

Legislative Journal

WEDNESDAY, DECEMBER 7, 1977

Session of 1977

161st of the General Assembly

Vol. 1, No. 109

HOUSE OF REPRESENTATIVES

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

THE SPEAKER (K. LEROY IRVIS)
IN THE CHAIR

PRAYER

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

O Lord our God, in the quiet moments of life's busy day we pause to draw apart and reflect upon the glory and grandeur which Thou hast shared with us. We are most grateful for Thy loving care, and express our sincere thanks unto Thee for all of Thy goodness toward us. We humbly pray that Thou wilt continue to fill us with the magnitude of Thy presence in the lives of each of us. We beseech Thee to prick our consciences that we may not be insensitive to the cries of humanity in the world about us. We call upon Thee to lead us in the ways of accomplishment for the greatest good to those we serve. This we ask in Thy blest name. Amen.

JOURNALS APPROVED

The SPEAKER. Are there are corrections to the Journals of July 27, 28, 29, August 5, 9, 10 and 11, 1977?

If not, and without objection, the Journals are approved.

JOURNAL APPROVAL POSTPONED

The SPEAKER. Without objection, approval of the Journal for Tuesday, December 6, 1977, will be postponed until printed.

SENATE MESSAGE

SENATE BILL RECALLED FROM GOVERNOR, AMENDED AND RETURNED FOR CONCURRENCE

The clerk of the Senate presented for concurrence **Senate Bill No. 334**

An Act amending the act of February 1, 1974 (P. L. 34, No. 15), entitled "Pennsylvania Municipal Retirement Law" further providing for selection of the chairman and vice chairman of the board for audits for the credit of excess interest and surplus allocations for administrative expenses and for interest paid while vesting and changing the date of the itemized estimate to municipalities.

SENATE MESSAGE

HOUSE BILLS CONCURRED IN BY SENATE

The clerk of the Senate returned the following bills in which the Senate concurred:

HOUSE BILL No. 559

An Act amending the act of July 28, 1953 (P. L. 723, No. 230), entitled as amended "Second Class County Code" providing for a hotel room rental tax.

HOUSE BILL No. 1447

An Act amending the act of May 22, 1933 (P. L. 853, No. 155), entitled "The General County Assessment Law" clarifying certain provisions relating to exemptions from taxation.

MASTER ROLL CALL RECORDED

The SPEAKER. The Speaker is about to take up the master roll. The Speaker urges all members to report promptly to the floor of the House. Only those members physically present are to be recorded on the master roll.

The following roll call was recorded:

YEAS—199

Abraham	Gallen	Madigan	Salvatore
Anderson	Gamble	Manderino	Scanlon
Armstrong	Garzia	Manmiller	Scheaffer
Arthurs	Gatski	McCall	Schmitt
Barber	Geisler	McClatchy	Schweder
Bellomini	George, C.	McIntyre	Scirica
Beloff	George, M.	McLane	Shelton
Bennett	Giammarco	Mebus	Shuman
Berlin	Gillette	Meluskey	Shupnik
Berson	Gleeson	Milanovich	Sirianni
Bittinger	Goebel	Miller	Smith, E.
Bittle	Goodman	Milliron	Smith, L.
Borski	Gray	Miscevich	Spencer
Brandt	Greenfield	Moehlmann	Spitz
Brown	Greenleaf	Morris	Stairs
Brunner	Grieco	Mowery	Stapleton
Burd	Halverson	Mrkonic	Stewart
Burns	Hamilton	Mullen, M. P.	Stuban
Butera	Harper	Mullen, M. M.	Sweet
Caltagirone	Hasay	Musto	Taddonio
Caputo	Haskell	Novak	Taylor, E.
Cassidy	Hayes, D. S.	Noye	Taylor, F.
Cessar	Hayes, S. E.	O'Brien, B.	Tenaglio
Cianciulli	Helfrick	O'Brien, D.	Thomas
Cimini	Hoeffel	O'Connell	Trello
Cohen	Honaman	O'Donnell	Valicenti
Cole	Hopkins	O'Keefe	Vroon
Cowell	Hutchinson, A.	Oliver	Wagner
Davies	Hutchinson, W.	Pancoast	Wansacz
DeMedio	Itkin	Parker	Wargo
DeVerter	Johnson	Peterson	Wass
DeWeese	Jones	Petrarca	Wenger

DiCarlo	Katz	Piccola	White
Dietz	Kelly	Pievsky	Wiggins
Dininni	Kernick	Pitts	Williams
Dombrowski	Klingaman	Polite	Wilson
Donatucci	Knepper	Pott	Wilt
Dorr	Kolter	Pratt	Wise
Doyle	Kowalshyn	Prendergast	Wright, D.
Duffy	Kukovich	Pyles	Wright, J. L.
Dumas	Laughlin	Rappaport	Yahner
Englehart	Lehr	Ravenstahl	Yohn
Fee	Letterman	Reed	Zearfoss
Fischer, R. R.	Levi	Renwick	Zeller
Fisher, D. M.	Levin	Rhodes	Zitterman
Flaherty	Lincoln	Richardson	Zord
Foster, A.	Livengood	Rieger	Zwilk
Foster, W.	Logue	Ritter	
Freind	Lynch	Ruggiero	Irvis,
Fryer	Mackowski	Ryan	Speaker
Gallagher			

NAYS—0

NOT VOTING—4

Geesey	McGinnis	Seltzer	Weidner
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The SPEAKER. One hundred ninety-nine members having indicated their presence, a master roll is established.

HOUSE BILLS INTRODUCED AND REFERRED TO COMMITTEES

No. 1948 By Messrs. RENWICK, BELLOMINI, YAHNER and A. K. HUTCHINSON

An Act amending the act of June 22, 1931 (P. L. 594, No. 203), referred to as the Rural State Highway Law, deleting a route in Beccaria Township, Clearfield County.

Referred to Committee on Transportation.

No. 1949 By Messrs. KOWALYSHYN, ZEARFOSS, Mrs. GILLETTE, Messrs. SCHMITT and RUGGIERO

An Act amending "The Insurance Company Law of 1921," approved May 17, 1921 (P. L. 682, No. 284), eliminating the requirement that the Attorney General and the Governor approve amendments to the charters of stock and mutual insurance companies.

Referred to Committee on Insurance.

No. 1950 By Mr. KOWALYSHYN, Mrs. GILLETTE, Messrs. ZEARFOSS and RUGGIERO

An Act amending the "Unfair Insurance Practices Act," approved July 22, 1974 (P. L. 589, No. 205), permitting the Insurance Commissioner rather than a court to impose civil penalties.

Referred to Committee on Insurance.

No. 1951 By Mr. KOWALYSHYN, Mrs. GILLETTE, Messrs. ZEARFOSS and RUGGIERO

An Act amending "The Insurance Company Law of 1921," approved May 17, 1921 (P. L. 682, No. 284), providing for aggregate excess coverage for workmen's compensation self insurers in certain cases.

Referred to Committee on Insurance.

No. 1952 By Messrs. ZORD, POTTS, GAMBLE, POLITE, MRKONIC, REED, TADDONIO, FREIND, HOPKINS and SCHMITT

An Act amending the act of April 27, 1927 (P. L. 465, No. 299), referred to as the Fire and Panic Act, requiring smoke detectors, sprinkler systems and windows that permit egress in certain buildings.

Referred to Committee on Business and Commerce.

No. 1953 By Messrs. ZORD, POLITE, HELFRICK, LOGUE, MUSTO, W. D. HUTCHINSON, CESSAR, REED, TADDONIO, SCHMITT, O'CONNELL, GAMBLE, D. M. FISHER, DeWEESE, McLANE, FREIND, HOPKINS and BURD

An Act amending the act of November 8, 1971 (P. L. 532, No. 136), entitled "An act providing assistance to persons suffering damage from mine subsidence," establishing the Mine Subsidence Fund as a source of funds for home owners to repair or replace homes damaged or destroyed by mine subsidence and making an appropriation.

Referred to Committee on Mines and Energy Management.

No. 1954 By Messrs. CALTAGIRONE, BROWN, KUKOVICH, STAIRS, GRAY, LYNCH, FREIND, BURD and SPITZ

An Act amending "The Liquid Fuels Tax Act," approved May 21, 1931 (P. L. 149, No. 105), providing for the disposition of the moneys in the Liquid Fuels Tax Fund directly to municipalities and providing a new basis for determining distribution to individual municipalities.

Referred to Committee on Transportation.

No. 1955 By Messrs. CALTAGIRONE, GRAY, Mrs. SCANLON, Messrs. BROWN, SWEET, KUKOVICH and STAIRS

An Act amending the "Tax Reform Code of 1971," approved March 4, 1971 (P. L. 6, No. 2), increasing the interest charged for late payment of corporate net income and corporate income taxes.

Referred to Committee on Finance.

No. 1957 By Messrs. CALTAGIRONE, STAIRS, GRAY and Mrs. SCANLON

An Act amending "The Controlled Substance, Drug, Device and Cosmetic Act," approved April 14, 1972 (P. L. 233, No. 64), increasing the penalty for the use of a small amount of marijuana or hashish.

Referred to Committee on Judiciary.

No. 1958 By Messrs. CALTAGIRONE, BROWN, STAIRS and Mrs. SCANLON

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, increasing the criminal classification for soliciting or patronizing a prostitute.

Referred to Committee on Judiciary.

No. 1959 By Messrs. GAMBLE, MRKONIC, DUFFY, VALICENTI, TRELLO, LOGUE, ABRAHAM, MISCEVICH, NOVAK, Mrs.

GILLETTE, Mrs. KERNICK and Mr.
COWELL

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, further providing for sentencing for first degree murder.

Referred to Committee on Judiciary.

