, will state it.

Senator LOEPER. Mr. President, I believe the matter before us is debate on Senate Bill No. 1310, and the gentleman's debate runs far afield of the question at hand, dealing with other issues that are not germane.

The PRESIDENT. The Chair thanks the gentleman for his point and does find that it is well taken. The Chair would ask the gentleman to restrict his remarks.

Senator ANDREZESKI. Mr. President, I have one more paragraph and I will conclude.

POINT OF ORDER

Senator LOEPER. Mr. President, I rise to a point of order.

The PRESIDENT. The gentleman from Delaware, Senator Loeper, will state it.

Senator LOEPER. Mr. President, I would object to the Member finishing the last paragraph if it is in the same vein as the preceding one.

The PRESIDENT. The Chair, on the supposition that the paragraph is not going to be remotely near the same tenor of debate, will urge the gentleman to complete his remarks.

Senator ANDREZESKI. Absolutely not, Mr. President, it is an entirely different focus in the next paragraph.

In conclusion, Mr. President, I look forward to the day when all of the forces in this Commonwealth, especially the forces who are most affected by this business decision, work as hard as the forces of organized labor and other groups in ensuring the viability of all people who make up the work force, not just specifically those who make up the corporate boardroom.

Senator BELL. Mr. President, spring is here, the bears are coming out of their dens and the bears of the gentleman from Philadelphia, Senator Fumo, apparently are going to hit the marketplace. I know he is a very astute financier, and if he believes what he told us and the bill passes, I will bet he will be selling stocks short and, of course, maybe not.

Very seriously, I heard my good friend, the gentleman from Philadelphia, Senator Fattah, mention following what the feds do. I invite anybody who believes in that to go down the Susquehanna River to Three Mile Island and question—if they will tell you—where they have hidden all the radioactive waste that is on the site. The feds have said everything is clear. So do not follow what the feds do. All right, Point of Order. I will go to my last paragraph.

POINT OF ORDER

Senator FATTAH. Mr. President, I rise to a point of order. The PRESIDENT. The gentleman from Philadelphia, Senator Fattah, will state it.

Senator FATTAH. Mr. President, I think the debate is somewhat off the field. We are debating Senate Bill No. 1310.

The PRESIDENT. The Chair recognizes that and concurs with the Point of Order and trusting similarly that the final paragraph will be on track.

Senator BELL. Mr. President, having been bitten by the Andrezski bug, I will conclude. If I had not made up my mind as I drove up here today and passed the empty parking lot right along the turnpike of Fruehauf Corporation. That is what happens when private enterprise turns into privateering.

Senator FUMO. Mr. President, I do not own enough stock in any company to make money selling it short. I do have a degree, as the gentleman says, in management from the Wharton School of Business, but that has not enabled me to buy a lot of stock.

Mr. President, after I have listened to much of the debate, I think there are a lot of areas that have to be straightened out. But I think the overwhelming area is that I can understand the frustrations of the people in this Chamber when they deal with the realities of life. I have those same frustrations. Mr. President, as someone said, Ben Franklin would weigh this on a scale and figure the positives and the negatives and I think Ben Franklin is turning in his grave right now at the mere fact that this debate is even being conducted in this Chamber. Mr. President, the positives are fuzzy at best. In fact, there might be one positive. Obviously, we have heard a lot about the Belzbergs in here today, but they are not the issue. But even if they were, are we passing this bill today to protect corporate management at Armstrong World Industries because they have been too busy fighting off a takeover? Gee, we ought to be passing a lot of legislation in here to help out a lot of people that are hassled with life.

Mr. President, we are not here protecting jobs, not at all. I recognize that many of my colleagues are trying to do that in an honest way. I submit to you they are being grossly misled by the special interests of corporate management and big labor. Mr. President, what we have before us today is something that totally changes our system of economics, not just something I believe. The gentleman from Fayette, Senator Lincoln, made light of a letter signed by 42 professors, people of the Columbia Law School, Dean of the Harvard Law School, the Wharton School at the University of Pennsylvania, Cornell University, Columbia University, Stanford University, MIT, and the list goes on and on and on. But all those people who understand this bill must be wrong and we in this Chamber, with limited knowledge about these procedures, are right. Who are we kidding? Mr. President, I have heard Senator Armstrong say, and quite rightly so, there are families who are concerned and saying, when are you going to pass this bill and get it behind us? Mr. President, that argument is the crux of what is wrong with politics and government today. Those people have been conned into believing

this bill will save their jobs and their lives. We who are elected to lead have adopted to follow and relinquish our leadership. We know this is not going to do that. Our responsibility is to go back and educate those people and try to help them in a meaningful way, not do something that is going to change our economy in Pennsylvania for the negative for decades to come.

We talk about short term and long term. This is a short-term fix to a long term problem that is going to give us long term headaches. I do not want to be here, and I do not want to be the one a year or two down the road to take to this floor and say I told you so. But dammit, I will be, because the reality of this bill is that it is going to mean chaos for Pennsylvania's business. We talk about protecting jobs. We are not protecting jobs in the long run. We are throwing those jobs away. We do not have a monopoly on capital. Dollars do not flow into Pennsylvania because it is Pennsylvania. The dollar is a very fleeting entity, and the investors who own those dollars are going to put them where they are going to get their best return and where they are not going to get ripped off. That is not Pennsylvania. I characterized this bill last year as the fat cat protection and shareholder rip-off act of 1989 and I will admit, I stand corrected. It is the fat cat protection and shareholder rip-off act of 1990. But that is what it is. What investor in his right mind is going to put money into an entity that is going to rip him off? We talk about these obligations that we have. Do we not have obligations to retired people with money in their pension funds? Do we not have obligations to people who own stock in companies? Do we not have that? Why, because they do not have lobbyists up here beating down our doors and they do not have fat PACs? I submit to you, they have votes and sooner or later you will pay the price for ignoring those people.

Mr. President, I heard some gross mischaracterizations about this bill. I heard the fact that the gentleman from Allegheny, Senator Fisher, told me it is not that bad, companies have a year to decide whether they are going to opt out of this. Let me expand upon that a little bit, and if I am wrong, he can correct me. The companies that have a year to opt out are non-publicly traded companies, companies which some day might want to be publicly traded companies to raise more capital. If they do not opt out, they can only do it during that time frame of a year and then it is forever. Forever and ever. There is no provision in after that year to come back and say, I changed my mind. I want to go public. I have to get some capital. No. But let us look at the other misleading area, the publicly traded companies, the 300, as he characterizes it. They do not have a year. They have 90 days. Who in that company has the 90 days? Not the owners, not the stockholders. Under this bill, they are precluded from even asking that the corporation opt out. They are not even allowed to ask, let alone vote on whether they are going to opt out. Change that provision and maybe you will be honest with what you are talking about.

Mr. President, the gentleman from Fayette, Senator Lincoln, says that this is a bipartisan effort. I never said it was

not. All I said is that I was shocked to find Republicans supporting socialism. Democrats have always been for those social programs. It was Republicans who used to tell us about the free enterprise system and the goodness of capitalism, not the evils of those things. A decade ago you would have never heard a Republican tell you that shareholders have an obligation to the community, that we have to take private capital and put it back into the community. Mr. President, what has occurred is that the people who control the Chamber of Commerce are not the people who own the companies. They are the fiduciaries. They are the fat cats. They are the ones who want the civil service employment with those companies. They are the ones who want to drive companies into the ground and not have to have any accountability. They are the ones who do not want anxiety. We get anxiety if we do something wrong. We have to run for reelection. Why should they not? Why should they be able to cop out and say, I do not have to return investments to my shareholders, the people who own the company? Are we kidding ourselves?

Mr. President, I want to quote from an editorial that appeared Saturday in The Philadelphia Inquirer, and I want to quote from it so I hope the editorials do not paint me with the same broad brush. Usually I am the target of their anger. This one they forgot to mention, that I am the one on the other side. I am with them but yet I still get painted with that brush. I think what I said is very accurate and should be looked at, and I intend to put it in the record at this time.

The editorial is entitled "A shameful bill," the sub-title, "It looks as if it's too late to halt the 1990 Shareholder Rip-off Act." I think they might have gotten my message.

It says, "After pretending to think for several months, the Pennsylvania legislature is ready to give final passage to one of the stupidest attempts at regulation ever enacted.

"Two major questions are raised by the overwhelming approvals that the so-called anti-takeover bill has won so far. Those questions are: Do these politicians know what they're doing? And do they care that they're about to become infamous as bumbling buffoons?

"On close examination these answers emerge: They don't know—and they don't care."

Mr. President, the editorial goes on and on, but there is a very important paragraph in here that does not call names.

It says, "This bill would hurt Pennsylvania's economy immediately by making the stock in Pennsylvania companies less attractive to investors. Big institutional investors in particular are uninterested in companies where the shareholders can't push management to improve. In the longer term it will hurt Pennsylvania companies by allowing inept managers to stay in control. And if ever there was a state that has been hurt by inept management, it's Pennsylvania, where huge industries have been brought low by the short-sighted stewardship of some of the most mediocre corporate chieftains ever issued keys to the executive washroom."

Mr. President, the reason why Fruehauf closes, the reason why Gulf loses jobs, the reason why Armstrong is in trouble is not because of the evils of society, just maybe it is because of

inept management. And what are we saying? We are going to protect that management the same way we will protect some civil service bureaucrat. Mr. President, we may have the luxury of doing that in government, but we damn well do not belong doing it in private industry. Our responsibility is to make sure this free enterprise system that was given to us by our forefathers continues to give, as was said in the letter to the editor, its wonderful bounty to us. I heard somebody talk about the junk bond market, how the junk bond market is hurting the S&Ls and how the junk bond market is hurting everything. Mr. President, that may, in fact, be true, but who bought the junk bonds? I did not. A lot of people did not. What will this bill do to prevent that? Nothing, because the free enterprise system in and of itself has already made its course correction. It has taught investors that those junk bonds are, in fact, junk. It may have taken a little while to do it, but it is now done. You do not find corporate raiders out there with billions of dollars available to them from hungry investors looking for a quick buck in the junk bond market. Now those investors have learned, as they should, that is not the truth. If we start to tinker with every little chink in the free enterprise system the second it offends us, then we are going to mess it up. We all watch. Remember the old wage and price controls? We were going to curb inflation. We were going to solve all the economic problems of America with wage and price controls. What happened? They blew apart and we had some of the worst inflation we ever had, and we did not do a damn thing. This is very similar to that. It is folly. It is not fair to those very constituents who are afraid, to kid them with foolishness like this. I urge you to exercise leadership and vote this damn thing down, and then if you want to talk about stopping greenmail and stopping some of the real abuses, let us talk about it, but not through kidding people—although we often do that. In this particular instance you are setting the stage for economic disaster in this state. You can all sit around and laugh and you can all go collect your fat PAC checks from the Chamber and from PEG, and I guess I will get rated even lower after this one, but, dammit, our economy should come first and not the special interests of those fat cats. Let them work for a living the right way, and if they do not do it, let them get thrown out. Let us put some management in that maybe can make our companies better. Let us not drive it in the opposite direction to grab every single corporate executive we can find and tell him to come to Pennsylvania where you do not have to worry about making any money. Grab a fat check, grab a big expense account, go to the country club and smile at your friendly Senator and you are okay. That is not what this state should be about.

Senator BRIGHTBILL. Mr. President, I had hoped to interrogate the gentleman from Allegheny, Senator Fisher. I notice that he has walked off the floor. I would like the opportunity to interrogate Senator Fisher if he does return to the floor. In the meantime, Mr. President, there was a great American philosopher whose name was Yogi Berra, and to paraphrase Yogi, if Benjamin Franklin were alive today, he would be rolling over in his grave. I think that is true.

I would note that Senator Fisher has returned. Mr. President, I desire to interrogate the gentleman from Allegheny, Senator Fisher.

The PRESIDENT. Will the gentleman from Allegheny, Senator Fisher, permit himself to be interrogated?

Senator FISHER. I will, Mr. President.

Senator BRIGHTBILL. Mr. President, the gentleman indicated that in the bill there is a provision for opting out and I think it is several fold, but one has a one year opt out. Would the Senator indicate what that one year opt out is all about?