SENATE MESSAGE

SENATE BILLS FOR CONCURRENCE

The clerk of the Senate presented the following bills for concurrence:

SENATE BILL No. 648

An Act amending the act of April 6, 1830 (P. L. 272, No. 157), entitled "An act for the levy and collection of taxes upon proceedings in courts and in the offices of register and recorder and for other purposes" further providing for the bond of prothonotaries.

Referred to Committee on Judiciary.

SENATE BILL No. 679

An Act amending the act of October 15, 1975 (P. L. 390, No. 111), entitled "Health Care Services Malpractice Act" authorizing certain professional corporations professional associations and partnerships to obtain insurance coverage from certain sources.

Referred to Committee on Insurance.

SENATE BILL No. 728

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes changing provisions relating to theft of services.

Referred to Committee on Judiciary.

SENATE BILL No. 839

An Act providing for the capital budget for the fiscal year 1977-1978.

Referred to Committee on Appropriations.

SENATE BILL No. 844

An Act amending the act of July 31, 1968 (P. L. 805, No. 247), entitled as amended "Pennsylvania Municipalities Planning Code" providing for additional guarantees for completion of final subdivision plats as specified. (Messrs. Kury and Mellow)

Referred to Committee on Local Government.

SENATE BILL No. 1167

An Act amending the act of April 12, 1951 (P. L. 90, No. 21), entitled "Liquor Code" further providing for identification cards. (Messrs. Stauffer, Lynch, Kelley, Gurzenda, Orlando, Nolan, Hill, Hankins, Manbeck, Andrews, Gekas, Hopper and Hess).

Referred to Committee on Liquor Control.

SENATE BILL No. 1180

An Act amending the act of March 10, 1949 (P. L. 30, No. 14), entitled "Public School Code of 1949" changing the requirements for the qualifications and certification of teachers. (Mrs. Reibman, Messrs. Fleming and Messinger).

Referred to Committee on Education.

BILLS SIGNED BY SPEAKER

Bills numbered and entitled as follows were prepared for presentation to the Governor:

HOUSE BILL No. 559

An Act amending the "Second Class County Code" approved July 28, 1953 (P. L. 723, No. 230) providing for a hotel room rental tax.

HOUSE BILL No. 1447

An Act amending "The General County Assessment Law," approved May 22, 1933 (P. L. 853, No. 155), clarifying certain provisions relating to exemptions from taxation.

Whereupon,

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

LEAVE OF ABSENCE GRANTED

The SPEAKER. The Chair recognizes the majority whip.

Mr. GREENFIELD. Mr. Speaker, I have no further requests for leaves of absence.

The SPEAKER. The Chair recognizes the minority caucus chairman.

Mr. S. E. HAYES. Mr. Speaker, I request a leave of absence for Mr. SELTZER for today's session.

The SPEAKER. Without objection, leave is granted.

CALENDAR

FINANCE BILL ON SECOND CONSIDERATION

Agreeable to order,

The House proceeded to second consideration of **House bill No. 1665, printer's No. 2366**, entitled:

An Act amending the "Senior Citizens Property Tax or Rent Rebate Act" approved March 11, 1971 (P. L. 104, No. 3), providing for an additional filing period estimation and anticipation of revenues.

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

Ordered, to be transcribed for third consideration.

HB 1782 PASSED OVER TEMPORARILY

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

Mr. ZEARFOSS. Mr. Speaker, I just got the new print of the bill and I have just ordered an amendment from the Legislative Reference Bureau. I would appreciate it if you could hold it until maybe later today when the amendment would be circulated.

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

HB 1782, PN 2403, is on final passage. The gentleman, Mr. Zearfoss, says that he has just ordered an amendment.

Does the gentleman, Mr. Kowalyshyn, insist on the bill being called up on final passage or will he delay?

Mr. KOWALYSHYN. No, Mr. Speaker. I would agree to permit Mr. Zearfoss to offer his amendment.

JUDICIARY BILL ON THIRD CONSIDERATION

Agreeable to order,
The House proceeded to third consideration of Senate bill No. 236, printer's No. 1516, entitled:

An Act amending the act of January 6, 1970 (1969 P. L. 434, No. 185), entitled "An act relating to the Commonwealth Court implementing section 4 of Article V of the Constitution of the Commonwealth of Pennsylvania" increasing the number of judges of the court and providing for their appointment.

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

The SPEAKER. This bill has been considered on three different days and agreed to and is now on final passage.
The question is, Shall the bill pass finally?

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

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

I would ask the Republican Representatives to pay particular attention to this bill. This is the bill that did contain various judgeships for the courts of common pleas throughout Pennsylvania. That bill has been amended and is now limited to the Commonwealth Court, which would increase the complement on that court from seven to nine.

We have caucused on this bill. I just want everyone to know what they are voting on at this time.

The SPEAKER. The Chair recognizes, on final passage of the bill, the gentleman from Delaware, Mr. Doyle.

Mr. DOYLE. I would also like to urge the passage of this bill, Mr. Speaker.

The two additional slots are needed. There is one from either side, one Republican and one Democrat. Without anymore controversy over it with regard to common pleas judges, it should go through swiftly.

Thank you, Mr. Speaker.

On the question recurring,
Shall the bill pass finally?

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

YEAS—82

Anderson	George, M.	McLane	Scirica
Berlin	Goodman	Mebus	Shupnik
Berson	Greenleaf	Miller	Smith, E.
Bittinger	Helfrick	Milliron	Smith, L.
Brunner	Hoeffel	Moehlmann	Spencer
Butera	Hopkins	Morris	Spitz
Caputo	Hutchinson, W.	Mullen, M. P.	Stapleton
Cohen	Itkin	Musto	Stewart
Davies	Kolter	O'Brien, B.	Sweet
DeMedio	Kowalyszyn	O'Donnell	Taylor, E.
Dininni	Kukovich	O'Keefe	Tenaglio
Dorr	Laughlin	Pievsky	Vroon
Doyle	Lehr	Pitts	Wansacz
Englehart	Levi	Prendergast	Wargo
Foster, A.	Levin	Pyles	Wise
Freind	Logue	Ravenstahl	Yohn
Gallagher	Lynch	Reed	Zearfoss

Gamble	Mackowski	Rhodes	Zitterman
Garzia	Manderino	Ruggiero	
Gatski	Manmiller	Ryan	Irvis,
Geisler	McCall	Salvatore	Speaker

NAYS—109

Abraham	Fisher, D. M.	Knepper	Ritter
Armstrong	Flaherty	Letterman	Scanlon
Arthurs	Foster, W.	Lincoln	Scheaffer
Barber	Fryer	Livengood	Schmitt
Beloff	Gallen	Madigan	Schweder
Bennett	George, C.	McClatchy	Shuman
Borski	Giammarco	McIntyre	Sirianni
Brandt	Gillette	Meluskey	Stairs
Brown	Goebel	Milanovich	Stuban
Burd	Gray	Miscevich	Taddonio
Burns	Greenfield	Mowery	Taylor, F.
Caltagirone	Grieco	Mrkonic	Thomas
Cassidy	Halverson	Novak	Trello
Cessar	Hamilton	Noye	Valicenti
Cianciulli	Harper	O'Brien, D.	Wass
Cimini	Hasay	O'Connell	Wenger
Cole	Haskell	Oliver	White
Cowell	Hayes, D. S.	Pancoast	Wiggins
DeVertter	Hayes, S. E.	Parker	Williams
DeWeese	Honaman	Peterson	Wilson
DiCarlo	Hutchinson, A.	Petrarca	Wilt
Dietz	Johnson	Piccola	Wright, D.
Dombrowski	Jones	Polite	Wright, J. L.
Donatucci	Katz	Pott	Yahner
Duffy	Kelly	Pratt	Zeller
Dumas	Kernick	Renwick	Zord
Fee	Klingaman	Rieger	Zwikl
Fischer, R. R.			

NOT VOTING—12

Bellomini	Gleeson	Rappaport	Shelton
Bittle	McGinnis	Richardson	Wagner
Geesey	Mullen, M. M.	Seltzer	Weidner

Less than the majority required by the Constitution having voted in the affirmative, the question was determined in the negative and the bill falls.

The SPEAKER. The Chair recognizes the majority leader for purposes of requesting a recess. Would the majority leader advise the Chair as to the length of the recess? The House will stand at ease.

REPUBLICAN CAUCUS

The SPEAKER. The Chair recognizes the gentleman from Blair, Mr. Hayes. Is there any request for a caucus of the Republican Party?

Mr. S. E. HAYES. Yes, Mr. Speaker. There will be a Republican caucus when you call the recess.

I wonder if the majority leader would give us some indication what he plans today in terms of schedule.

The SPEAKER. Mr. Majority Leader, the gentleman, Mr. Hayes, would like to interrogate you on schedule. The gentleman, Mr. Manderino, indicates he will stand for interrogation.

The gentleman, Mr. Hayes, is in order and may proceed.

Mr. S. E. HAYES. I was just wondering, Mr. Speaker, if you could give us some idea what our schedule will be today, this afternoon or this evening?

Mr. MANDERINO. There are several bills that the Speaker, if you were paying attention, went over temporarily. Those

bills will be considered this afternoon. I have asked for a recess until 2:30. At 2:30 we will proceed with the business of the calendar and those bills that we have gone over temporarily.

Mr. S. E. HAYES. I was paying attention. I would like to remind the Democratic floor leader of that. I was probably paying as close attention as he was, as I have been doing the last several weeks.

Mr. MANDERINO. Did you notice any bills that were over temporarily?

Mr. S. E. HAYES. Yes, Mr. Speaker, but I know your nature, and I was just wanting to know whether you had any specific plans beyond those bills which are being held over temporarily.

Mr. MANDERINO. My nature is to run the calendar every day according to the rules of the House. And we have gone over bills temporarily that will be on the calendar today, one of which is for concurrence in Senate amendments to SB 247, which I fully expect to run this afternoon.