Senator FISHER. Mr. President, as I indicated in my remarks, there are basically two categories of corporations as we know them in Pennsylvania: the registered corporations, those 300 or so; plus all the rest, the other non-registered business corporations. All of the other non-registered business corporations have a year from the effective date of this bill either to opt out by an amendment of the bylaws, or to opt out by an amendment to the articles of incorporation, which would have to be approved by the shareholders.

Senator BRIGHTBILL. Mr. President, does the gentleman then mean that every corporation that is not registered today, no matter how small, will be governed by the provisions of Senate Bill No. 1310 if it does not opt out within a year?

Senator FISHER. Mr. President, technically, that would be correct. However, a corporation, if it wanted to, let us say, go out to market to get some money to grow, could very easily utilize a technique that is known in business law as a short form merger by forming a subsidiary, and in the forming of that subsidiary could adopt articles of incorporation and bylaws which would opt that subsidiary out of the provisions of Senate Bill No. 1310 and then do what they wanted to do with that subsidiary to go to the market to get the financial assistance.

Senator BRIGHTBILL. Mr. President, so if I were a shareholder in a small Pennsylvania corporation and we decided we wanted to go to market, we could go to a short form merger a year and a half from now to avoid the provisions of Senate Bill No. 1310?

Senator FISHER. Mr. President, that is correct. Another thing I would point out is that the non-registered business corporations are only governed by the provisions of this act dealing with fiduciary duties. They are not governed by the provisions of the act which deal with voting shares and with disgorgement.

Senator BRIGHTBILL. Mr. President, as to the registered corporation, is there any way a registered corporation can opt out?

Senator FISHER. Mr. President, under this bill, the only time period during which a registered corporation could opt out, as I understand it, would be within the first 90 days.

Senator BRIGHTBILL. Mr. President, could a registered corporation do a short form merger?

Senator FISHER. Mr. President, theoretically they could, but they would need approval of a majority of all the shareholders.

Senator BRIGHTBILL. Mr. President, if a Pennsylvania corporation fails to opt out in the first 90 days, would there be other ways they could avoid the provisions of Senate Bill No. 1310 after 90 days?

Senator FISHER. Mr. President, other than the short form merger, the only other possible way to avoid the provisions of Senate Bill No. 1310 would be if they would reincorporate in another state which was not covered by Senate Bill No. 1310.

Senator BRIGHTBILL. Mr. President, so they can then become a Delaware corporation. Is that correct?

Senator FISHER. Mr. President, that would be another alternative.

Senator BRIGHTBILL. Mr. President, my understanding is that most corporations do not consider incorporation in another state to be a big deal.

Senator FISHER. Mr. President, that is correct. However, trying to attract corporations to Pennsylvania, as I think the provisions of this bill would do, would be significant for us because we have not been known as a state that has been attractive to corporate formation in the past, as Delaware has been.

Senator BRIGHTBILL. Mr. President, the opt-out provision, was that inserted in the House of Representatives?

Senator FISHER. Mr. President, that opt-out provision was inserted in the House. In actuality, that is one of the issues that is actually before the Senate here this evening.

Senator BRIGHTBILL. Mr. President, so the House of Representatives opted to provide an escape clause for registered and non-registered corporations from the provisions of Senate Bill No. 1310. Is that correct?

Senator FISHER. That is correct, Mr. President.

Senator BRIGHTBILL. Mr. President, would it be fair to say, therefore, of the 300 corporations that are registered in the Commonwealth of Pennsylvania, it is entirely possible all 300 could opt out of the provisions of this bill?

Senator FISHER. Mr. President, that, obviously, would be speculative, but if all 300 wanted to opt out, they could do so within the first 90 days.

Senator BRIGHTBILL. Mr. President. I thank the Senator.

Mr. President, we have here a bill that I have spoken against before and I find myself in an unusual position, one in which I have listened to the debate of the gentleman from Philadelphia, Senator Fumo, at length, and I find myself very much agreeing with him. Senator Fumo in his debate, in my judgment, is very much on the money. However, I believe there are some people who are being overlooked in this debate. The final vote on Senate Bill No. 1310 is really not going to occur in the Pennsylvania Senate or the Pennsylvania House. It is going to occur in the marketplace.

Mr. President, we in the General Assembly and we in government tend to forget time and time again that we control the laws of man and that is all. We do not control the laws of God, nor the laws of economics. In the final analysis, Mr. President, it is going to be the laws of economics that are going to control what occurs.

Senator Fumo asked the question, who is going to pay the price for this bill? There is always a price and there is always a cost. That answer, Mr. President, is very simple. We know who is being ripped off if we look and see who is going to have to pay.

What will this bill do? Well, the House of Representatives apparently felt it imperative to provide for an opt-out provision in this bill so Pennsylvania companies could go out and raise capital on the open market. Someone, obviously in the business community said hey, look, if you pass Senate Bill No. 1310 as it passed the Pennsylvania Senate, with only four negative votes, we are not going to be able to go out and raise capital and that is going to hurt working people. If business has to pay more for its capital, it is in a position where it has to pay less for its labor. As the House of Representatives did in trying to strike a compromise, they provided for this opt out. I have talked to some corporate leaders and they are looking at this bill, and they are Delaware corporations and they will opt out of Delaware to opt into Pennsylvania to take the benefit of Senate Bill No. 1310, as long as it serves them well. But, Mr. President, you can bet your bottom dollar as soon as they need to raise capital, as soon as they need to go to the market, they are going to opt out of being a Pennsylvania corporation and opt back into Delaware. It is a short trip from here to Wilmington.

Mr. President, we are playing political games and what we are doing here is injecting ourselves into one proxy fight. Let us be honest. Let us be very, very honest here. There is not any philosophical problem. This did not arise as a result of an overwhelming desire on the part of some people to stop takeovers. We have done that twice in this General Assembly. We are here as a result of what is happening in Lancaster. Mr. President, I do not like what is happening in Lancaster, and I do not like the idea that the Armstrong Company is being subjected to a takeover. But, Mr. President, while I am not happy with that, I am even more unhappy with the idea of fiddling with the basic precepts of our capitalism. We are changing the ground rules. Now, Mr. President, who is being ripped off? Let me make some suggestions. You know the big operators, the people who really know their way around the stock market, are going to make money on this because I have talked to stockbrokers and they told me there is something known as selling short. By selling short you can sell stock you do not have and then when the price goes down, you buy the stock to replace the stock you were supposed to sell in the first place, and you can make a lot of money. I am only a country lawyer and I have never sold short and I always thought you had to own something to sell it, and now I am learning. But do you know what? The people I represent, who are not the Belzbergs but are the shareholders, the widows, the families, the workers who acquire stock in their own corporations, the pensioners, the people who hold mutual funds, are not going to sell short, Mr. President. They only sell that which they have. I think what they are going to see is a stock value that is declining. Sure, maybe it is two percent, three percent or five percent, but no matter what it is, it is the little guy who is

going to lose. The big time players are going to survive here. Yes, once again we are here, and once again the big guys who are smart, who have the lawyers, who have the accountants, who have the financial analysts, who have the brokers and who are aware of Senate Bill No. 1310 passing are going to make money. The little people who see their stock price decline five or ten percent are not going to have the foggiest notion as to what is happening to them. They are not going to know, Mr. President, that it was their government that did that. We are going to be able to hide and say we did that for the betterment of working people. If I could cast a vote and keep everybody in my district employed, if I could cast a vote and stop Bethlehem Steel from closing, if I could cast a vote and stop Cleaver Brooks employees from having to make concessions, if I could cast a vote to turn around the Fruehauf situation, by damned I would cast it. I cannot, Mr. President, because I cannot control the laws of God, nor the laws of economics.

I am going to conclude with this. Senator Fumo said he would be coming back here in two years and saying, I told you so. I do not want to do that, but do you know what? We did not have to wait two years. If you recall in the debate when Senator Fumo and I argued against this bill and debated against this bill when it passed the Senate, we said give it more time. We said look at what the Wall Street Journal was saying, because there were just a few pieces of material of information out. I remember and you can go back and check the debate. There were people getting up on the floor and saying, oh, that is just somebody's article. That is not an editorial in the Wall Street Journal. That is not what the Wall Street Journal says. That is just what somebody who wrote an article said. This is good.

Mr. President, every responsible newspaper, every responsible financial journal has carried articles calling this, basically, the worst attack on capitalism in this century. If Vince Fumo and Chip Brightbill wanted to filibuster on this one, it would be easy. We would just start reading clips from Senate Bill No. 1310 and editorials, and we would be reading and reading and reading. Today on my desk in caucus somebody put an article from the Post Gazette. It was a very interesting article. I do not know who put it there, but the Post Gazette apparently editorialized on Senate Bill No. 1310 in support of it. If you read the article signed by the editor, he said geez, that was a tough one, and I am not sure we made the right decision, but, you know, we have to move in the right direction, so let us pass it. He was apologizing for his position. God bless him.

Mr. President, life is going to go on when we leave here today, and the economic world is going to continue to prosper. Frankly, I do not think Senate Bill No. 1310 is going to make a heck of a difference, except perhaps in the case of the Armstrong situation. Maybe that is the way it should be. Maybe the good guys are going to win. This is special interest legislation of the worst kind, and I think it is important that we reconsider this and each take a look at our vote. Are we really doing the right thing in passing Senate Bill No. 1310? Mr. President, I ask for a negative vote.

Senator ARMSTRONG. Mr. President, I will make this very brief. The gentleman from Lebanon, Senator Brightbill, did talk about this being, perhaps, more favorable to Lancaster County and Beaver County—I believe they have a plant out there—than other counties. That may be true. But the next time it could be Lebanon County, it could be Philadelphia. I think, all in all, it will benefit all of Pennsylvania. He talked about stocks in Pennsylvania being less attractive to investors. Let me just relate two stocks that the Belzbergs held on to that they could not get rid of and how attractive they are now to their investors. H.H. Robinson, which I believe has a plant, maybe they are headquartered in Western Pennsylvania. When the Belzbergs in 1985 got involved with them, their stock was 23 5/8. Now over the best five years, perhaps, in American history of the stock market, this stock is a whopping \$11. Less than 50 percent of the capital in your investment is still there. Great management by a corporate raider. The other one they got stuck with they could not unload was Far West Financial. In 1985 the stock was 16 3/8 and now it is 6 1/2. Fantastic management.

The Belzbergs, you know, can lose 60 percent of their money very quickly. What kind of results are they? They also talked about the retirees. We have to worry about the retirees. I will tell you what, if you are in a corporation that is being raided, the first thing they go after is the excess funds in the pension, and they grab all that money and just suck it right out. So what was a very solid pension no longer is a solid pension. So you have jeopardized the retirees in the future. Talk about one or two years from now. I will tell you what, I will stand here one or two years from now and I will bet you that companies in Pennsylvania will do very well and I will bet you they will probably outperform other companies. I think we have a heck of a state and I will stand behind Pennsylvania corporations. In closing, please do not sell Pennsylvania short.

Senator LINCOLN. Mr. President, I think my remarks are going to be even briefer than the gentleman from Lancaster, Senator Armstrong, but they follow right on the heels of his remarks. The amazing thing about this debate is it would make you think the most poorly run companies in this state are the ones that are in jeopardy if we do not pass the act. That is not so. These corporate raiders and hostile takeover actions are not directed at poorly run companies, they are interested in profit-making companies. The one I have experience with is Fruehauf. In 1985 Fruehauf was a 75 year leader in truck building and they had the highest profits in the country for that particular year for their type of business. If I remember from the previous debate, it was in excess of \$900 million profit. Three years later they no longer existed. Not only were they now poorly run and the stock dropped like it did in the cases that Senator Armstrong elaborated on, but they do not exist. And the 1,000 families, those small people who buy stock—I do not know very many of them in my district but I know there are 1,000 families between the Middletown plant and the Uniontown plant—they do not even have a paycheck. That was a result of a hostile takeover,

the kind of action we are trying to stop now. Fruehauf, and I want to make the record very clear, was not a poorly run company. They were an outstanding, a very well managed, almost 100-year-old company. That is what we are talking about. We are not talking about companies that are on their butts. We are talking of those that were standing proud and tall prior to the hostile takeover.

LEGISLATIVE LEAVES

Senator LINCOLN. Mr. President, I would request temporary Capitol leaves for Senator Jones, Senator Mellow, Senator Afflerbach, Senator Stapleton, Senator Porterfield and Senator Fattah.

Senator LOEPER. Mr. President, I would request temporary Capitol leaves on behalf of Senator Punt and Senator Hopper.

The PRESIDENT. Senator Loeper requests temporary Capitol leaves for Senator Punt and Senator Hopper. Senator Lincoln requests temporary Capitol leaves for Senator Jones, Senator Mellow, Senator Afflerbach, Senator Stapleton, Senator Porterfield and Senator Fattah. The Chair hears no objection. The leaves will be granted.

And the question recurring,

Will the Senate concur in the amendments made by the House as amended by the Senate to Senate Bill No. 1310?

(During the calling of the roll, the following occurred:)

Senator HELFRICK. Mr. President, I would like to change my vote from "aye" to "no."

The PRESIDENT. The gentleman will be so recorded.

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—43

Afflerbach	Greenwood	Madigan	Rocks
Andrezski	Hess	Mellow	Salvatore
Armstrong	Holl	Musto	Scanlon
Baker	Hopper	O'Pake	Shumaker
Belan	Jones	Pecora	Stapleton
Bell	Jubelirer	Peterson	Stewart
Bodack	Lemmond	Porterfield	Stout
Corman	Lewis	Punt	Wenger
Dawida	Lincoln	Regoli	Williams
Fisher	Loeper	Reibman	Wilt
Greenleaf	Lynch	Rhoades	

NAYS—6

Brightbill	Fumo	Shaffer	Tilghman
Fattah	Helfrick		

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate inform the House of Representatives accordingly.

LEGISLATIVE LEAVE

Senator LINCOLN. Mr. President, I request temporary Capitol leave for Senator Scanlon.

The PRESIDENT. Senator Lincoln requests temporary Capitol leave for Senator Scanlon. The Chair hears no objection. That leave will be granted.

CONSIDERATION OF CALENDAR RESUMED

THIRD CONSIDERATION CALENDAR

PREFERRED APPROPRIATION BILL ON THIRD CONSIDERATION AND FINAL PASSAGE

SB 1567 (Pr. No. 2106) — The Senate proceeded to consideration of the bill, entitled:

An Act making an appropriation to the Pennsylvania Higher Education Assistance Agency for the purpose of providing an issuer contribution to provide financial support for the continuation of the agency's direct loan program; providing for the lapse of certain appropriations for grants for housing and redevelopment assistance; and making a repeal.

Considered the third time and agreed to,

And the amendments made thereto having been printed as required by the Constitution,

On the question,

Shall the bill pass finally?

Senator LINCOLN. Mr. President, I rise to speak against this bill. Of all the unnecessary spending that I have seen come before us by the Republican caucus when they are hell-bent and determined to spend more money than is available, this one is the one that really does not make any sense. Just recently, PHEAA, of which I am a member of the board, put out a press release and letters to every Member of the General Assembly telling them they had made available \$9.41 million of their own funds to continue this program for the non-subsidized loans until July 1st and they had also been given an additional \$200 million worth of bond capacity for borrowing to continue these programs, and there was every expectation that next year's program would have funds available for it in the budget. Even if it does not—and I am not saying that I am sure of what is going to be in the budget because I learned a long time ago not to speculate in this business—today we do not need this \$10 million. I think the membership of the PHEAA board has expressed that to leadership. The Executive Director of PHEAA has been dealing with leaders in all four caucuses and I just absolutely do not understand the necessity of running this particular piece of legislation today. We have not even met to discuss the budget, and I would suspect that is going to begin very soon. But this program at this particular time is not in jeopardy. This program is one we have to address in the upcoming budget negotiations, and I am certain we are dedicated. Both the Republican Members of the Senate and the Democrat Members of the Senate are dedicated to saving and continuing this program beyond even 1990-91. I am just not sure what the purpose of this bill is, but I am sure it is not necessary at this particular time and I would ask for a "no" vote on it.

Senator LOEPER. Mr. President, I was quite surprised to hear the remarks of the Minority Whip, because I believe this bill is essential to continue funding in our Pennsylvania Higher Education Assistance Agency. We are talking about a bill that is going to affect over 66,000 of our college students in Pennsylvania. It is going to affect their families and their

plans for the institutions they plan to further their education with by September. It has been communicated to us from PHEAA that if the \$10 million is not available for them, then as of the May 1st date they are going to have to start notifying students they will not be able to process their requests for the coming college year, and it would be dependent upon appropriation from the General Assembly in order that they would go out and be able to float their \$200 million worth of bonds, which has not happened at this point in time. Mr. President, this money, the \$10 million in this bill, is money that is available. It is not money that is pie in the sky. This money is a lapse that is already counted on from the 1988-89 budget. The lapse is from the Housing and Redevelopment Fund in the Department of Community Affairs which was not even spent two years ago. Certainly, Mr. President, it seems to me, rather than to let this fund lapse as of June 30th of this year to try and balance this year's budget, certainly a much more worthwhile purpose is to try to address the critical situation all of our college bound students in Pennsylvania find themselves in.

Therefore, Mr. President, I think it is only fair that we give these people a sense of security in moving forward so that they know the funds are there, that PHEAA knows the funds are there in order that they can go out and float their bonds in order to finance their commitments for the fall semester. I think it is unfair, Mr. President, to the students and their parents and also our institutions of higher learning in Pennsylvania to have the uncertainty as the administration has proposed to put this \$10 million in next year's fiscal budget. Why wait, Mr. President, until the adoption of that document? That is a date uncertain while the funds are already available and are lapsed funds from two years ago. It seems to me this is an issue that should be addressed for all our students attending college in Pennsylvania, and I urge the Senate to act on this proposal now and ask for an affirmative vote on it.

Senator LINCOLN. Mr. President, I am absolutely amazed at how this issue has become such a terrible partisan, political issue today. The gentleman quotes from a letter to Secretary Hershock from Executive Director Ken Reeher of April 16, 1990. In nothing in this letter can I find it would substantiate the position that the Majority Leader has taken. It says, "The purpose of this letter is to request that any revision to the Governor's 1990-91 budget include a \$10 million appropriation to PHEAA to finance required capital contribution and cost of issuance to partially assist PHEAA in providing the tax-exempt bond proceeds necessary to fund the Agency's direct loans to students to cover periods of study from July 1, 1990 to May 31, 1991." Then it goes into a lot of other gobbledygook. It has the number of students and all the other things we are talking about and the high number of people who have participated. Then it gets into the last paragraph and it says, "Currently, the Agency has been allocated \$200,000,000 in tax-exempt bond issuance authority by the Governor from the Commonwealth's limited authority to issue such bonds. PHEAA has a firm commitment for credit enhancement of our debt to the extent of \$100,000,000 from

Municipal Bond Investor Assurance Corporation in New York and is seeking to extend that to \$200,000,000 and will contribute a total of \$11,600,000 to the proposed bond issue. We need two things: an appropriation of \$10,000,000 to help fund the bond issue and to signal support of this very worthwhile program and the right interest rate scenario on long-term bonds to permit PHEAA's access into the bond market. In the interim, we will arrange temporary (bridge) financing on a taxable basis so the program can be initiated again prior to the start of the 1990-91 budget year." The May 1st date is what they are doing themselves. Then it goes on, "This is important since May 1 is the 'common reply date' used by schools in advising applicants of their acceptance—and of the financial aid package offered by the school to the applicant or returning student. One great advantage to be gained from an early resolution of the problem through your assistance is that the students, thus assured of the availability of this aid for academic year 1990-91, would be better able to select the schools they want to attend and would not be forced into lower-cost institutions or to fail to enroll.

"Thank you once again for your consideration of this request."

It is absolutely imperative to understand that this issue has already been taken care of by the PHEAA administration and the PHEAA board, and they can and will and are willing to wait until the normal budget process concludes itself with the \$10 million that will be needed. To take this and put it into a partisan issue, particularly when this is a Senate bill—the House is recessing tomorrow and will not be back here until probably the 21st or 22nd, I am not sure what date that Monday is—I have never seen a more deliberate attempt to make responsible people on the Democrat side of the aisle look bad by forcing a vote on something that is absolutely unnecessary and is nothing but pure partisan, political garbage. This issue is not a problem. It has been resolved and it will be resolved if the Republican Members of this Senate continue to show their support of this program by including that in the \$10 million appropriation in the budget we passed, not the Governor and not the PHEAA board and no one else. We have the ability to do that. It is before us but it is before us at the wrong time. I ask for a "no" vote on this issue.

Senator HESS. Mr. President, the interpretation made by the gentleman from Fayette, Senator Lincoln, is valid in some respects, but there were some things left out in his presentation. He read in the last paragraph of page 1 where Mr. Reeher is quoted as saying, "...we will arrange temporary (bridge) financing...." The board of directors has never voted to arrange bridge financing. As Chairman of the Board, I do not vote unless there is a tie, but if I have a choice, based on the current scenario before this Legislature and the state, I would vote "no" because there is no guarantee the General Assembly and the Governor or the negotiators in the conference committee will provide the \$10 million necessary to float what, as the gentleman has correctly said, has been allocated. That was made very clear at the last board meeting. There are several factors involved if we are going to be successful in

financing the loan program, known as the non-subs, next year. Number one, we have the \$10 million plus fee earnings up front, and number two is market timing. You got a good economics lesson from the gentleman from Philadelphia, Senator Fumo, today. We have to borrow the money at an interest rate whereby we can afford to loan the money to the students at eight percent. The longer window we have in PHEAA—I do not care whether you are a Republican or a Democrat, that is a fact—the better chance we have of getting into the market and assuring students that money will be available. No one knows what the market will be in July, in August or any time during the next school year. I believe the money is available. I believe the longer time we have the open window to get into the market, I think we are being more responsible to the students to whom, right now, we cannot say the money will be available for non-sub loans.

Senator LINCOLN. Mr. President, I am a little bit confused by the remarks of the gentleman from York, Senator Hess. Every year the PHEAA board deals with the same problem we are having right now. That is, we have to do things at this time of the year without having any idea of what is going to be in the budget come the end of June. We do that to 501 school districts in Pennsylvania. We force them to pass a budget sometimes before we have ours passed and they have no idea what kind of money they are getting from us. Every year that I have been on that PHEAA board since 1975 we have had to go back and we were able to do late filers for grants because we ended up with more money than what we anticipated, either through budget process or good management. I also did not hear Senator Hess or Senator Loeper make any reference to the fact that the House of Representatives is prepared tomorrow to do something with the Senate bill that has to spend at least one day in committee and three days on the Calendar. Are we saying to the House without any talk to them whatsoever, you had better stay here next week and pass this PHEAA bill, or we are going to have 66,800 kids who are not going to get their loans? We are not saying that at all. I can tell you, if you read any of the newspaper reports or the press release put out by PHEAA about a week and a half ago, they are not concerned about this. They are assuring people throughout Pennsylvania that this problem has been resolved and will be resolved by the time June 30th rolls around and all 66,800 of those kids are going to be able to go to college and not have any problems.

The issue is even more important to me that we would not get involved in this kind of a debate. There are so many hundreds of thousands of people in Pennsylvania who do not understand what this program is all about. When they see something like the debate we have going on here today, you are not only dealing with those 66,800 students, you are dealing with thousands and thousands of students who are not in this program who are now going to be concerned all over again after being reassured by the executive director of PHEAA that this problem did not exist. You are going to throw all this confusion out with a bunch of kids and parents who depend on subsidized grants and the federal Pell program

and our grant program. It is a very complicated issue and I think it is unfair and it is a terrible, terrible thing to come before this Body today to try to make somebody look bad on their vote on a \$10 million grant that is absolutely not necessary to do.