Mr. S. E. HAYES. Do you have any intention of running it this evening?

Mr. MANDERINO. If the House in its wisdom at 2:30 this afternoon decides to take a longer recess, it will. If it decides at that time to operate at that time, it will.

Mr. S. E. HAYES. Sometimes I wish it were the wisdom of the House that was acting as the Democratic floor leader.

Thank you, Mr. Speaker.

Mr. MANDERINO. Sometimes I wish the gentleman who just finished speaking had wisdom at all.

The SPEAKER. All right, that is enough of that.

The Republican caucus will meet immediately on the declaration of the recess. There is no need for a Democratic caucus. There is an announcement for the Insurance Committee.

INSURANCE COMMITTEE MEETING

The SPEAKER. The Chair recognizes the gentleman from Northampton, Mr. Kowalyszyn.

Mr. KOWALYSHYN. Mr. Speaker, I have an announcement.

I would like to remind the members of the Insurance Committee and ask your attendance at the long-scheduled meeting which will be held at 11:30 this morning, in room 401.

Thank you.

RECESS

The SPEAKER. This House stands in recess until 2:30 this afternoon, 2:30.

AFTER RECESS

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

BILLS SIGNED BY SPEAKER

Bills numbered and entitled as follows were prepared for presentation to the Governor:

SENATE BILL No. 563

An Act amending the act of January 30, 1974 (P. L. 13, No. 6), entitled "Loan Interest and Protection Law" changing dis-

closure requirements for certain costs charges and for mortgage payments.

SENATE BILL No. 594

An Act amending the act of May 17, 1921 (P. L. 789, No. 285), entitled as amended "The Insurance Department Act of one thousand nine hundred and twenty-one" revising and clarifying the procedures with regard to rehabilitation and liquidation of insurers and providing sanctions.

Whereupon,

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

**RECONSIDERATION OF VOTE
ON SB 236**

Mr. DOYLE moved that the vote by which SB 236, PN 1516, was defeated on final passage on December 7, 1977, be reconsidered.

Mr. YOHN seconded the motion.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—172

Abraham	Freind	Manderino	Scanlon
Anderson	Fryer	Manmiller	Scheaffer
Armstrong	Gallagher	McCall	Schmitt
Arthurs	Gallen	McClatchy	Schweder
Barber	Gamble	McIntyre	Scirica
Bellomini	Garzia	McLane	Shelton
Beloff	Gatski	Mebus	Shuman
Bennett	Geisler	Milliron	Shupnik
Berlin	George, C.	Miscevich	Sirianni
Berson	George, M.	Mowery	Smith, E.
Bittinger	Giammarco	Mrkonic	Smith, L.
Bittle	Goebel	Mullen, M. P.	Spencer
Borski	Goodman	Mullen, M. M.	Spitz
Brandt	Gray	Musto	Stairs
Brunner	Greenfield	Novak	Stapleton
Burd	Greenleaf	O'Brien, B.	Stewart
Burns	Grieco	O'Brien, D.	Stuban
Butera	Hamilton	O'Connell	Sweet
Caltagirone	Harper	O'Donnell	Taddonio
Caputo	Hayes, D. S.	O'Keefe	Taylor, F.
Cassidy	Hayes, S. E.	Oliver	Tenaglio
Cianciulli	Helfrick	Pancoast	Thomas
Cimini	Hoeffel	Parker	Trello
Cohen	Honaman	Peterson	Valicenti
Cole	Hopkins	Petrarca	Vroon
Cowell	Hutchinson, W.	Piccola	Wagner
Davies	Itkin	Pievsky	Wansacz
DeMedio	Johnson	Polite	Wargo
DeVerter	Jones	Pott	Wass
DeWeese	Katz	Pratt	White
DiCarlo	Kelly	Prendergast	Wiggins
Dininni	Knepper	Pyles	Wilson
Dombrowski	Kolter	Rappaport	Wise
Donatucci	Kowalyszyn	Ravenstahl	Wright, D.
Dorr	Kukovich	Reed	Wright, J. L.
Doyle	Lehr	Renwick	Yahner
Duffy	Letterman	Rhodes	Yohn
Dumas	Levi	Richardson	Zearfoss
Englehart	Levin	Rieger	Zitterman
Fee	Lincoln	Ritter	Zwikl
Fisher, D. M.	Logue	Ruggiero	
Flaherty	Lynch	Ryan	Irvis,
Foster, A.	Mackowski	Salvatore	Speaker
Foster, W.	Madigan		

NAYS—16

Brown	Halverson	Klingaman	Noye
Cessar	Hasay	Livengood	Wilt
Dietz	Haskell	Meluskey	Zeller
Fischer, R. R.	Kernick	Milanovich	Zord

NOT VOTING—15

Geesey	Laughlin	Morris	Weidner
Gillette	McGinnis	Pitts	Wenger
Gleeson	Miller	Seltzer	Williams
Hutchinson, A.	Moehlmann	Taylor, E.	

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

REMARKS ON VOTES

The SPEAKER. The Chair recognizes the gentleman from Chester, Mr. Morris.

Mr. MORRIS. Mr. Speaker, I would like the record to show that had I been in my seat, I would have voted "aye" on the reconsideration motion on SB 236.

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

The Chair recognizes the gentleman from Delaware, Mr. Tenaglio. For what purpose does the gentleman rise?

Mr. TENAGLIO. Mr. Speaker, this morning a vote was taken on SB 236, and for some unexplainable reason the roll call records me as voting "yea." I would like to be recorded in the negative.

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

Mr. TENAGLIO. Thank you.

SB 236 PASSED OVER

On the question recurring,
Shall the bill pass finally?

The SPEAKER. Senate bill No. 236, PN 1516, is returned to the active calendar.

Without objection, SB 236, PN 1516, will go over for today.

SENATE MESSAGE

SENATE INSISTS ON AMENDMENTS NONCONCURRED
IN BY THE HOUSE

The clerk of the Senate, being introduced, informed that the Senate has insisted upon its amendments nonconcurring in by the House of Representatives to **HOUSE BILL No. 825**, entitled:

A Supplement to the act of July 9, 1976 (P. L. 586, No. 142), entitled "An act amending Titles 42 (Judiciary and Judicial Procedure) 15 (Corporations and Unincorporated Associations) 18 (Crimes and Offenses) and 71 (State Government) of the Pennsylvania Consolidated Statutes; adding revised codified and compiled provisions relating to judiciary and judicial procedure including certain judicially enforceable rights duties immunities and liabilities and separately enacting certain related provisions of law" adding certain provisions of existing law to and making conforming and editorial changes in certain provisions of the Pennsylvania Consolidated Statutes separately reenacting certain related provisions of law and repealing certain acts and parts of acts supplied by the act as supplemented hereby.

And has appointed Messrs. HILL, O'PAKE and GEKAS a committee to confer with a similar committee of the House of Representatives, (if the House of Representatives shall appoint such committee) on the subject of the differences between the two Houses in relation to said bill.

MOTION INSISTING UPON NONCONCURRENCE
AND APPOINTMENT OF
A CONFERENCE COMMITTEE

Mr. GREENLEAF moved that the House insist upon nonconcurrency in Senate amendments to **HOUSE BILL NO. 825**, printer's No. 2202, and that a committee of conference be appointed.

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

APPOINTMENT OF COMMITTEE OF CONFERENCE
ON HOUSE BILL NO. 825

The SPEAKER. The Chair appoints the following members as a committee of conference on the part of the House:
Messrs. BERSON, CAPUTO and SPENCER.
Ordered, That the clerk inform the Senate accordingly.

STATE GOVERNMENT COMMITTEE MEETING

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

Mr. GEISLER. How long will we be in recess, Mr. Speaker? Do you have any idea? Say 10 minutes?

The SPEAKER. The gentleman would be safe in making an announcement of a meeting off the floor at this time.
The Chair recognizes the gentleman.

Mr. GEISLER. I would like to call a meeting of the State Government Committee in the rear of the House chamber by the phone bank immediately, a State Government Committee meeting.

BILL REPORTED FROM COMMITTEE
AND TABLED

HB 1939, PN 2389

By Mr. GEISLER

An Act amending the "Pennsylvania Election Code," approved June 3, 1937 (P. L. 1333, No. 320), further providing for candidates for political office.

State Government.

CALENDAR

INSURANCE BILL ON FINAL PASSAGE

Agreeable to order,

The House proceeded to the consideration on final passage of **House bill No. 1782, printer's No. 2403**, entitled:

An Act amending the act of June 5, 1968 (P. L. 140, No. 78), entitled "An act regulating the writing cancellation of or refusal to renew policies of automobile insurance; and imposing powers and duties on the Insurance Commissioner therefor" providing for cancellation and for coverage upon cancellation of agency restricting the insurer's power to cancel a policy of insurance further providing for the contents of the notice of

cancellation or failure to renew and for the use of certain records to determine rates.

On the question,
Shall the bill pass finally?

RECONSIDERATION OF VOTE
ON HB 1782

Mr. ZEARFOSS moved that the vote by which HB 1782, PN 2403, was agreed to on third consideration on December 6, 1977, be reconsidered.

Mr. RYAN seconded the motion.

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

The following roll call was recorded:

YEAS—194

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

NAYS—1

Hutchinson, A.

NOT VOTING—8

Duffy
Geesey

McGinnis
Petrarca

Rappaport
Richardson

Seltzer
Weidner

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

On the question recurring,
Will the House agree to the bill as amended on third consideration?

REMARKS ON VOTE

The SPEAKER. The Chair recognizes the gentleman from Philadelphia, Mr. Rappaport.

Mr. RAPPAPORT. Mr. Speaker, had I been in my seat on the reconsideration of the vote on HB 1782, I would have voted in the affirmative.

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

On the question recurring,
Will the House agree to the bill as amended on third consideration?