Senator WILT. Mr. President, the gentleman from Fayette, Senator Lincoln, please be assured that it is not my intention to make anybody look bad in order to politicize PHEAA and the operation of that agency. I do think some words of correction need to be made. First of all, this is the first time in which the bond issue has come to the Legislature. Up until now PHEAA has been strong enough within its own right to provide the equity to Wall Street for us to float these loans on our own. Our equity is in such a position right now that we no longer can do that and, therefore, we have come to the Legislature. When we dealt with grants we passed legislation that guaranteed the grant level of appropriation would be the same whether the budget were passed or not. So we put in effect an act which guaranteed students the grant. We are not talking about grants. We are talking about loans and this is a whole new scenario for the Legislature to participate in the loan program. In reference to the notice that went out from PHEAA, the very reason was to put students, schools and parents on notice that this was not a done deal. It was the collective thinking of the PHEAA board that the public should be aware there were some loose ends which needed to be tied up before we could guarantee there would be the non-sub loans for the next school year. That was the reason the notice went out. That is the reason the PR was released, and that is what our concern is. What we are trying to do here is to make sure to stabilize the dollars so the program is a go and we can go to the bond market when it is opportune to do so, when the interest rates are such that we can afford to do it and still carry on the loan program. The reason we need to be under eight percent is because anything in excess of eight percent the feds will not insure. So it is not a matter of our merely raising the rates to the parents. If we do that, then we are, in essence, going at a loan to insure the loans which we are making, whereas now the federal government does that. But they will not insure them beyond the eight percent.

Senator FUMO. Mr. President, I rise to oppose the bill, as well, and I think, as Democratic Chairman of the Committee on Appropriations, in case anyone ever reads this record in the future and tries to figure out what is going on, I intend to enlighten them. What this is is a gimmick on the part of the Republicans to try to force us into a deficit the same way all the other things they are pumping out at us to spend money to try to do the same thing.

Mr. President, I thought we had confidence in Mr. Reeher, the Executive Director over there. Are the Republicans telling me by this vote they no longer have confidence in their Executive Director? If they are, perhaps the Members of the PHEAA board of the Republican caucus should go back and change that and straighten it out if that is really the problem, because the Executive Director tells us clearly it does not need the money right now. But maybe he tells us that because he

does not have a real political agenda in this upcoming budget fight. Maybe he tells us that because he is just trying to run an agency in tight times in a responsible fashion. That is what he gets paid to do. Sometimes I think we get paid here to act irresponsibly, and that is what we are doing. Now the game here, Mr. President, has nothing to do with PHEAA. It has nothing to do with students who need money to go to college. It has a lot to do with partisan politics. It has a lot to do with the Republicans trying to say the Governor is incompetent, mismanaged, does not have enough money, or whatever, because this is an election year. The \$10 million that the gentleman from Delaware, Senator Loeper, seems to indicate that this bill is about, he seems to indicate we may have forgotten about that money. Gee, all of a sudden he found it. I am really glad he did that, but I submit to you he was not the only one who knew it was there. Mr. President, that money is being used, as well as other monies, to get us through these tight times. If it is not going to be used in housing and economic development—and I have not heard from the Secretary of the Budget that it is not yet—it will be used to get us through the budget process. What the theory here and the game is that Republicans now, because they no longer have the Governor's Office, want to spend, spend, spend. I am learning a lot about Republican philosophy. I am learning it is very flexible, depending on who the special interests are and depending on who the Governor is. I submit to you, Mr. President, if the Republicans had control of the Governor's Office right now, this bill would not even be thought of, let alone pushed. For the benefit of the people of the Commonwealth who are confused, do not worry about PHEAA. It will be okay whether this bill passes or not, and I submit in the end it will not. If it gets to the Governor, he might blue-line it, and, obviously, that may be one of the objectives of the Republicans. Your kids will get the loans they were going to get with or without this bill. But if you want to play the game of blaming people and calling people names and trying to put the Commonwealth into fiscal mismanagement, something you learned a long time ago when Shafer was Governor, it took Democratic Governor Shapp to straighten out the financial mess. For years and years and years when you guys had that Governor, you never passed a budget. Take a look at the history. You never passed a budget, all stopgaps for months and months and months. It took a courageous Democratic Governor to say no more games in the Senate and House, you are going to pass a budget, like it or not. He put some discipline on this Chamber. If you want to go back to that kind of nonsense, vote for this bill, but let us not kid ourselves. It has absolutely nothing to do with PHEAA. It is a big political charade. I would like to see us get to a point where we stop playing those games. I suspect it will not happen in the very near future, but maybe in January when we take over.

Senator LINCOLN. Mr. President, I want to say to the gentleman from York, Senator Hess, and the gentleman from Mercer, Senator Wilt, that I regret this debate more than probably any I have had to be involved in for a long time because I know their sincerity in their nonpartisan and bipar-

tisan efforts at PHEAA for the many years I served with them, and they are going to be missed over there. We went through a Republican Governor who was very harsh to PHEAA, and we have gone through some days with help coming from the administration now in some other factors that have caused some very grievous situations to exist in PHEAA. I do not mean to be any way insulting to my two dear friends, but the only thing I say to both of them is if this bill were before us 10, 15 or 20 days ago, then I would think their remarks would be 100 percent on point. But, unfortunately, they are trying to defend or speak in favor of something that is too late. Even if we needed this desperately, it is not going to do any good by the vote we have here today, and I believe we would have been much better off to leave this alone and deal with it in the budget, as we are going to deal with it in the budget, without all this political harangue. I do mean that to Senator Wilt and Senator Hess. I have a feeling about the two of them in this issue that is very hard to determine and explain because I have seen them go through the agony of having to stand up to their own administration during a very difficult period of time. We are facing that now, and I think our administration has heard what we are saying to them. I think this problem will resolve, but the vote here today is only going to make some Democrats who have the courage to vote against it because of its foolishness look very bad at some point in time, and I am going to be one of them because I know it is something where we are not being fair, we are not being honest and we are not being realistic about. In fact, it may end up jeopardizing the final solution of this problem in a manner that did not have to come about.

Senator LOEPER. Mr. President, I am really concerned that the Minority has tried to paint this issue as far as a partisan picture is concerned. I think it is important to note the impetus for this legislation really was the result of a meeting from PHEAA officials with the leaders of the various caucuses, indicating that, unfortunately, this year it was going to be necessary, in order for them to meet their commitments for their student loans for the fall, to have an appropriation from the General Assembly in the amount of \$10 million. Mr. President, I think there is no question where that \$10 million is needed in order to float those bonds, in order to fund the loans, but I think the question, rather, is the timing of that \$10 million and from what source that \$10 million would come. It is my position that this \$10 million, as we have proposed to spend it, is money that is unspent from the 1988-89 budget, and I think to suggest we are further pushing the state into a deficit position is just unfounded. If this money is available from two years ago, we are certainly not spending money that is not there, it is money that is there and was not spent for the purpose for which it was intended. I think each one of us realized that the number of students who we have in each of our districts who participate in the student loan program is so significant that this is a very important use of those funds. Just for example, Mr. President, I would point out that in my own Senatorial district in Delaware County, I have had 1,450 students participate in that program last year

to the tune of \$4,057,000. That is not an insignificant sum. That is not an insignificant amount for the people who are helping to send their youngsters to college. I think, Mr. President, this certainly presents an alternative to bring the funds on line in a timely fashion and not wait for part of the budget process and anticipate floating those bonds after July 1st.

And the question recurring,
Shall the bill pass finally?

(During the calling of the roll, the following occurred:)

Senator BELAN. Mr. President, I would like to change my vote from "no" to "aye."

The PRESIDENT. The gentleman will be so recorded.

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—41

Afflerbach	Greenleaf	Loeper	Rhoades
Andrezeski	Greenwood	Lynch	Rocks
Armstrong	Helfrick	Madigan	Salvatore
Baker	Hess	Musto	Scanlon
Belan	Holl	Pecora	Shaffer
Bell	Hopper	Peterson	Shumaker
Brightbill	Jones	Porterfield	Tilghman
Corman	Jubelirer	Punt	Wenger
Dawida	Lemmond	Regoli	Williams
Fattah	Lewis	Reibman	Wilt
Fisher			

NAYS—8

Bodack	Lincoln	O'Pake	Stewart
Fumo	Mellow	Stapleton	Stout

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate present said bill to the House of Representatives for concurrence.

BILL ON THIRD CONSIDERATION
AND FINAL PASSAGE

HB 159 (Pr. No. 3261) — The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of December 7, 1982 (P. L. 784, No. 225), known as the "Dog Law," exempting certain puppies being trained as dog guides for the blind from licensing requirements; and further providing for offenses relating to dogs used for law enforcement.

Considered the third time and agreed to,

And the amendments made thereto having been printed as required by the Constitution,

On the question,
Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—49

Afflerbach	Greenleaf	Lynch	Rocks
Andrezeski	Greenwood	Madigan	Salvatore
Armstrong	Helfrick	Mellow	Scanlon
Baker	Hess	Musto	Shaffer
Belan	Holl	O'Pake	Shumaker
Bell	Hopper	Pecora	Stapleton
Bodack	Jones	Peterson	Stewart

Brightbill	Jubelirer	Porterfield	Stout
Corman	Lemmond	Punt	Tilghman
Dawida	Lewis	Regoli	Wenger
Fattah	Lincoln	Reibman	Williams
Fisher	Loeper	Rhoades	Wilt
Fumo			

NAYS—0

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate return said bill to the House of Representatives with information that the Senate has passed the same with amendments in which concurrence of the House is requested.

BILLS OVER IN ORDER

SB 521, 1091 and 1229 — Without objection, the bills were passed over in their order at the request of Senator LOEPER.

BILLS ON THIRD CONSIDERATION
AND FINAL PASSAGE

SB 1389 (Pr. No. 1788) — The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of October 20, 1966 (3rd Sp. Sess., P. L. 96, No. 6), entitled "Mental Health and Mental Retardation Act of 1966," repealing provisions relating to county liability; and discharging certain county liability.

Considered the third time and agreed to,

On the question,
Shall the bill pass finally?

Senator LINCOLN. Mr. President, may we be at ease for a moment.

The PRESIDENT. The Senate will be at ease.
(The Senate was at ease.)

The PRESIDENT pro tempore (Robert C. Jubelirer) in the Chair.

Senator LINCOLN. Mr. President, very briefly, I am not going to get into any long-winded debate on this, but, very simply, Senate Bill No. 1389 is another very good idea. There is no question about the merit of the idea. It is also a Senate bill which will go to the House which has to go through the committee process and would have to be on the floor of the House or the House calendar for three days. I am not sure what or why or however it is being done, but this is, I think, typical of what the Majority decides to do here in the Senate. Sometimes I am not sure whether they are sincere or whether they are not, but I know on this issue it is something we should not be dealing with. It is just a bigger strain on a budget that we have not even discussed one time. I have very strong feelings about the millions and millions of dollars that are being appropriated through the votes here in the Senate, but I also believe there are Members of my caucus who represent county governments who are also having tremendous problems of funding their programs and, in this case, taking care of something that the state mandates. For that reason I say vote for the bill. This vote is not going to mean anything. The only thing it is going to do is mark this as another Repub-

lican effort to put something into the budget that we will discuss and we will probably talk about and we will finally come to some conclusion. I would say to the counties out there, do not expect to get all this money, because I do not think it is there.

And the question recurring,
Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—49

Afflerbach	Greenleaf	Lynch	Rocks
Andrezski	Greenwood	Madigan	Salvatore
Armstrong	Helfrick	Mellow	Scanlon
Baker	Hess	Musto	Shaffer
Belan	Holl	O'Pake	Shumaker
Bell	Hopper	Pecora	Stapleton
Bodack	Jones	Peterson	Stewart
Brightbill	Jubelirer	Porterfield	Stout
Corman	Lemmond	Punt	Tilghman
Dawida	Lewis	Regoli	Wenger
Fattah	Lincoln	Reibman	Williams
Fisher	Loeper	Rhoades	Wilt
Fumo			

NAYS—0

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate present said bill to the House of Representatives for concurrence.

SB 1551 (Pr. No. 2084) — The Senate proceeded to consideration of the bill, entitled:

An Act extending the deadline for filing for a permit for disposal of municipal wastes.

Considered the third time,

On the question,

Will the Senate agree to the bill on third consideration?

Senator RHOADES, by unanimous consent, offered the following amendment No. A1392:

Amend Sec. 1, page 1, line 6, by inserting before "Notwithstanding": (a) General rule.—

Amend Sec. 1, page 2, by inserting between lines 2 and 3:

(b) Other extensions.—Any municipal waste landfill that does not meet the requirements of subsection (a) shall be permitted to accept solid waste until December 31, 1990, provided that available capacity exists and that there is no record of any environmental contamination.

On the question,

Will the Senate agree to the amendment?

Senator RHOADES. Mr. President, what this amendment does is grants an extension to any municipal waste landfill. It permits them to continue to accept solid waste until December 31, 1990, provided that available capacity exists and there is no record of any environmental contamination. The reason I offer that is within the district I represent there are 17 municipalities in the North Schuylkill landfill. They have, since 1971, dumped their garbage in the landfill area and have not been

assigned any violations by DER. They are now in the process of getting themselves into the county landfill. Part of the thing is that DER came through with a consent order and they now have to build a transfer station. What I am basically saying is this: In that landfill there is approximately an 830,000 ton capacity area which is clear it should be filled. If it is not, it will have to be filled when it is reclaimed. So the people would be paying for that reclaiming, the capping and now, when they were originally paying \$24, that went to \$33, they will now be paying somewhere between \$50, \$60 or \$70. As a matter of fact, in my own local borough, right now they are collecting \$80 for garbage fees. What I am asking to do is grant the extension. You say, am I out of line? No, because DER has granted extensions in other cases to continue to dump there while their transfer station is built. If there is so much of a problem, I do not know why DER would grant that. I know they have made those exceptions across the Commonwealth in a number of areas to help everyone comply with the April 9 date in a number of different ways, not necessarily by the statute. So, I would ask for an affirmative vote on this amendment.

Senator LINCOLN. Mr. President, I think the issue that the gentleman from Schuylkill, Senator Rhoades, is putting before us in amendment form is really the issue of the bill itself, and that is that you have landfill operators, whether they be private, for profit or municipal, who were all put into the same category. They were told certain dates had to be complied with. They had ample time to declare whether they were going to be able to meet those requirements. They were given a good opportunity to go in and sit down with the department and get into a consent order for the transfer station. The reason this all came about was there was a tremendous amount of concern in Pennsylvania over what is happening with the landfills and the solid waste we are putting in them. I believe this is an effort to circumvent a very well thought out and good program that allowed everybody the same opportunity to come to the same conclusion: To have a permit in hand, to have a consent order that gave you until the dates in this amendment to become a transfer station or to do what maybe they should have done in the first place, close down. I think you are talking very clearly about a decision as to whether you support the environment and you support a control on what goes into landfills and the department's prerogative to allow for some deviation from what would come about as of April 9. I think in this case it is no different than the one the bill is directed to itself that they failed to comply with. They failed to meet dates. They failed to come through with the proper certification and qualifications in their permit applications, and when that happens I am very suspect of that type of operation. If they do not have environmental problems now, they clearly could have a very serious environmental problem between now and the date they are going to be given in this particular amendment. I would say to you that everybody was on a level playing field, everybody had the same opportunity and everybody came in with the same deadlines, and I think the department went way beyond the call of

duty in helping people up until April 9 get the compliance, either by having a completed application or a consent order that will go until 1991. I believe that this particular landfill could not meet all of the other criteria that went along with whatever any other landfill in this state had to comply with. We are going to see the gentleman from Schuylkill, Senator Rhoades, back here in November doing something to give them another extension to another date, and I really think that is foolhardy, it is dangerous to the environment and it is a dangerous precedent to set. As I am going to ask you later on to vote against this bill, I am urging you for good government and for a good and clean environment, to vote "no" on this amendment.

Senator RHOADES. Mr. President, basically, I think what I am doing is putting into statute what DER is practicing. If we get by the April 9 deadline, everything would be shut down and that is it. Part of the problem is that there are only an X amount of landfills to go around, and so those municipal landfills and those that are straining are getting squeezed. In the case of putting the transfer station in, we went to the original landowner. All of a sudden now, because we have back-filled his pit which would have cost him millions, he now wants dollars out of the landfill. He wants that out of the transfer station, and that is the kind of squeeze people are getting put into. From the transfer station to a lined landfill, you are talking \$55 to \$65, when for 18 years this pit has been filled and could continue to be filled with Pennsylvania garbage, although it is only going to be filled by the municipalities and save the people probably half of what they would have to pay. In terms of environmental damage, I am sure if any would have occurred, DER would have caught it at that particular time. In terms of doing anything, I am just trying to save the taxpayers of Pennsylvania some dollars so they are not getting ripped off.

Senator LINCOLN. Mr. President, it is laudatory that the gentleman is interested in saving the taxpayers of his district money. But as the gentleman from Allegheny, Senator Fisher, knows, the years he spent trying to get Senate Bill No. 520,—I can remember the number of the damn bill, but I cannot remember the number of the act—Act 101 into place, there was discussion, debate, hearings, discussion, debate, hearings, discussion, debate, hearings throughout the Commonwealth. We had a problem that at one time was only serious in southeastern Pennsylvania. Then it went whiff, like putting a match on a big pile of brush with gasoline on it, and then it was an issue all over this state. Then we had out-of-state waste coming in, we had people not dumping and we had all the other things. We came down with an extremely good piece of legislation. Senator Fisher led the way. There were a lot of people on both sides of the aisle who were supporting him, and we came up with one of the best, if not the best, solid waste acts in this country. We had a Governor who stood up and took a lot of pressure in saying that these are the dates because we have to comply at some point in time. We have to put into operation the new law. We have to make sure every landfill in this state is going to be as secure as it can be from

some environmental problem happening and ruining a water supply in Schuylkill County, Bucks County, Fayette County, or wherever it may be. All this amendment does is circumvent all those years of effort to put in place an extremely good piece of legislation, a great law. Of all the complaints we have about the department, this is one time we ought to say, you have done an extremely good job. You have stood up to beatings from politicians. You have stood up to beatings from public officials throughout the state, and you have said no. You have asked for a good act, you gave it to us and we are enforcing it. If we start willy-nilly passing an act or bill like Senate Bill No. 1551, and we amend it to put all the little problems we have in that extends something, we are not being responsible and we are not being concerned about the environment. I know there were companies that had to hire two and three other engineering firms and spend 24 hours a day, seven days a week for the last couple of weeks to get into the position they are in to move forward and put a safe, solid, assuring landfill in place. If we accept this amendment, if you vote for this amendment out of some comradery in your caucus or some reason you want to help the gentleman from Schuylkill, Senator Rhoades, you are really not doing that. You are taking the chance of potentially causing some very serious environmental damage in Senator Rhoades' district or in the district of the gentleman from Venango, Senator Peterson, the sponsor of the bill. I can tell you, I probably have a better and closer working relationship with Senator Jim Rhoades than I do with anybody on the other side of the aisle and have had for years, and I am telling you he is wrong in offering this amendment, and he is asking you to put yourself in a position. We are voting for a bad environmental amendment that will go into a bad environmental bill, and somewhere along the line you may have to answer for that. I think it is wrong. I think this bill ought to be taken off the Calendar. I think we ought to live with what we put in place and live with what everybody in this state is accepting as a very sound practice and a very sound approach to handling a very serious problem, and that is how we dispose of solid waste that we generate in gobs and gobs and gobs. So I would ask you for a "no" vote on this amendment.

Senator STEWART. Mr. President, I, too, would like to vote for this amendment because I have municipalities that find themselves in the same situation. I think the Members of the Senate ought to remember how we got into this whole situation to begin with. It was the bad operators and the badly managed and badly constructed landfills that got the ire of the public against us because we had not done anything. Maybe this is a little bit of an overreaction and maybe it is not, but I think we have to think back to what the public asked us to do. The public asked us to protect their environment, particularly in regards to the operation of landfills. We have done that, as the gentleman from Fayette, Senator Lincoln, has outlined. Let us not turn back the clock because someone has a problem now they did not have before. Let us urge the Department of Environmental Resources to work with these municipalities in a more expeditious manner, but let us not turn back the clock.

Even though I would like to support the gentleman's amendment, I ask for a "no" vote.

And the question recurring,

Will the Senate agree to the amendment?

A voice vote having been taken, the question was determined in the negative, and the amendment was defeated.

And the question recurring,

Will the Senate agree to the bill on third consideration?

Senator LINCOLN, on behalf of Senator MELLOW, by unanimous consent, offered the following amendment No. A1406:

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

Amending the act of July 7, 1980 (P.L.380, No.97), entitled "An act providing for the planning and regulation of solid waste storage, collection, transportation, processing, treatment, and disposal; requiring municipalities to submit plans for municipal waste management systems in their jurisdictions; authorizing grants to municipalities; providing regulation of the management of municipal, residual and hazardous waste; requiring permits for operating hazardous waste and solid waste storage, processing, treatment, and disposal facilities; and licenses for transportation of hazardous waste; imposing duties on persons and municipalities; granting powers to municipalities; authorizing the Environmental Quality Board and the Department of Environmental Resources to adopt rules, regulations, standards and procedures; granting powers to and imposing duties upon county health departments; providing remedies; prescribing penalties; and establishing a fund," further providing for the definition of "processing" and providing for the definition of "transfer facility"; extending the deadline for filing for a permit for disposal of municipal waste; and imposing limitations on the extension of the deadline.

Amend Bill, page 1, lines 5 through 17; page 2, lines 1 through 4, by striking out all of said lines on said pages and inserting:

Section 1. The definition of "processing" in section 103 of the act of July 7, 1980 (P.L.380, No.97), known as the Solid Waste Management Act, is amended and the section is amended by adding a definition to read:

Section 103. Definitions.

The following words and phrases when used in this act shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

"Processing." [Any technology used for the purpose of reducing the volume or bulk of municipal or residual waste or any technology used to convert part or all of such waste materials for off-site reuse. Processing facilities include but are not limited to transfer facilities, composting facilities, and resource recovery facilities.] Any of the following:

(1) the use of any method or technology for the purpose of reducing the bulk or volume of municipal or residual waste, storage of municipal or residual waste at a location other than the generation site, or the use of any method or technology to convert or segregate part or all of such waste materials for reuse or recycling. Processing facilities include but are not limited to transfer facilities, composting facilities, recycling facilities and resource recovery facilities; or

(2) operation of any kind of transfer facility, composting facility, recycling facility or resource recovery facility.

"Transfer facility." A facility which receives and processes or temporarily stores municipal or residual waste at a location other than the generation site, and which facilitates the transportation or transfer of municipal or residual waste to a processing or disposal facility. A transfer facility may include a facility that is also a recycling facility.

Section 2. Notwithstanding other deadlines imposed under another statute or regulations, a municipality may accept municipal waste for disposal in a landfill which currently exists and which existed before April 9, 1988, if:

(1) The municipality has a permit to operate the currently existing landfill, and this permit was issued before April 9, 1988, and is still valid.

(2) The currently existing landfill is lined with materials which are no more permeable than 1 X 10 (to the minus 5 exponent) cm/sec.

(3) The Department of Environmental Resources has received, by April 9, 1990, an administratively complete application from the municipality regarding its construction of a new municipal landfill, and the Department of Environmental Resources has not rejected this application finally.

(4) The last date for accepting waste into the currently existing landfill is either the completion date of the new landfill or September 30, 1991, whichever occurs first.

(5) The new site complies with the requirements set forth in 25 Pa. Code Chs. 271 (relating to municipal waste management - general provisions) and 273 (relating to municipal waste landfills).

(6) The municipality has posted a bond that is consistent with this act and regulations promulgated under it, or has established a trust fund as provided under section 1109 of the act of July 28, 1988 (P.L.556, No.101), known as the Municipal Waste Planning, Recycling and Waste Reduction Act.

Section 3. This act shall take effect immediately.

On the question,

Will the Senate agree to the amendment?

Senator LINCOLN. Mr. President, my understanding of the amendment is it would add to Act 97 the requirement that transfer stations be required to have a permit and also be required to post a bond to insure that if any damage is done by that particular activity, it would be covered by some financing.

Senator FISHER. Mr. President, I rise in opposition to the amendment. What the amendment really tries to do is to rewrite the language which is in Senate Bill No. 1551 but to add on two other provisions. One of the provisions that is included in Section No. 103 of the bill would cover transfer stations. Now, transfer stations, it appears, by virtue of this definition, could be construed to be so broad that every boy scout troop, every nonprofit organization that has a recycling facility could be required to go out and get a permit. I do not think this is what the gentleman from Lackawanna, Senator Mellow, may have intended. In fact, the language which is included in this amendment at that part of it is also included in Senate Bill No. 1555 which Senator Mellow recently introduced and is in the Committee on Environmental Resources and Energy. We will be examining that bill in the near future, but I think the way the language is stated in the bill is altogether too broad. I do not think anybody wants to require all of those entities to go out and get permits from DER. If we

think we have trouble now in dealing with our 75 landfills, wait until we hear from every nonprofit group.