Mr. ZEARFOSS offered the following amendments:

Amend Sec. 2, page 3, lines 27 through 30 by striking out all of said lines

Amend Sec. 3, page 4, line 1 by striking out "3." and inserting 2.

Amend Sec. 4, page 4, line 17 by striking out "4." and inserting 3.

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

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

Mr. ZEARFOSS. Mr. Speaker, the amendment would delete the language on page 3, lines 27 to 30. In other words, section 2 would be taken out of the act. That is section 501, the added section 5.1.

The reason for the amendment is that the last portion of section 5.1 is taken care of by the language over on page 2, lines 18 to 25, specifically lines 18 and 19 and line 20. So you have two sections that purport to do the same thing with respect to the use of accident records in rating where the insured is not at fault. It is not necessary to have them vote that portion in both sections, so I am suggesting that it be taken out here.

The remainder of section 5.1 would prohibit an insurer from basing its rates on actual violations of the vehicle laws or revocations or suspension record of a driver.

Now when you are talking about automobile insurance, the only thing that is important in arriving at the rate is the kind of a driver that that person is. Obviously, the record of his violations or actual violations that he has committed, speeding, reckless driving and what have you, are important aspects in determining what the proper rate for that driver is. If you, by law, prohibit the insurance company from looking at those violations in arriving at the proper rate, what you are doing is saying that they cannot have the tools they need to come to the right rate.

What this will mean is that everybody will be rated at a higher rate so that they have enough money in the premium to take care of what they know to be the bad driver. It will not be just the bad drivers who are paying the higher rates; it will be all of us because they have to get the money to pay the costs of the claims. Those claims are caused mostly by the bad drivers. So unless the company can identify who the bad drivers are by looking at their violations, it will mean that all of us are going to have to pay the higher rate.

I would suggest that, for ourselves and for our constituents, this language should be taken out of the bill or you are not going to have the ability of the insurance company at all to determine what a proper rate is for a given individual.

Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Clearfield, Mr. George.

Mr. GEORGE. Thank you, Mr. Speaker.

Mr. Speaker, the amendment that we have proposed to us at this time is simply geared to destroy an amendment that was placed in HB 1782 yesterday, that had an affirmative 119 votes. Now we could go through this all day.

My only question is to those of you who agreed and even to those of you who basically were on the assignment and disagreed: You will have to acknowledge that there is a problem. The amendment will do no harm and there is no reason for taking it out.

I will not stand here all day and go into debate with the gentleman. I just ask that we vote "no" on this amendment and we affirm the position that we took yesterday. Thank you very much.

On the question recurring,

Will the House agree to the amendments?

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

YEAS—81

Anderson	Halverson	McClatchy	Ruggiero
Armstrong	Hamilton	Mebus	Ryan
Arthurs	Hasay	Meluskey	Salvatore
Brandt	Haskell	Miller	Scheaffer
Burd	Hayes, S. E.	Milliron	Schweder
Butera	Helfrick	Moehlmann	Scirica
Cassidy	Hoeffel	Mowery	Smith, E.
Cessar	Honaman	Noye	Smith, L.
Cimini	Hopkins	O'Brien, D.	Spencer
Davies	Katz	O'Connell	Spitz
DeVertter	Knepper	O'Donnell	Stairs
DiCarlo	Kowalshyn	O'Keefe	Stapleton
Dietz	Laughlin	Pancoast	Taddonio
Dininni	Lehr	Parker	Taylor, E.
Fischer, R. R.	Levi	Peterson	Vroon
Fisher, D. M.	Levin	Piccola	Wass
Foster, A.	Lynch	Pitts	Wenger
Foster, W.	Mackowski	Polite	Wilt
Freind	Madigan	Pott	Yohn
Gallen	Manmiller	Ritter	Zearfoss
Gillette			

NAYS—115

Abraham	Fryer	Livengood	Shelton
Barber	Gallagher	Logue	Shuman

Bellomini	Gamble	Manderino	Shupnik
Beloff	Garzia	McCall	Sirianni
Bennett	Gatski	McIntyre	Stewart
Berlin	Geisler	McLane	Stuban
Berson	George, C.	Milanovich	Sweet
Bittinger	George, M.	Miscevich	Taylor, F.
Bittle	Giammarco	Morris	Tenaglio
Borski	Gleeson	Mrkonic	Thomas
Brown	Goebel	Mullen, M. P.	Trello
Brunner	Goodman	Mullen, M. M.	Valicenti
Burns	Gray	Musto	Wagner
Caltagirone	Greenfield	Novak	Wansacz
Caputo	Greenleaf	O'Brien, B.	Wargo
Cianciulli	Harper	Oliver	White
Cohen	Hayes, D. S.	Petrarca	Wiggins
Cole	Hutchinson, A.	Pievsky	Wilson
Cowell	Hutchinson, W.	Pratt	Wise
DeMedio	Itkin	Prendergast	Wright, D.
DeWeese	Johnson	Pyles	Wright, J. L.
Dombrowski	Jones	Rappaport	Yahner
Donatucci	Kelly	Ravenstahl	Zeller
Dorr	Kernick	Renwick	Zitterman
Doyle	Klingaman	Rhodes	Zord
Duffy	Kolter	Richardson	Zwikel
Dumas	Kukovich	Rieger	
Englehart	Letterman	Scanlon	Irvis,
Fee	Lincoln	Schmitt	Speaker
Flaherty			

NOT VOTING—7

Geesey	McGinnis	Seltzer	Williams
Grieco	Reed	Weidner	

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

On the question recurring,

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

Bill as amended was agreed to.

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

The question is, Shall the bill pass finally?

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

YEAS—190

Abraham	Fryer	Lynch	Ryan
Anderson	Gallagher	Manderino	Salvatore
Armstrong	Gamble	Manmiller	Scanlon
Arthurs	Garzia	McCall	Scheaffer
Barber	Gatski	McClatchy	Schmitt
Bellomini	Geisler	McLane	Schweder
Beloff	George, C.	Mebus	Scirica
Bennett	George, M.	Meluskey	Shelton
Berlin	Giammarco	Milanovich	Shuman
Berson	Gillette	Miller	Shupnik
Bittinger	Gleeson	Milliron	Sirianni
Bittle	Goebel	Miscevich	Smith, E.
Borski	Goodman	Moehlmann	Smith, L.
Brandt	Gray	Morris	Spencer
Brown	Greenfield	Mowery	Stairs
Brunner	Greenleaf	Mrkonic	Stapleton
Burd	Grieco	Mullen, M. P.	Stewart
Burns	Halverson	Mullen, M. M.	Stuban
Butera	Harper	Musto	Sweet
Caltagirone	Hasay	Novak	Taddonio
Caputo	Haskell	Noye	Taylor, E.
Cassidy	Hayes, D. S.	O'Brien, B.	Taylor, F.
Cessar	Hayes, S. E.	O'Brien, D.	Tenaglio

Cianciulli	Helfrick	O'Connell	Thomas
Cimini	Hoeffel	O'Donnell	Trello
Cohen	Honaman	O'Keefe	Valicenti
Cole	Hopkins	Oliver	Wagner
Cowell	Hutchinson, A.	Pancoast	Wansacz
Davies	Hutchinson, W.	Parker	Wargo
DeMedio	Itkin	Peterson	Wass
DeVerter	Johnson	Petrarca	Wenger
DeWeese	Jones	Piccola	White
DiCarlo	Katz	Pievsky	Wiggins
Dininni	Kelly	Pitts	Williams
Dombrowski	Kernick	Polite	Wilson
Donatucci	Klingaman	Pott	Wilt
Dorr	Knepper	Pratt	Wise
Doyle	Kolter	Prendergast	Wright, D.
Duffy	Kowalshyn	Pyles	Wright, J. L.
Dumas	Kukovich	Rappaport	Yahner
Englehart	Laughlin	Ravenstahl	Yohn
Fee	Lehr	Reed	Zeller
Fischer, R. R.	Letterman	Renwick	Zitterman
Fisher, D. M.	Levi	Rhodes	Zord
Flaherty	Levin	Richardson	Zwinkl
Foster, A.	Lincoln	Rieger	
Foster, W.	Livengood	Ritter	Irvis,
Freind	Logue	Ruggiero	Speaker

NAYS—8

Dietz	Hamilton	Madigan	Vroon
Gallen	Mackowski	Spitz	Zearfoss

NOT VOTING—5

Geesey	McIntyre	Seltzer	Weidner
McGinnis			

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

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

**REPORT OF COMMITTEE OF CONFERENCE
CONSIDERED**

Mr. BRUNNER called up for consideration the following Report of the Committee of Conference on **HOUSE BILL No. 247:**

To the Members of the House of Representatives and Senate:

We, the undersigned, Committee of Conference on the part of the House of Representatives and Senate for the purpose of considering House Bill No. 247, entitled: "An act amending the act of March 4, 1971 (P. L. 6, No. 2), entitled 'An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties.' ~~Further providing for filing of documents and payment of taxes imposed for education, personal income taxes and corporate net income taxes.~~ INCREASING THE RATE OF THE PERSONAL INCOME TAX; IMPOSING CERTAIN CONDITIONS IN THE SAVING CLAUSE OF THE PERSONAL INCOME TAX AS TO THE VALIDITY OF STATE LAWS AUTHORIZING CITIES OF THE FIRST CLASS BY ORDINANCE TO IMPOSE A TAX ON THE INCOME OF NON-RESIDENTS OF SUCH CITY; INCREASING THE RATE OF TAX IMPOSED ON CERTAIN CORPORATIONS; CHANGING THE PERIOD FOR SETTLEMENT OF CORPORATE INCOME

TAXES AND CHANGING THE PREPAYMENT OF TAX PROVISIONS FOR SUCH TAXES; PRESCRIBING THE EFFECTIVE DATE FOR VARIOUS PROVISIONS AND REPEALING A CERTAIN ACT."

respectfully submit the following bill as our report:

JOHN L. BRUNNER
MAX PIEVSKY
(Committee on the part of the House of Representatives.)
JOSEPH F. SMITH
HENRY C. MESSINGER
(Committee on the part of the Senate.)