I would urge the rejection of the amendment, and I would urge us to pass the bill as it is.

Senator RHOADES. Mr. President, I have just one thing to add. In that North Schuylkill landfill they are building a transfer station, and they are building it under DER's direction. I will not call it a permit, but they are telling them what has to go into it and how everything has to be treated. On top of that, they also have to have a performance bond at one half of what the value of the garbage that is going to pass through there will be from now until the end of the year, which is \$1.6 million. They have to get a bond for \$800,000. Everyone who is involved in this hauling knows how far they have to go. So in terms of adding this on, all you are doing is adding more on to it and burying them deeper and deeper in the hole. What is normally going to be \$50 to \$60 is going to end up \$150. We do not really need the amendment.

Senator LINCOLN. Mr. President, I am a little bit more prepared at this point in time. My understanding is that to speak to the concern of the gentleman from Allegheny, Senator Fisher, about the boy scouts with the recycling, the department has very clearly indicated they will handle the legitimate recycling permits under a general permit. The real intent of this particular amendment I am offering for Senator Mellow is to get to the gypsy transfer stations, those that just go out and dump on ground, or whatever. There would be a description of a transfer station included in Act 97 and the bonding would actually find its way to the text of Senate Bill No. 1551 as it is before us. So there is a little bit of difference from what I first stumbled through ten minutes ago.

Senator FISHER. Mr. President, in all due respect to Senator Lincoln and certainly not withstanding his previous comments about Act 101, I appreciate those, but I think in this situation what we have before us is a concept the gentleman from Lackawanna, Senator Mellow, had that certainly has some merit. That is why I think we ought to study it in committee a little more. But to assert here the "trust me" theory with DER, in saying "trust me" for the boy scouts, that they will not have to be put through the hoops of getting a permit, I think that is a little bit too much for all of us on both sides of the aisle to want to vote for tonight. Perhaps, a voice vote similar to the one we just had on the amendment of the gentleman from Schuylkill, Senator Rhoades, might be the appropriate step to take here.

Senator LINCOLN. Mr. President, I would accept that.

And the question recurring,

Will the Senate agree to the amendment?

A voice vote having been taken, the question was determined in the negative, and the amendment was defeated.

And the question recurring,

Will the Senate agree to the bill on third consideration?

It was agreed to,

And the amendments made thereto having been printed as required by the Constitution,

On the question,
Shall the bill pass finally?

Senator LINCOLN. Mr. President, I would ask for a "no" vote for the same reasons I gave to the Senate Members on the Rhoades amendment. I do not see any difference in this from the Rhoades amendment. The bill is precisely what the Rhoades amendment would try to bring about, so I would ask for a "no" vote.

And the question recurring,
Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—27

Armstrong	Greenwood	Loeper	Salvatore
Baker	Helfrick	Madigan	Shaffer
Bell	Hess	Pecora	Shumaker
Brightbill	Holl	Peterson	Tilghman
Corman	Hopper	Punt	Wenger
Fisher	Jubelirer	Rhoades	Wilt
Greenleaf	Lemmond	Rocks	

NAYS—21

Afflerbach	Fumo	Mellow	Scanlon
Andrezeski	Jones	Musto	Stapleton
Belan	Lewis	O'Pake	Stewart
Bodack	Lincoln	Porterfield	Stout
Dawida	Lynch	Regoli	Williams
Fattah			

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate present said bill to the House of Representatives for concurrence.

SECOND CONSIDERATION CALENDAR

PREFERRED APPROPRIATION BILLS ON SECOND CONSIDERATION

SB 1544 (Pr. No. 2066) — The Senate proceeded to consideration of the bill, entitled:

An Act making an appropriation from the State Employees' Retirement Fund to provide for expenses of the State Employees' Retirement Board for the fiscal year July 1, 1990, to June 30, 1991, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 1990.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

SB 1545 (Pr. No. 2067) — The Senate proceeded to consideration of the bill, entitled:

An Act making an appropriation from the Public School Employees' Retirement Fund to provide for expenses of the Public School Employees' Retirement Board for the fiscal year July 1, 1990, to June 30, 1991, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 1991.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

SB 1547 (Pr. No. 2069) — The Senate proceeded to consideration of the bill, entitled:

An Act making appropriations from the Professional Licensure Augmentation Account and from restricted revenue accounts within the General Fund to the Department of State for use by the Bureau of Professional and Occupational Affairs in support of the professional licensure boards assigned thereto.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

SB 1548 (Pr. No. 2105) — The Senate proceeded to consideration of the bill, entitled:

An Act making appropriations from a restricted revenue account within the General Fund and from Federal augmentation funds to the Pennsylvania Public Utility Commission, the Office of Consumer Advocate and the Office of Small Business Advocate; and providing for the initial assessment for the Office of Small Business Advocate.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

SB 1549 (Pr. No. 2071) — The Senate proceeded to consideration of the bill, entitled:

An Act making appropriations to the Treasury Department out of various funds for payment of general obligation debt service.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

SB 1550 (Pr. No. 2072) — The Senate proceeded to consideration of the bill, entitled:

An Act providing for the capital budget for the fiscal year 1990-1991.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

BILLS OVER IN ORDER

HB 11, 59, SB 155, 221 and HB 225 — Without objection, the bills were passed over in their order at the request of Senator LOEPER.

BILL REREFERRED

HB 317 (Pr. No. 2106) — The Senate proceeded to consideration of the bill, entitled:

An Act to promote the health, safety and welfare of the people of this Commonwealth by supporting and expanding the network of Neighborhood Housing Services Programs which work to halt the deterioration of homes and the decline of neighborhoods, and to broaden the availability of the programs and services offered by Neighborhood Housing Services Programs, especially to persons of low and moderate income, by establishing within the Department of Community Affairs a State Neighborhood Housing Services Program.

Upon motion of Senator LOEPER, and agreed to, the bill was referred to the Committee on Appropriations.

BILL ON SECOND CONSIDERATION

HB 820 (Pr. No. 3262) — The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of December 7, 1982 (P. L. 784, No. 225), known as the "Dog Law," providing for the control of dangerous dogs; further providing for violations of the act; further providing for inspections; and providing penalties.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

BILL OVER IN ORDER

SB 1194 — Without objection, the bill was passed over in its order at the request of Senator LOEPER.

BILL ON SECOND CONSIDERATION AMENDED

SB 1219 (Pr. No. 2082) — The Senate proceeded to consideration of the bill, entitled:

An Act providing for the labeling of recyclable products and plastic containers; mandating the use of environmentally acceptable packaging in restaurants; requiring the removal of toxics in packaging; and encouraging cooperation among the states to set uniform policies to reduce unnecessary packaging.

The bill was considered.

On the question,

Will the Senate agree to the bill on second consideration?

Senator FISHER offered the following amendment No. A1357 and, if agreed to, asked that the bill be considered for the second time:

Amend Sec. 102, page 15, line 3, by striking out all of said line and inserting: takes title to goods purchased for resale.

Amend Sec. 102, page 15, line 21, by inserting after "BUSINESS": , institution

Amend Sec. 102, page 16, line 5, by inserting after "IS": demonstrated to be

Amend Sec. 102, page 16, lines 6 through 11, by striking out all of said lines and inserting:

"Recycled material." Material that would otherwise be destined for disposal as solid waste and is prefabricated into marketed end products. The term includes, but is not limited to, post-consumer material, industrial scrap material and overstock or obsolete inventories from distributors, wholesalers and other companies. The term does not include those materials and by-products generated from and commonly reused within an original manufacturing process. The department may set minimum percentage limits of postconsumer material to be considered recycled materials. As the term relates to food and drink packaging, the material must also be approved by the Food and Drug Administration of the Public Health Service of the Department of Health and Human Services.

Amend Sec. 301, page 18, line 10, by removing the period after "ACT" and inserting a colon

Amend Sec. 301, page 18, by inserting between lines 10 and 11:

(i) Within 12 months of the deadline established in this paragraph, restaurants must source-separate at least 30% of the food and drink packaging waste generated on-site.

(ii) Within 24 months of the deadline established in this paragraph, restaurants must source-separate at least

40% of the food and drink packaging waste generated on-site.

(iii) Within 30 months of the deadline established in this paragraph, restaurants must source-separate at least 50% of the food and drink packaging waste generated on-site.

Amend Sec. 301, page 18, line 28, by striking out "NOT APPROVED" and inserting: whose use is prohibited

Amend Sec. 902, page 24, line 17, by striking out "NOT" and inserting: As soon as feasible, but not

Amend Sec. 902, page 24, line 24, by striking out "AN" and inserting: a chemical

Amend Sec. 902, page 24, line 28, by striking out "NOT" and inserting: As soon as feasible, but not

Amend Sec. 903, page 25, line 22, by striking out "ACT" and inserting: chapter

Amend Sec. 903, page 26, line 11, by striking out "ADDITIONAL" and inserting: addition of

Amend Sec. 904, page 26, line 15, by striking out "NO" and inserting: As soon as feasible, but no

Amend Sec. 904, page 26, line 18, by striking out "ACT" and inserting: chapter

Amend Sec. 904, page 26, line 18, by striking out "ITS" and inserting: the packaging

Amend Sec. 1308, page 34, line 3, by inserting after "WHO": , after being sentenced under subsection (a),

On the question,

Will the Senate agree to the amendment?

It was agreed to.

On the question,

Will the Senate agree to the bill on second consideration, as amended?

It was agreed to.

Ordered, To be printed on the Calendar for third consideration.

BILL LAID ON THE TABLE

HB 1294 (Pr. No. 3204) — The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, increasing the penalty for certain parking violations relating to handicapped and disabled veterans' parking spaces; and authorizing local authorities to permit handicapped persons and disabled veterans to issue certain notices.

Upon motion of Senator LOEPER, and agreed to, the bill was laid on the table.

BILL OVER IN ORDER

HB 1360 — Without objection, the bill was passed over in its order at the request of Senator LOEPER.

BILL ON SECOND CONSIDERATION

SB 1412 (Pr. No. 1847) — The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for the defense of official immunity.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

BILLS OVER IN ORDER

SB 1437, 1500 and HB 1658 — Without objection, the bills were passed over in their order at the request of Senator LOEPER.

BILL ON SECOND CONSIDERATION

HB 1756 (Pr. No. 2987) — The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of May 18, 1937 (P. L. 674, No. 177), known as the "Pennsylvania Labor Mediation Act," providing for confidentiality of information disclosed to mediator.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

COMMUNICATIONS FROM THE GOVERNOR

RECALL COMMUNICATIONS LAID ON THE TABLE

The PRESIDENT pro tempore laid before the Senate the following communications in writing from His Excellency, the Governor of the Commonwealth, which were read as follows, and laid on the table:

MEMBER OF THE STATE EMPLOYEES' RETIREMENT BOARD

April 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated January 22, 1990 for the appointment of The Honorable Sarah W. Hargrove, 428 Walnut Street, Harrisburg 17101, Dauphin County, Fifteenth Senatorial District, as a member of The State Employees' Retirement Board, to serve for a term of four years and until her successor is appointed and qualified, vice James Scheiner, Harrisburg, resigned.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

MEMBER OF THE STATE TAX EQUALIZATION BOARD

April 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated January 9, 1990 for the appointment of Robert E. Glowacki, 3636 Winthrop Drive, Erie 16506, Erie County, Forty-ninth Senatorial District, as a member of the State Tax Equalization Board, to serve until November 14, 1991 or until his successor appointed and qualified, vice Gus A. Pedicone, Philadelphia, whose term expired.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

EXECUTIVE NOMINATIONS**EXECUTIVE SESSION**

Motion was made by Senator WILT,

That the Senate do now resolve itself into Executive Session for the purpose of considering certain nominations made by the Governor.

Which was agreed to.

NOMINATIONS TAKEN FROM THE TABLE

Senator WILT. Mr. President, I call from the table certain nominations and ask for their consideration.

The Clerk read the nominations as follows:

**MEMBER OF THE COUNCIL OF TRUSTEES
OF BLOOMSBURG UNIVERSITY OF
PENNSYLVANIA OF THE STATE SYSTEM
OF HIGHER EDUCATION**

January 22, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Ramona Helen Alley, R. D. 4, Box 4820, Berwick 18603, Columbia County, Twenty-seventh Senatorial District, for appointment as a member of the Council of Trustees of Bloomsburg University of Pennsylvania of the State System of Higher Education, to serve until the third Tuesday of January, 1995, and until her successor is appointed and qualified, vice Stanley G. Rakowsky, Clearfield, whose term expired.