An Act

amending the act of March 4, 1971 (P. L. 6, No. 2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," increasing the rate of the personal income tax; increasing the rate of interest on unpaid tax; imposing certain conditions in the saving clause of the personal income tax as to the validity of State laws authorizing cities of the first class by ordinance to impose a tax on the income of nonresidents of such city; increasing the rate of tax imposed on certain corporations; changing the period for settlement of corporate income taxes and changing the prepayment of tax provisions for such taxes; prescribing the effective date for various provisions and repealing a certain act.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

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

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

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

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

Section 351. Interest.—If any amount of tax imposed by this article is not paid on or before the last date prescribed for payment, interest on such amount at the rate of [one-half] three-fourths of one per cent per month, for each month or fraction thereof from such date, shall be paid for the period from such last date to the date paid. The last date prescribed for payment shall be determined without regard to any extension of time for filing the return. This section shall not apply to any failure to pay estimated tax.

Section 359. Saving Clause and Limitations.—(a) Notwithstanding anything contained in any law to the contrary, including but not limited to the provisions of the act of August 5, 1932 (Sp. Sess., P. L. 45, No. 45), referred to as the Sterling Act, the validity of any ordinance or part of any ordinance or any resolution or part of any resolution, and any amendments or supplements thereto now or hereafter enacted or adopted by any political subdivision of this Commonwealth for or relating to the imposition, levy or collection of any tax, shall not be affected or impaired by anything contained in this article, except as hereinafter provided in subsection (b) of this section.

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

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

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

In the event that all or any part of the provisions of subsec-

tion (b) of this section are declared by a court to be unconstitutional, it shall be the duty of the court to construe the remaining amendatory provisions to Article III in accordance with section 358.

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

Section 402. Imposition of Tax.—Every corporation shall be subject to, and shall pay for the privilege of doing business in this Commonwealth, or having capital or property employed or used in this Commonwealth, by or in the name of itself, or any person, partnership, association, limited partnership, joint-stock association, or corporation, a State excise tax at the rate of twelve per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar year 1971 and the first six months of 1972 and at the rate of eleven per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the second six months of calendar year 1972 through the calendar year 1973 and at the rate of nine and one-half per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar [year] years 1974, 1975 and 1976 and at the rate of ten and one-half per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar year 1977 and each calendar year thereafter, except where a corporation reports to the Federal Government on the basis of a fiscal year, and has certified such fact to the department as required by section 403 of this article, in which case, such tax, at the rate of twelve per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the first six months of the fiscal year commencing in the calendar year 1972 and at the rate of eleven per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the second six months of the fiscal year commencing in the calendar year 1973 and at the rate of nine and one-half per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the fiscal year commencing in the calendar [year] years 1974, 1975 and 1976 and at the rate of ten and one-half per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the fiscal year commencing in the calendar year 1977 and during each fiscal year thereafter. No penalty prescribed by subsection (e) of section 1202.1 shall be assessed against a corporation for the additional tax which may be due as a result of the increase in tax rate from nine and one-half per cent to ten and one-half per cent imposed retroactively by this section for the calendar year 1977 or for the fiscal year commencing in 1977.

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

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

Section 5. Section 502 of the act, amended March 13, 1974 (P. L. 179, No. 32), is amended to read:

Section 502. Imposition of Tax.—Every corporation carrying on activities in this Commonwealth or owning property in this Commonwealth by or in the name of itself or any person, partnership, joint-stock association or corporation shall be subject to and shall pay a State property tax on taxable income derived

from sources within this Commonwealth at the rate of twelve per cent per annum upon each dollar of such taxable income received by and accruing to such corporation during the calendar year 1971 and the first six months of 1972 and at the rate of eleven per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the second six months of calendar year 1972 through the calendar year 1973 and at the rate of nine and one-half per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar [year] years 1974, 1975 and 1976 and at the rate of ten and one-half per cent per annum upon each dollar of taxable income of such corporation received by, and accruing to, such corporation during the calendar year 1977 and each calendar year thereafter, except where a corporation reports to the Federal Government on the basis of a fiscal year and has certified such fact to the department as required by section 403 of Article IV, in which case such tax at the rate of twelve per cent shall be levied, collected and paid upon each dollar of such taxable income received by and accruing to such corporation during the first six months of the fiscal year commencing in the calendar year 1972 and at the rate of eleven per cent shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the second six months of the fiscal year commencing in the calendar year 1972 and during the fiscal year commencing in the calendar year 1973 and at the rate of nine and one-half per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the fiscal year commencing in the calendar [year] years 1974, 1975 and 1976 and at the rate of ten and one-half per cent, shall be levied, collected, and paid upon all taxable income received by, and accruing to, such corporation during the fiscal year commencing in the calendar year 1977 and each fiscal year thereafter: Provided, however, That such taxable income shall not include income for any period for which the corporation is subject to taxation under Article IV: And, provided further, That no penalty prescribed by subsection (e) of section 1202.1 shall be assessed against a corporation for the additional tax which may be due as a result of the increase in tax rate from nine and one-half per cent to ten and one-half per cent imposed retroactively by this section for the calendar year 1977 or for the fiscal year commencing in 1977.

Section 6. The act is amended by adding a section to read:

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

ing the current tax rate to ninety per cent of such tax base from the immediate prior year as may be applicable with respect to the tax being reported.

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

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

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

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

Year In Which Tax Year Begins	First	Second	Third	Fourth
	Due on the 15th day of the following months after close of the previous tax year:			
	4th Month	6th Month	9th Month	12th Month
1978	95%	0%	5%	0%
1979	95%	0%	5%	0%
1980	80%	0%	10%	10%
1981	40%	30%	20%	10%
1982	30%	30%	25%	15%
1983 and thereafter	25%	25%	25%	25%

Any taxpayer which has elected to compute its tentative tax liability on the aforesaid estimated basis and which has elected

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

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

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

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

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

Section 8. Notwithstanding anything to the contrary in section 9 relating to the applicability of the tax rate increases imposed by sections 302, 402 or 502 in this amendatory act, such amendatory sections are hereby repealed as follows:

(1) The tax rate increase imposed by section 302 in this amendatory act is hereby repealed to the extent of such increase, effective January 1980.

(2) The tax rate increases imposed by sections 402 and 502 in this amendatory act are hereby repealed to the extent of such increases effective January 1, 1980, for those corporations reporting on a calendar year basis, and effective on the date the fiscal year commences in the year 1980 for a corporation reporting on a fiscal year basis.

(3) If the tax increases provided in sections 302, 402 and 502 are not reenacted before January 1, 1980, the schedule for prepayment of taxes in section 1202.1 is repealed insofar as it relates to prepayment of taxes for the calendar years beginning on or after January 1, 1980, or fiscal years beginning in or after 1980; and, thereafter prepayments shall be made on the same basis as prepayments were made for the calendar or fiscal

years beginning in 1979.

Section 9. This act shall take effect immediately, but certain articles, sections or parts or provisions shall be applicable as follows:

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

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

(3) Section 407 of the act relating to settlement shall first apply to reports filed for the taxable year 1978.

(4) Section 1202.1 shall take effect immediately, and shall apply to tentative tax reports and payments for the calendar and fiscal years beginning in 1978 and thereafter.

On the question,

Will the House adopt the Report of the Committee of Conference?

The SPEAKER. The Chair recognizes the gentleman from Allegheny, Mr. Valicenti, who has a statement to make.

Mr. VALICENTI. Thank you, Mr. Speaker.

My colleagues tell me to take it nice and easy, and that is exactly what I am going to do to try and get the message across to the other side of the aisle, plus some of my own members.

Naturally you know that when you go to a supermarket, you have a buggy and you go and pick your items out. You load up and then finally what you do is you come to that ultimate end where you have to go through the cash register. So when you come to the cash register, they count it up and they say, Mr. Valicenti, Mr. Mrkonic, Mr. Flaherty, Mr. Cowell, Mr. Cessar, Mrs. Kernick, and all the ones—maybe I may be a little bit premature—who voted for the appropriation of \$3 million—I am sorry, Mrs. Kernick, you are right, you did not vote for it. But they voted for the appropriations, and the point that I am trying to get across to you is that you took that thing through—are you listening, Matt? I hope you are—and you get all your groceries, and you finally come to the register. So they say, Mr. Mrkonic, Mr. Flaherty, Mr. Cowell, and there are Democrats like me, you spent \$300 million. Now before you can go through here, you have to pay up.

You know what they say? No way. No way. I did not vote for the appropriations. That is what I tried to put across when I spoke before on this. Mr. Gallen said to me, you made a big speech. You said about this and about that and then you voted "no." Mr. Gallen is very slow in grasping what I wanted to say. I was trying to say that I did not vote for the appropriation, but the people who voted for the appropriation, 150 or 164, if they voted for the money, they should have guts enough to vote for the appropriation, to vote for the tax to fund it. They have not done it.

Not only my people like Mr. Mrkonic, who sits back there real nice and smiles. And what he does is, he smiles but he is hoping for 102 to go up there. I hope it gets to 102. There it is. Oh, I am home free. That does not happen too often.

Mr. Flaherty is the same way. Mr. Cowell is the same way. He has told the college students that I am for your appropriation; I voted for it. But you know what, he does not have guts enough to vote for—

POINT OF ORDER

The SPEAKER. Will the gentleman yield?

For what purpose does the gentleman from Beaver, Mr. Laughlin, rise?

Mr. LAUGHLIN. I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. LAUGHLIN. Is it not your habit to interrupt a member whenever he strays and starts naming names of other members of the House? Do you not think you should be consistent?

The SPEAKER. In answer to the gentleman, Mr. Laughlin—

Mr. VALICENTI. Do not answer it, Mr. Speaker, I have that answer. He is sorry that I did not mention his name, which I will.

You know, Mr. Speaker, I mentioned his name—

The SPEAKER. Will the gentleman yield?

Mr. VALICENTI. Yes, sir.

The SPEAKER. The Speaker will answer the second question by saying: Yes, the Speaker should be consistent and answer the first question by saying: No, it is not the Speaker's habit to interrupt a member because he calls another member a name. If the member makes a derogatory remark, implying some sinister motivation to another member, then the Speaker would instantly interrupt. But the Speaker has not detected anything sinister about any of the remarks, quite the contrary.

The Chair recognizes the minority whip.

Mr. RYAN. Mr. Speaker, Mr. Valicenti asked me to pay particular—

Mr. VALICENTI. I did not yield to you, Matthew. Do you want me to yield? I yield, Mr. Speaker. Let him go.

The SPEAKER. All right. The gentleman has yielded to the gentleman, Mr. Ryan.

Mr. RYAN. Mr. Valicenti asked me to pay particular attention to his remarks. I was listening to him name names. I am going to send him a summary of every name that he is interested in: those who voted for the budget and not for any of the taxes and the other names that he is looking for.

The SPEAKER. I am sure the gentleman, Mr. Valicenti, is appreciative of Mr. Ryan's kind gesture.

The gentleman, Mr. Valicenti, has the floor and may continue.

Mr. VALICENTI. Thank you, cousin. I appreciate that.

First of all, Mr. Ryan, we are not talking about the budget. You are a lawyer. Personally, I think that maybe you ought to stick to being a lawyer. I do not know whether you will do any good there, but you are the hatchet man of the other side. That is your problem. That is okay.

But what I am saying is this, Matthew, we are not talking about the budget. I voted for the budget for the simple reason that 101 other people of this House voted for the budget. We were concerned. We were concerned about the people who are working for the state. We were concerned about the funding of the programs, so we voted. It was a no-tax budget, fine. I voted for it with a commitment that I would not vote for any other tax measure.

Now you are talking about naming names. I have not named you, Matthew. You have been making a lot of statements on the floor. In fact, a couple of people back in my hometown wanted to know who you were. And I said, well, if they ever have a tes-

timonial to Valicenti, the great man, the labor people, I am going to have Matt Ryan make the initial speech for me.

But anyhow, what I want to get to is this: There were 150 to 160 votes that were meant for the appropriation to the colleges, fine. But the thing that I cannot understand is, why?

I came here in 1969-70, when the Shafer administration put us to \$800 million, close to a billion dollars in the hole. And when Shapp came in—just a moment, it is a true fact—we had to come up with an income tax. I voted for a 5-percent income tax, and I do not think that there are many in this House, outside of the ones who actually voted for it, who would go for it. There is not anybody here who would go for a 5-percent income tax. To be very frank, why try to deceive each other? You are not going to.

I went for 5 percent, and it went over to the Senate and it came back 3.5 percent, under the direction of Senator Nolan. Senator Nolan was the guy over there when it came back 3.5 percent, and we went for it in order to fund the deficit that the Republican administration had left. We straightened it all out.

Then what happened? The taxpayers' organization filed a suit. It was unconstitutional. And then what came back? It came back 2.3 percent. I went for the 2.3 percent, 3 taxes, but a lot of you people have not got guts enough to vote for two-tenths of 1 percent. Who are you trying to kid here? If you want to fund the state, fund it; not only on this side of the aisle but on the other side of the aisle.

Then what happened that was a catastrophe to the people of Pennsylvania? The Republican Party, under the direction of Matthew Ryan, under the direction of Kenny Lee, under the direction of Bob Butera—I hope you win a nomination, you are Italian, I hope you do, Robert, believe me. The Italian vote and my family will vote for you—but under their direction, what happened? They concocted something with the direction of the Democratic Senator, Thomas Nolan. They cut the tax from 2.3 percent to 2 percent to make it look good. I went along with it. How in the hell can you vote against a tax cut? But they wanted it and they were told, do not do it for the simple reason that it would come back and haunt them. And that is exactly what has happened, but the Republican Party wanted that. I am talking to the Democrats: They wanted that to put you in exactly the position that you are in now. They will say that the Democratic Party raised the tax. But what are you raising it to? To 2.2 percent; not 1 percent. It is nothing.

I was against it all the way, all the way, until I made a phone call. Yes, you are laughing, you are laughing until I tell you whom I made the phone call to. And I told the Speaker and I told my beloved friend, James Prendergast, I called my wife and I said, "Nootie, I am going to vote for the tax." She says, "Well, it is about time." And that is the God's truth. She told me that it is about time.

I voted against the appropriations for the colleges. I voted for the budget for the simple reason so that people would not get laid off. And I was against this tax, 2.1 percent, 1 ½ percent, 2.2 percent. But I am going to tell you something right now. The people who support me and the letters that I have gotten, I have finally taken a look at them.

I am going to support—that is right, I am going to support be-

cause I took a reading—I am going to support and my vote will be the first one up there for the 2.2 percent. And the people who voted for the appropriation, if they do not go along, all they are are hypocrites. They want to spend money and do not want to pay for it. Thank you.

The SPEAKER. The Chair thanks the gentleman for his calm and learned discussion on the merits of the issues and the Chair congratulates the gentleman on the high point of what has been, up until this time, a rather routine debate.

The Chair is delighted that he would not have to follow that performance.

The Chair recognizes the lady from Allegheny County, Mrs. Kernick.

Mrs. KERNICK. Thank you, Mr. Speaker. I just wanted to clear the record. I went into the supermarket that Mr. Valicenti described and I did not buy the school subsidy and I did not buy the budget and I did not buy any nonpreferreds, and I just want to put that on the record. Thank you.

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

Mr. FLAHERTY. Thank you, Mr. Speaker.

I just want to publicly thank Chairman Valicenti for his courage today in finally coming to realization and voting for HB 1349, which did not include the school subsidies. I wish to thank him for his moral responsibility and also for the sake of political accountability that he sees it in his wisdom today to vote for the taxes to get us home for Christmas. Thank you, Mr. Speaker.

FILMING PERMISSION GRANTED

The SPEAKER. The Chair announces at this time that the Chair has given permission to Sue Klemens, a photographer for the United Press International, to shoot still photographs for a period of 10 minutes on the floor of the House. And to Caren Myers, who is with station WPVI-TV from Philadelphia and WTAE-TV, Pittsburgh, to shoot 10 minutes of silent film on the floor of the House during the vote on HB 247.

The Chair will announce to the members when those two photographers are ready to go on the floor of the House.

The Chair now recognizes, on the question of the adoption of the Report from the Committee of Conference, the gentleman from Philadelphia, Mr. Williams.

Mr. WILLIAMS. Thank you, Mr. Speaker. Mr. Speaker, it will be very difficult to follow the remarks of Governor Valicenti. I hasten to state to Governor Valicenti that I did vote for the appropriations. I do want to and will vote for taxes to fund the nonpreferred and the other part of the budget. However, Mr. Speaker, I reiterate that this particular conference report contains in it a foreigner to the desire to fund the state colleges. That item is the wage-tax cap which provides a discrimination between workers in Philadelphia who live in and those who live out of Philadelphia and who live out of the state. I have before expressed what the financial implications to that are. I have stated, before, the onerous burden which that would provide on the poorer taxpayers of Philadelphia and I have not been dis-

suaed in my opposition. It seems to me I have been strengthened in the fact that this proposition makes Philadelphia a sacrificial lamb for the rest of the state.

The one big argument I have been repeatedly told, Mr. Speaker, is that if this wage-tax discrimination does prevail, that in fact it would have no harm to Philadelphians; that, indeed, economically the cap or the tax is where it ought to be or it is a little too high anyway and so nobody would suffer; that the poor taxpayer would not suffer in carrying on his burden of all the systems that have to be maintained.

I was very disturbed today, Mr. Speaker, in my conversations with those very people, the experts, who say very clearly that the tax will not be raised, because I want to vote for this tax. And I made a counter proposition in exchange for my voting for the tax, and that is, I think and suggest that if indeed it is true that this would not add an additional burden to the Philadelphia residents if in fact that tax will not be raised, then there is no harm in our putting a cap on that tax across the board to say that it stops right now at 4 ⅞ percent for everybody, and to suggest to our city government that it live within those means. And, of course, the only change would be a legislative approval later on.

A lot of people say that is okay and it is fine, but from the same people who say that it would not be raised, they told me that they do not want to tie the hands of the city government or the mayor if they have to raise it. You cannot have it half in and half out. And it seems to me, Mr. Speaker, that this proposition is so venal and so foreign that it seeks to tax poor people in an already problematical situation. And I suggest strongly, especially to the Representatives of Philadelphia, they reflect upon what that wage-tax discrimination proposition really means to us, and it can be solved if the people who advance that proposition are serious that it conducts no harm and they would support a measure that would limit that across the board to everybody in fairness and in equity.

FILMING TO PROCEED

The SPEAKER. The photographers are now on the floor of the House. There are four who have been authorized to proceed at this moment.

CONFERENCE COMMITTEE DEBATE RESUMED

The SPEAKER. The Chair recognizes the minority leader.

Mr. BUTERA. Thank you, Mr. Speaker. Mr. Speaker, let me say before I start that I have been in this House now for 15 years. I do not know what happened to Speedo? Where did he go? There are only a few of us here who have been here that long and I do not think any of us have ever heard a speech like that, and I trust that the Educational Television people will not erase that film because it was priceless. It was erudite. It set forth, I think, one man's approach to this problem in as graphic terms as I have ever heard. I would just like to congratulate the gentleman. I do not agree with his conclusion, but I think that that kind of debate and commonsense rationale is what is needed more on the floor of this House. I just really appreciated his speech; not just its humor but its content.