ROBERT P. CASEY.

**MEMBER OF THE COUNCIL OF TRUSTEES
OF BLOOMSBURG UNIVERSITY OF
PENNSYLVANIA OF THE STATE SYSTEM
OF HIGHER EDUCATION**

January 22, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, James R. Gross, 1700 West End Avenue, Pottsville 17901, Schuylkill County, Twenty-ninth Senatorial District, for appointment as a member of the Council of Trustees of Bloomsburg University of Pennsylvania of the State System of Higher Education, to serve until the third Tuesday of January, 1995, and until his successor is appointed and qualified, vice Richard F. Wesner, Danville, whose term expired.

ROBERT P. CASEY.

**MEMBER OF THE COUNCIL OF TRUSTEES
OF BLOOMSBURG UNIVERSITY OF
PENNSYLVANIA OF THE STATE SYSTEM
OF HIGHER EDUCATION**

January 22, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Anna Mae Lehr, R. D. 8, Bloomsburg 17815, Columbia County, Twenty-seventh Senatorial District, for appointment as a member of the Council of Trustees of Bloomsburg University of Pennsylvania of the State System of Higher Education, to serve until the third Tuesday of January, 1995, and until her successor is appointed and qualified, vice Ramona Helen Alley, Berwick, whose term expired.

ROBERT P. CASEY.

**MEMBER OF THE COUNCIL OF TRUSTEES
OF BLOOMSBURG UNIVERSITY OF
PENNSYLVANIA OF THE STATE SYSTEM
OF HIGHER EDUCATION**

January 22, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Gerald E. Malinowski, Esquire, 38 South Beech Street, Mount Carmel 17851, Northumberland County, Twenty-seventh Senatorial District, for reappointment as a member of the Council of Trustees of Bloomsburg University of Pennsylvania of the State System of Higher Education, to serve until the third Tuesday of January, 1995, and until his successor is appointed and qualified.

ROBERT P. CASEY.

**MEMBER OF THE STATE BOARD
OF COSMETOLOGY**

January 3, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Virginia H. Mynick, 545 Bridge Road, Rahns 19426, Montgomery County, Twenty-fourth Senatorial District, for appointment as a member of the State Board of Cosmetology, to serve until November 17, 1990 and until her successor is appointed and qualified, but not longer than six months beyond that period, vice Mary B. Barger, Spring Mills, deceased.

ROBERT P. CASEY.

**MEMBER OF THE PENNSYLVANIA
DRUG, DEVICE AND COSMETIC BOARD**

January 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Patrick J. Stapleton, III, Esquire, 3422 Queen Lane, Philadelphia 19129, Philadelphia County, Seventh Senatorial District, for appointment as a member of the Pennsylvania Drug, Device and Cosmetic Board, to serve for a term of four years or until his successor is appointed and qualified, but not longer than six months beyond that period, vice Stanton A. Berkowitz, Esquire, Philadelphia, whose term expired.

ROBERT P. CASEY.

On the question,

Will the Senate advise and consent to the nominations?

QUESTION DIVIDED

Senator RHOADES. Mr. President, I request we divide the nominations between the Council of Trustees of Bloomsburg University, State Board of Cosmetology and the Pennsylvania Drug, Device and Cosmetic Board and, in addition, I request a negative vote on the nominations for Council of Trustees of Bloomsburg University.

The PRESIDENT pro tempore. The Clerk will separate the nominations as requested by the gentleman from Schuylkill County, Senator Rhoades.

On the question,

Will the Senate advise and consent to the nominations of Ramona Helen Alley, James R. Gross, Anna Mae Lehr and Gerald E. Malinowski as members of the Council of Trustees of Bloomsburg University?

The yeas and nays were required by Senator RHOADES and were as follows, viz:

YEAS—44

Afflerbach	Greenwood	Lynch	Rocks
Andrezski	Helfrick	Madigan	Salvatore
Armstrong	Hess	Mellow	Scanlon
Baker	Holl	Musto	Shaffer
Belan	Hopper	O'Pake	Stapleton
Bodack	Jones	Pecora	Stewart
Brightbill	Jubelirer	Peterson	Stout
Dawida	Lemmond	Porterfield	Tilghman
Fattah	Lewis	Punt	Wenger
Fumo	Lincoln	Regoli	Williams
Greenleaf	Loeper	Reibman	Wilt

NAYS—5

Bell	Fisher	Rhoades	Shumaker
Corman			

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Governor be informed accordingly.

On the question,

Will the Senate advise and consent to the nominations of Virginia H. Mynick as a member of the State Board of Cosmetology and Patrick J. Stapleton, III, Esquire, as a member of the Pennsylvania Drug, Device and Cosmetic Board?

The yeas and nays were required by Senator RHOADES and were as follows, viz:

YEAS—49

Afflerbach	Greenleaf	Lynch	Rocks
Andrezski	Greenwood	Madigan	Salvatore
Armstrong	Helfrick	Mellow	Scanlon
Baker	Hess	Musto	Shaffer
Belan	Holl	O'Pake	Shumaker
Bell	Hopper	Pecora	Stapleton
Bodack	Jones	Peterson	Stewart
Brightbill	Jubelirer	Porterfield	Stout
Corman	Lemmond	Punt	Tilghman
Dawida	Lewis	Regoli	Wenger
Fattah	Lincoln	Reibman	Williams
Fisher	Loeper	Rhoades	Wilt
Fumo			

NAYS—0

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Governor be informed accordingly.

NOMINATIONS TAKEN FROM THE TABLE

Senator WILT. Mr. President, I call from the table certain nominations and ask for their consideration.

The Clerk read the nominations as follows:

MEMBER OF THE PENNSYLVANIA CANCER CONTROL, PREVENTION AND RESEARCH ADVISORY BOARD

December 20, 1989.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, William J. Heim, M.D., 1139 Country Club Road, Clarks Summit 18411, Lackawanna County, Twenty-second Senatorial District, for appointment as a member of the Pennsylvania Cancer Control, Prevention and Research Advisory Board, to serve for a term of four years and until his successor is appointed and qualified, vice Harold A. Harvey, M.D., Hummelstown, whose term expired.

ROBERT P. CASEY.

MEMBER OF THE COUNCIL OF TRUSTEES OF CLARION UNIVERSITY OF PENNSYLVANIA OF THE STATE SYSTEM OF HIGHER EDUCATION

January 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, William M. Kern, Esquire, 347 Main Street, Clarion 16214, Clarion County, Forty-first Senatorial District, for appointment as a member of the Council of Trustees of Clarion University of Pennsylvania of the State System of Higher Education, to serve until the third Tuesday of January, 1995, and until his successor is appointed and qualified, vice Richard C. Snebold, Jr., Wexford, whose term expired.

ROBERT P. CASEY.

MEMBER OF THE COUNCIL OF TRUSTEES OF CLARION UNIVERSITY OF PENNSYLVANIA OF THE STATE SYSTEM OF HIGHER EDUCATION

January 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Paul A. Weaver, 1072 Sunset Drive, Clarion 16214, Clarion County, Forty-first Senatorial District, for reappointment as a member of the Council of Trustees of Clarion University of Pennsylvania of the State System of Higher Education, to serve until the third Tuesday of January, 1995, and until his successor is appointed and qualified.

ROBERT P. CASEY.

**COMMONWEALTH TRUSTEE OF
LINCOLN UNIVERSITY—OF
THE COMMONWEALTH SYSTEM
OF HIGHER EDUCATION**

September 14, 1989.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate, Darrell R. Gordon, 275 Melrose Avenue, Merion Station 19066, Montgomery County, Seventeenth Senatorial District, for appointment as a Commonwealth Trustee of Lincoln University—of the Commonwealth System of Higher Education, to serve until August 31, 1993, and until his successor is appointed and qualified, vice Spencer J. Andress, Oxford, resigned.

ROBERT P. CASEY.

On the question,

Will the Senate advise and consent to the nominations?

The yeas and nays were required by Senator WILT and were as follows, viz:

YEAS—22

Afflerbach	Fumo	Musto	Scanlon
Andrezski	Jones	O'Pake	Stapleton
Belan	Lewis	Porterfield	Stewart
Bodack	Lincoln	Regoli	Stout
Dawida	Lynch	Reibman	Williams
Fattah	Mellow		

NAYS—27

Armstrong	Greenwood	Loeper	Salvatore
Baker	Helfrick	Madigan	Shaffer
Bell	Hess	Pecora	Shumaker
Brightbill	Holl	Peterson	Tilghman
Corman	Hopper	Punt	Wenger
Fisher	Jubelirer	Rhoades	Wilt
Greenleaf	Lemmond	Rocks	

Less than a majority of all the Senators having voted "aye," the question was determined in the negative.

Ordered, That the Governor be informed accordingly.

**COMMUNICATIONS FROM THE GOVERNOR
TAKEN FROM THE TABLE**

Senator WILT, by unanimous consent, called from the table communications from His Excellency, the Governor of the Commonwealth, recalling the following nominations, which were read by the Clerk as follows:

**MEMBER OF THE STATE BOARD
OF ACCOUNTANCY**

April 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated December 15, 1989 for the appointment of James M. Lynn, Esquire (Public Member), 3200 School House Lane, Philadelphia 19144, Philadelphia County, Seventh Senatorial District, as a member of the State Board of Accountancy, to serve for a term of four years and until his successor is appointed and qualified, but not longer than six months beyond that period, vice Marilyn L. Painter, Pittsburgh, whose term expired.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

**MEMBER OF THE COUNCIL OF TRUSTEES
OF CLARION UNIVERSITY OF
PENNSYLVANIA OF THE STATE SYSTEM
OF HIGHER EDUCATION**

April 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated January 23, 1990 for the appointment of Helen J. Jackson, 113 Harrison Drive, Edinboro 16412, Erie County, Forty-ninth Senatorial District, as a member of the Council of Trustees of Clarion University of Pennsylvania of the State System of Higher Education, to serve until the third Tuesday of January, 1995, and until her successor is appointed and qualified, vice Donald L. Stroup, Clarion, whose term expired.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

**MEMBER OF THE STATE EMPLOYEES'
RETIREMENT BOARD**

April 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated January 22, 1990 for the appointment of The Honorable Sarah W. Hargrove, 428 Walnut Street, Harrisburg 17101, Dauphin County, Fifteenth Senatorial District, as a member of The State Employees' Retirement Board, to serve for a term of four years and until her successor is appointed and qualified, vice James Scheiner, Harrisburg, resigned.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

**MEMBER OF THE STATE TAX
EQUALIZATION BOARD**

April 23, 1990.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In accordance with the power and authority vested in me as Governor of the Commonwealth, I do hereby recall my nomination dated January 9, 1990 for the appointment of Robert E. Glowacki, 3636 Winthrop Drive, Erie 16506, Erie County, Forty-ninth Senatorial District, as a member of the State Tax Equalization Board, to serve until November 14, 1991 or until his successor appointed and qualified, vice Gus A. Pedicone, Philadelphia, whose term expired.

I respectfully request the return to me of the official message of nomination on the premises.

ROBERT P. CASEY.

NOMINATIONS RETURNED TO THE GOVERNOR

Senator WILT. Mr. President, I move the nominations just read by the Clerk be returned to His Excellency, the Governor.

The motion was agreed to.

The PRESIDENT pro tempore. The nominations will be returned to the Governor.

EXECUTIVE SESSION RISES

Senator WILT. Mr. President, I move that the Executive Session do now rise.

The motion was agreed to.

HB 1781 TAKEN FROM THE TABLE

Senator LOEPER. Mr. President, I move that House Bill No. 1781, Printer's No. 2709, be taken from the table and placed on the Calendar.

The motion was agreed to.

The PRESIDENT pro tempore. The bill will be placed on the Calendar.

UNFINISHED BUSINESS

BILLS IN PLACE

Senator ROCKS presented to the Chair several bills.