Each time that we have arrived at some kind of a plateau on this question which has now been raging for several months in this House, the feeling that permeates the House is that perhaps the votes that the majority has been attempting to garner are there. I think that feeling is here now.

The entire battle, I think, that has been fought this year on this question runs much, much deeper than that which has been reported anywhere that I have seen. And that saddens me but I think I understand it. The fact that people on both sides of the aisle have taken a stand this year on the state's budget for the right reason should make us all proud.

It is unfortunate, I think, that those who carry our message to the people of Pennsylvania have not always understood the position which people have taken on this question and what that right reason is. However, the fact that people did not roll over and give in to the present power structure of this state within and without the government has been a very positive thing. Never again will welfare recipients and those who defend them permit them to be held hostage. Never again will those people who serve this public as public employes permit themselves to be manipulated as they were this summer. I do not think the state colleges will ever roll over and play dead, as they did this year, and permit themselves to be used as tools to force a tax increase through this legislature which has nothing whatsoever to do with the funding of state colleges.

I do not think ever again will members of this House permit, over a sustained period of time, spending to run out of control. I think we saw very good evidence of that this summer, probably in an event which was not reported anywhere, toward the end of the budget battle when members on the Democratic side joined with members on this side at passing what appeared to be mere window-dressing of requests which are going to be made of this administration next year to hold down spending to a 5-percent-increase level. That was not window dressing, and those who put it forth meant it sincerely, and I congratulate them.

I do not think the public will ever tolerate again the pure partisanship which erupted so many times during this debate when people who stood up and were actually trying to make a point, regardless of which side of the aisle they sit on, were ridiculed, were labeled as having no principle but merely playing some kind of a game. I do not think people in this House and people outside of this House will tolerate that again because it is counterproductive and is meaningless.

I recommend that this House force upon this government several very simple changes in a system by which we make budgets and by which we analyze them which have nothing whatsoever to do with partisan politics but which have a lot to do with running of governments. I suggest that you never permit any government, any executive branch of the government to begin a new fiscal year without balancing out the last fiscal year. That is what has gotten us into this trouble in the past as well as today. I mean, when there is a surplus, that surplus should be very carefully guarded by people in this legislature and it should not be permitted to be used for ongoing programs, because it is a false amount of money when calculated into the future, and when there is a deficit that that deficit not be

papered over but be owned up to and be taken care of before the permanent budget is enacted.

That is a very, very simple change which we can make. If we do so and protect the fiscal integrity of this state, the first thing that this legislature should do beginning in January, in concert with the administration, is to determine how much money there is available to be spent for next year's budget, given the present tax structure, the method of collecting the present taxes, the methods which we do not really understand as to how revenues are predicted by utilizing all of the available talent which is in this state to do so, and then to ask the Governor for his recommendation to be made, in concert with this House or at least a representative group of this House and the Senate, and then put before the public a budget which lives within the people's means.

Where there are unmet needs, we should have the courage to match them with suggested revenue-raising measures, and let the chips fall where they may; either new taxes justify the lowest priority items or they do not. I think then and only then will we gain the public's confidence in the most important function which is ours, and that is that of managing the people's money.

I do not think, after this particular battle and the drama which has surrounded it, that politicians will be able to demagogue on the tax question as has been the case in the past. The thing which we have tried to do on this side of the House on that question this year is to talk about spending and not on the horrors of taxation. People have always been willing to support their governments provided they had confidence that the money was being spent properly. They do not have that confidence now, and they do not think that every dollar is needed, and that is the only reason why any of us should ever oppose taxes, be they holding the status quo or the enactment of new ones. It is our job and it is the executive's job to indicate to the public that they are getting their money's worth, and I suggest we make these changes which I think will help regain that confidence level.

First, we should enact some kind of controls by law over the executive branch, which some people call zero-based budgeting. We should enact the Pennsylvania version of zero-based budgeting wherever that takes us, to force the executive, when it comes with its recommendations to the legislature, to justify each program and each dollar in each program rather than merely base this year on last year and next year on this year. That does not, the present system does not help us in any way to gain the public's confidence.

Secondly, we should impose restrictions on ourselves by law which force us to look at that which we have created, sometimes known as "sunset" legislation.

Thirdly, we should enact legislation creating a mini-GAO, Government Accounting Office — some kind of a performance watchdog or oversight watchdog of the legislative branch over the activities of the executive branch on an ongoing day-by-day basis.

Fourth, we should insist that productivity standards as to what public employes do everyday, is measured somehow, utilizing the techniques which have been perfected in the private sector.

If we do those simple things, which I think almost to a person we agree to, we will avoid the ugly situation which we have seen in Pennsylvania this year. If this tax package passes, there is going to be plenty of money in Pennsylvania next year to fund it, our budget. I think that is unfortunate because there is going to be a windfall and we are going to be raised up to the next level of budgeting in Pennsylvania, which will contribute to the next crisis, but we can stem that tide somewhat if we make these simple changes.

Should this vote not pass today, I would hope that it never be taken again, and that those of us who oppose it, regardless of our reasons, regardless of where we live, regardless of which party we are in, will assert ourselves as a majority, reduce spending as far as we can, perhaps enact a small tax increase, if that is called for, make the changes which are necessary to the basic system, and at least take something good home from this crisis.

Mr. Speaker, I do not think the debate which has been waged these many months has been in vain. I think it has been very constructive. I do not think it has been reported accurately and perhaps that is our fault; my fault on my side and somebody else's fault on the other side. But I suggest that the debate that we have had this year will be a starting off point so that we never have these kinds of situations fiscally in Pennsylvania ever again.

I have run into so many people that say in a very defeatist tongue, "Do you think it really can be changed?" And I say, "Of course it can be changed." It is done differently in almost every other state in the Union. Why can we not do it? Because we have not had the will nor the guts nor the courage to make some simple changes in this system which will forego this ever happening again.

My conclusion, Mr. Speaker—and I hope I do not have to talk on this subject again—is that it has been worth it. It has been worth it because the fight has been waged for the right reasons, and that is what this business is all about. Thank you, Mr. Speaker.

The SPEAKER. On the adoption of the committee of conference report, the Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, I must take issue with the remarks of the minority leader. I would not like for the debate to break down into a partisan discussion of the issue, but I must surely take issue with a number of things he has said.

I do not believe and I am not convinced that Pennsylvania does badly. I have been at the microphone here in discussing the budget issue; I have talked about unemployment; I have talked about the money that Pennsylvanians pay in tax dollars to their government at the local and state levels, and I have used statistics developed by the United States Census Bureau. I have said that in Pennsylvania we are below the national average in the amount of money that we pay to our state and local governments that provide services. I have never been disputed on that point because the point is indisputable. We do pay less for the services in Pennsylvania than the national average.

Mr. Butera thinks that zero-based budgeting, he thinks that "sunset" legislation, that budget reform are going to be an-

swers to the necessity to adjust the tax rate in Pennsylvania. All of those things will be helpful in keeping our government contained in Pennsylvania, but they will never solve the problem of adjusting the rate.

I told Mr. Butera and I have said on the floor of this House several times that periodically, because of our tax structure in Pennsylvania, we must adjust the tax rate. I gave statistics coming from the same source, the United States Census Bureau, that since 1974, the last time we adjusted our tax rate, the economy grew a dollar, and our tax revenues and yields in Pennsylvania grew 85 cents. There is no way that we can keep on providing the same service when the economy is growing faster than the revenues coming in by the tax structure that is in place. You either re-adjust the rates or re-do the tax structure; One or the other.

I gave you the figures, Mr. Butera, and I said more than once on the floor of this House, coming again from the U.S. Census Bureau, that Pennsylvanians, in 1975 paid 11.7 percent of their income to state and local government and in 1976 it went down to 11.5 percent. Not much of a change—two-tenths of a percent—but we received less percentagewise.

That two-tenths of a percent is equal to 598 millions of dollars that the purchasing power of the taxes in place has lost in 1 year from 1975 to 1976. Now, that is state and local. I have quoted figures here that on state and local services the state pays some 63 percent to 66 percent of the bill for state and local services. So if you take your 63 percent times your \$598-million loss, then you will find a figure somewhere around \$400 million; about half of what we are really trying to raise.

What I am saying to you is, this is a modest tax increase. It does not even keep up with last year. The only other criticism that we could have of what we are trying to do is maybe we spent too much money last year. And I have indicated on the floor of this House that Mr. Butera — the majority leader of the House at that time — the leaders in the Senate, both House and Senate, Republican and Democratic, signed a letter to the Cabinet telling them that we had given them a budget early, before the end of the fiscal year last year and we expected them to live within it. We did that because we had adopted, for the fifth or sixth time in a row, a budget that required no new revenues. And it was not easy and it was not difficult, and we made cuts and we made some severe cuts and we were operating on a bare-bones budget. Mr. Butera knows that and so does every other leader and every other member who is seriously involved in the issue.

We are not rising very much from that budget. We are rising less than the rate of inflation from that budget. We have provided a number of new things: the school subsidy that cost \$105 million and the Philadelphia rollover of \$30 million, which evidently your caucus was willing to support to the tune of \$32 million. We did those things still only letting the budget rise about 6 percent from last year; less than 6 percent if we make the cuts that we have to make because the tax package before us will not raise enough money. We will have to cut another \$82 million and that is not easy.

Mr. Butera says that all of this has not been in vain, all of the debate that took place. I do not want to characterize it as being

in vain or not in vain. I would like to say that we did engage in a lot of debate. He says the people in the House have taken their stand both on this side of the aisle and on the other side of the aisle and that was good. But for those of you who have not been willing to support the budget that was passed or this compromise that is before us, I have yet to see your stand and I have yet to hear your stand. I have asked for it. I have asked for it on the floor of this House. Just last week again I asked for it on the floor of this House.