SENATE RESOLUTIONS

CALLING UPON ALL PENNSYLVANIANS TO CELEBRATE "NATIONAL LIBRARY WEEK," APRIL 22 THROUGH 28, 1990

Senators REGOLI, MADIGAN, MUSTO, ROCKS, AFFLERBACH, LEWIS, SALVATORE, DAWIDA, BELAN, STOUT, SCANLON, FISHER, SHAFFER, SHUMAKER, JUBELIRER, HOPPER, BODACK, BRIGHTBILL, PETERSON, PORTERFIELD, WENGER, O'PAKE, STAPLETON, HELFRICK, RHOADES and REIBMAN offered the following resolution (*Senate Resolution No. 159*), which was read as follows:

In the Senate, April 23, 1990.

A RESOLUTION

Calling upon all Pennsylvanians to celebrate "National Library Week," April 22 through 28, 1990.

WHEREAS, Pennsylvania's 6,500 libraries of all types are irreplaceable treasure houses of knowledge and information; and

WHEREAS, Librarians are responsible for collecting, organizing and preserving the books and other materials needed to serve the business, educational, cultural and recreational needs of this Commonwealth's citizens; and

WHEREAS, Librarians play a leadership role in promoting literacy and nurturing the love and knowledge of reading from earliest childhood; and

WHEREAS, Librarians provide important information to people of all ages; and

WHEREAS, Librarians are the gatekeepers promoting access to the Information Age for all; and

WHEREAS, Librarians throughout America are celebrating National Library Week with the theme, "Reach for a Star. Ask a Librarian"; therefore be it

RESOLVED, That the Senate join in the celebration of National Library Week, April 22 through 28, 1990, and encourage all Pennsylvanians to express their appreciation for the important and valuable services provided by librarians.

Senator REGOLI asked and obtained unanimous consent for the immediate consideration of this resolution.

On the question,

Will the Senate adopt the resolution?

SENATE RESOLUTION NO. 159, ADOPTED

Senator REGOLI. Mr. President, I move that the Senate do adopt Senate Resolution No. 159.

On the question,

Will the Senate agree to the motion?

Senator REGOLI. Mr. President, this resolution celebrates this week as National Library Week in Pennsylvania.

I believe it is worth noting here today just how much we need and depend upon our 6,500 libraries in Pennsylvania. This is especially true with the advent of Earth Day yesterday, and the integral role libraries play in educating the public about what we can do to help save Mother Earth, as well as to further our own educations and quality of life.

Librarians are truly the gatekeepers in promoting access to the Information Age for all of us, and especially to our young children who are our leaders of tomorrow.

Thank you, Mr. President.

And the question recurring,

Will the Senate agree to the motion?

The motion was agreed to and the resolution was adopted.

DESIGNATING APRIL 30, 1990, AS "ISRAEL INDEPENDENCE DAY" IN PENNSYLVANIA AND EXPRESSING THE SENSE OF THE SENATE THAT JERUSALEM IS AND SHOULD REMAIN THE CAPITAL OF THE STATE OF ISRAEL

Senators SALVATORE, JUBELIRER, REIBMAN, LOEPER, ROCKS, SHUMAKER, SHAFFER, O'PAKE, BODACK, GREENLEAF, PECORA, WENGER, BELL, MUSTO, RHOADES and PETERSON offered the following resolution (*Senate Resolution No. 160*), which was read, considered and adopted:

In the Senate, April 23, 1990.

A RESOLUTION

Designating April 30, 1990, as "Israel Independence Day" in Pennsylvania and expressing the sense of the Senate that Jerusalem is and should remain the capital of the State of Israel.

WHEREAS, After World War II, large numbers of Jewish refugees, uprooted by the war and Hitler's Holocaust, sought to immigrate to Palestine, their ancestral home; and

WHEREAS, To avoid open Arab-Jewish conflict, the newly-formed United Nations partitioned British-held Palestine between the Arabs and the Jews; and

WHEREAS, On May 13, 1948, the British completed their withdrawal by lifting their naval blockade and Jewish emigres streamed into Palestine; and

WHEREAS, On May 14, 1948, with the British gone, the State of Israel was proclaimed; and

WHEREAS, Although Israel has been embroiled in conflict since its establishment, Israel's existence is a continuing source of pride and inspiration for the 400,000 Jews in Pennsylvania, the

6,000,000 Jews in the United States and many more millions of Jews around the world; therefore be it

RESOLVED, That the Senate hereby designate April 30, 1990, as "Israel Independence Day" in Pennsylvania; and be it further

RESOLVED, That the Senate maintain that Jerusalem is and should remain the capital of the State of Israel.

CONGRATULATORY RESOLUTIONS

The PRESIDENT pro tempore laid before the Senate the following resolutions, which were read, considered and adopted:

Congratulations of the Senate were extended to the volunteers of the Association for the Blind and Visually Impaired of Lehigh County by Senator Afflerbach.

Congratulations of the Senate were extended to Mr. and Mrs. Louis Mozdy and to Eugene R. Adams by Senator Andrezeski.

Congratulations of the Senate were extended to Mr. and Mrs. Brandt Ream, Mr. and Mrs. Warren K. Shank, Mr. and Mrs. Mahlon E. Michael, Mr. and Mrs. Willis Fuhrman, Mr. and Mrs. Frank Braun and to Eric Kutay by Senator Armstrong.

Congratulations of the Senate were extended to Cutler D. Heath and to Chester Pike Rotary Club by Senator Bell.

Congratulations of the Senate were extended to Mr. and Mrs. Cornelius Klinefelter and to Sister M. Lucita Sinz by Senator Bodack.

Congratulations of the Senate were extended to Vietnam Veterans of America, Berks County Chapter 131 of Reading by Senator Brightbill.

Congratulations of the Senate were extended to Mr. and Mrs. Jerome D. Foor by Senator Corman.

Congratulations of the Senate were extended to Dr. Stephen L. Kondis by Senator Dawida.

Congratulations of the Senate were extended to Almeta Minney and to Ted Allison by Senator Fisher.

Congratulations of the Senate were extended to Mr. and Mrs. Paul L. Sechler, Mr. and Mrs. Clair Kline, Mr. and Mrs. Paul L. Brungard, Mr. and Mrs. Leroy Rovenolt and to Joseph G. Lahnstein III by Senator Helfrick.

Congratulations of the Senate were extended to York Catholic High School Boys Basketball Team by Senator Hess.

Congratulations of the Senate were extended to Pearl Frankenfield by Senator Holl.

Congratulations of the Senate were extended to Mr. and Mrs. James Porta and to Mr. and Mrs. Horace L. Etienne by Senator Jubelirer.

Congratulations of the Senate were extended to Mr. and Mrs. Frank C. Peck and to Fred H. Super by Senator Lemmond.

Congratulations of the Senate were extended to Dr. Pasquale DiPasquale, Jr. by Senators Lemmond and Musto.

Congratulations of the Senate were extended to Michael Gilfedder, Esquire, by Senator Loeper.

Congratulations of the Senate were extended to Quentin D. Novinger and to Stacey D. Boury by Senator Madigan.

Congratulations of the Senate were extended to Ed Pisano by Senator Mellow.

Congratulations of the Senate were extended to Right Reverend Monsignor Gerald J. Burns, Seton Catholic High School of Pittston and to Polish Union USA of Wilkes-Barre by Senator Musto.

Congratulations of the Senate were extended to Michael Chien, Nikhil Iyengar, Andy Hsieh and to Leejay Wu by Senator Pecora.

Congratulations of the Senate were extended to Robert E. Meinert, Milan Jugan and to Peewee Stars, Bantam Stars and Midget Stars of Pittsburgh by Senator Regoli.

Congratulations of the Senate were extended to Douglas Miller by Senator Rhoades.

Congratulations of the Senate were extended to Mr. and Mrs. Milford C. McDonald by Senator Scanlon.

Congratulations of the Senate were extended to Mr. and Mrs. Albert Barletto, Thomas W. Seyler, Jeremy D. Rekich, Glen H. Cobbett, Judy Silverman and to the Woman's Club of New Castle by Senator Shaffer.

Congratulations of the Senate were extended to Mr. and Mrs. Carl Lasher and to Mr. and Mrs. Matthew Viscuso by Senator Stapleton.

Congratulations of the Senate were extended to Steve J. Simmons by Senator Wenger.

CONDOLENCE RESOLUTION

The PRESIDENT pro tempore laid before the Senate the following resolution, which was read, considered and adopted:

Condolences of the Senate were extended to the family of the late Lester Kennedy by Senator Shaffer.

POSTHUMOUS CITATION

The PRESIDENT pro tempore laid before the Senate the following citation, which was read, considered and adopted:

A posthumous citation honoring Joan Lindsley Blackman Harvey Miner was extended to Mr. Charles H. Miner by Senator Lemmond.

ANNOUNCEMENTS BY THE SECRETARY

The following announcements were read by the Secretary of the Senate:

SENATE OF PENNSYLVANIA

COMMITTEE MEETINGS

TUESDAY, APRIL 24, 1990

9:30 A.M.	CONSUMER PROTECTION AND PROFESSIONAL LICENSURE (reappointment of Joseph Rhodes, Jr. to the Public Utility Commission and to consider Senate Bills No. 71, 987, 1338,	Room 8E-B Hearing Room East Wing
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	1486 and House Bills No. 387 and 946; Final Form Regulations 16A-214; 16A-224; 16A-233; 16A-235 16A-244 and 16A-253)	
10:30 A.M.	AGING AND YOUTH (to consider Senate Bill No. 440 and the PACE bi-annual Report for the period July 1-December 31, 1989)	Majority Caucus Room 156
11:00 A.M.	LAW AND JUSTICE (to consider House Bills No. 1139 and 2221 also, a Public Hearing to consider the nomination of Robert P. Fohl to the Pennsylvania Liquor Control Board)	Room 460 4th Floor North Wing
11:30 A.M.	PUBLIC HEALTH AND WELFARE (to consider Senate Bills No. 182, 912, 1457, 1558, 1559 and 1569 and Senate Resolution No. 110)	Room 461 4th Floor North Wing
12:00 Noon	JUDICIARY (to consider Senate Bills No. 931, 1034, 1256 and House Bill No. 1040; also a public hearing on the nomination of Norman D. Callan, for appointment as Judge, Court of Common Pleas, Blair County)	Room 8E-B Hearing Room East Wing
3:30 P.M.	BANKING AND INSURANCE (to consider Senate Bills No. 610, 693 and 1003)	Room 461 4th Floor North Wing
Off the Floor	RULES AND EXECUTIVE NOMINATIONS (to consider Senate Resolution No. 158 and House Resolution No. 301 and certain executive nominations)	Rules Committee Conference Room

WEDNESDAY, APRIL 25, 1990

10:30 A.M.	LOCAL GOVERNMENT (to consider Senate Bills No. 307, 1117 and 1325 and House Bills No. 16, 368, 1587, 1738, 2130 and 2353 and any other business that may come before the committee)	Room 460 4th Floor North Wing
10:30 A.M.	COMMUNITY AND ECONOMIC DEVELOPMENT (to consider Senate Bill No. 1516 and Senate Resolutions No. 126 and 143 also Milrite Sunset Report)	Room 461 4th Floor North Wing

1:00 P.M.	JUDICIARY (a joint House and Senate Judiciary Committee meeting to accept the Annual Report of the Pennsylvania Crime Commission)	Room 461 4th Floor North Wing
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THURSDAY, APRIL 26, 1990

10:00 A.M.	JUDICIARY (Public Hearing - to receive testimony regarding the State Correctional Institution at Graterford)	Montgomery County Norristown Library
1:00 P.M.	LOCAL GOVERNMENT (Public Hearing - On Senate Bill No. 1284)	Mill Creek Township Bldg 3608 W. 26th St Erie, PA

TUESDAY, MAY 1, 1990

10:00 A.M.	FINANCE (Public Hearing - On Inheritance Tax)	Room 8E-A Hearing Room East Wing
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TUESDAY, MAY 8, 1990

10:00 A.M.	LOCAL GOVERNMENT (Public Hearing - On Senate Bill No. 1284)	Cthse Gold Rm, Grant & Forbes Ave, Pgh, PA
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ADJOURNMENT

Senator LOEPER. Mr. President, I move the Senate do now adjourn until Tuesday, April 24, 1990, at 1:00 p.m., Eastern Daylight Saving Time.

The motion was agreed to.

The Senate adjourned at 7:55 p.m., Eastern Daylight Saving Time.