The minority leader provided a negotiating team who came down to my office. He demanded the meeting. I met with them, and we were there for a couple of hours. And not in that negotiating team or not in that meeting was any stand or any counterproposal made. At that meeting I indicated that everything was negotiable — the tax, the cuts, the budget, the lapses. I was willing to talk about everything. When we left that meeting I asked that negotiating team to get to me. I am still waiting for them to get back to me.

On the floor of this House, in my office with the negotiating team, and then in the Conference Committee on HB 247, the Republican members were again asked to put forth their program. They had suggested a program and, when asked to put it before the body, they refused; both House members and Senate members refused. Whatever their reasons were, are their reasons. But I am still looking for that stand. They have been unwilling to detail a stand, because there is no stand that can be detailed that is a viable program that this Commonwealth can live with.

Mr. Speaker, I hope that we pass HB 247 in the conference report that is before us. But I am not going to be joyful. There will not be a lot of glee on my part, because I think that we are funding the budget and the needs of this Commonwealth inadequately with the taxes that we raise. The real need is somewhere around \$400 million. That is what our purchasing power has shrunk to with the tax structure that we have in place, and that is where we started.

I hope that I am wrong. Almost I would like to say, Mr. Butera, that I hope you are the Governor. Almost is what I would like to say when you will tell me and the other members of the House that we have too much money to operate with, because I do not think that is going to be the case. I think we are going to be in bad straits next year and the year after. I hope we can make it through. I do not think what we are doing is the full package. I am for it because I think it is the best we can do in the climate that we have in Pennsylvania today. I would ask for an affirmative vote from all members for HB 247. Thank you.

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

Mr. COWELL. Thank you, Mr. Speaker.

Mr. Speaker, I would like to make a brief remark about two points. First of all we have heard some analogies today about how we got into the situation where we find ourselves today. I think that there is perhaps a better analogy than some of those that we have heard. I would offer it for consideration of the members. The analogy goes something like this: When anyone of us leaves our place of employment, the Harrisburg Capitol,

or the steel mill, or whatever the case might be, on our way home we stop at the supermarket. Indeed we spend perhaps \$100 on groceries, and we left with \$100, knowing that our rent at home will cost us \$100. But rather than going directly home, we stop at the liquor store and spend a few dollars there. Then we stop at the candy store and spend a few dollars there. Then we perhaps stop at the shoe store because we would like a new pair of shoes and we spend the rest of our money there. At that point we find we have nothing left, and then we go home but we still have the rent to pay.

I think that is a better analogy of what occurred this summer. All of that money we had in state government was spent this summer when state government still had the rent to pay, and that was the nonpreferred appropriations.

Secondly, I think that what we need to do is to ask why we find ourselves in a situation where there is a need, perhaps, for increased taxes. I think most of us would agree that the need for increased taxes occurs when there is increased spending.

I think we should look at two sets of figures. One, we should look at those figures with respect to the nonpreferred spending. When we look at the appropriations or the proposed appropriations for the nonpreferreds this year, we find that this year relative to last there is an increase of approximately \$5 million; not \$300 million, but an increase of approximately \$5 million. A little less than 2 percent when you add them all up.

On the other hand, we look at the general fund budget that was adopted this past summer. I am not going to argue the merits of that budget at this point. It was adopted. It does confront us today. When we look at the merits or when we look at the cost of that budget relative to the cost of the similar budget in the prior year, we find that in fact, as Mr. Manderino has just stated, there is an increase of about 6 percent in spending. In fact, we are talking about an increase in actual spending, hard dollars, of several hundreds of millions of dollars there.

I would submit the reason that we are talking today about increased taxes is not because of the nonpreferred appropriations, because they are getting just about what they got in past years; instead we are talking about an increase in taxes because of substantial increases in the general fund budget that was adopted this past summer.

That is why, Mr. Speaker, I have maintained a posture whereby in fact I did vote against the budget because I disagreed with it at that time. I voted against the increase in the school-subsidy proposal because I think a legislator lies to himself and lies to his constituents anytime he suggests that you can increase any spending of the state program by \$100 million or \$150 million without impacting on the revenue you need for the Commonwealth.

That is why I voted in favor of the nonpreferred appropriations, because of the fact that we are not talking about increased spending there. That is why I am arguing that I, for one, am not going to vote for increased taxes at this point. I think the primary responsibility to raise additional money for this Commonwealth rests with those individuals who chose to spend the money when they adopted the budget this summer. Thank you.

The SPEAKER. The Chair recognizes the gentleman from

Allegheny, Mr. Valicenti.

Mr. VALICENTI. Thank you, Mr. Speaker.

Just one point: I cannot understand Ron Cowell's reasoning. The gentleman voted for the appropriation. He has voted for a \$300-million appropriation. Now he is trying to find a way out so as not to vote for the money to fund it.

This is the first time that he has gotten up to speak on this money. He has not gotten up before. He is trying to wiggle out of something that he, himself, created. He voted. He was one of 154, one of the 160, to give the money to the state universities, in the nonpreferreds. I did not vote for it, but I am willing—I search my conscience and I am going—to vote for the money to give the schools, but he is not. So who is he trying to kid? You thought I was going to use another word. I have gotten a little class since I came back here. I am not going to say the word. Who is he trying to kid? He could stand up there all day and he could talk. He double-talks. When you vote for money to spend, you should be man enough to get up and vote for the money that you spent and give them the money. He has not done that.

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

Mr. COWELL. Thank you, Mr. Speaker.

Mr. Speaker, unlike Mr. Valicenti, this summer I did not vote for the general fund budget, although he and I at the same time had indicated in public statements and in a letter to the Speaker that we opposed that budget and that we, in fact, stood for a budget that would require no tax increase.

Along with a number of other legislators from Allegheny County, I maintained that position throughout the summer. Unfortunately, in my opinion unfortunately, Mr. Valicenti did not see fit to maintain that position. When he finally did come to Harrisburg this summer, he changed his position.

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

Mr. VALICENTI. I want you to explain exactly what you mean by coming to Harrisburg this summer. Explain yourself, and I will tell you something, friend, you better be right.

The SPEAKER. Mr. Valicenti, you are out of order at this point in time.

Mr. VALICENTI. May I ask for the floor, sir?

The SPEAKER. You may speak in interrogation at a later time. The gentleman, Mr. Cowell, may continue.

Mr. COWELL. As I said, Mr. Speaker, is he chose at that point to change his position. For what reasons I do not know and I will not even begin to guess, but he chose to change his position late in the day and vote for a budget that increased, by a substantial number of dollars the state spending levels.

As I indicated earlier in my initial remarks, Mr. Speaker, it is my opinion that it was that budget and those people who voted for that budget and its component parts, including the school subsidy, who caused the increased spending in this Commonwealth and who led us to this day when this legislature is considering the need for increased taxes.

As indicated earlier, Mr. Speaker, and I will reiterate very briefly, my concern at this point is not to place blame, but I

think it is urgent that all of us, and particularly the public, realize that we are not talking about higher taxes in this Commonwealth to fund higher education. It is true perhaps to argue that higher education would bear the consequences if we do not come up with the dollar. But it is unfair to say that higher education has caused the need for higher taxes. That simply is not the case. The increased spending has not come from the area of higher education. We are talking about less than a 2-percent increase in that area above last year's figures. We are talking in terms of hard dollars of an increase of only \$5 million, whereas the tax increase we are talking about in this bill and in another bill will amount to a total of \$200 million to \$220 million. I think anybody who can add can figure out for themselves why we are talking about higher taxes. Anybody who can add can figure out why we are faced with the situation today where we do not have enough money to pay the bills. Thank you.

FILMING PERMISSION GRANTED

The SPEAKER. For the information of the members of the House, during the 10-minute time that the clock is running on the vote, various photographers have been given additional time to photograph the members and the voting on the floor.

On the question recurring,

Will the House adopt the Report of the Committee of Conference?

(Members proceeded to vote)

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

Mr. GREENFIELD. Can I ask your indulgence for an extra 5 minutes on this particular vote, Mr. Speaker?

Mr. RYAN. Mr. Speaker, I oppose it. You have been breaking arms shorter than that.

The SPEAKER. The Chair is not permitted to grant such an indulgence. The rules of the House limit the Chair to no more than 10 minutes.

Mr. GREENFIELD. Mr. Speaker, is a motion in order?

The SPEAKER. No. The only thing in order at this point in time, Mr. Greenfield, is the taking of the vote.

VOTE STRICKEN

Mr. GREENFIELD. Mr. Speaker, will you strike the vote, please?

The SPEAKER. Is that the request of the majority leader, that the vote be stricken?

The majority leader requests that the vote be stricken. The clerk will strike the vote.

For the information of the House members, the only way that the Chair would be permitted to grant—

Mr. PICCOLA. Mr. Speaker—

The SPEAKER. Who interrupts the Chair? Mr. Piccola, you are out of order. The Chair is addressing the House.

The only way that the Chair would be permitted to extend the voting time beyond 10 minutes is by a suspension of the rules. The only way that could be done is on a motion and a vote

of 102 members.

PARLIAMENTARY INQUIRY

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

Mr. PICCOLA. I rise to a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PICCOLA. For what reason was the vote stricken?

The SPEAKER. At the request of the majority leader who is in charge of the flow of business on the floor of the House.

The Chair recognizes the minority whip.

Mr. RYAN. Mr. Speaker, it is my recollection that this took place earlier this summer and, on the rerun, you had a limitation, as I recall, of 3 minutes on the rerun. If that was the case this summer, is that your intention now?

The SPEAKER. The Chair honestly does not recall that that was done this summer. The Chair believes that the House made a decision on the floor of a temporary rule limiting the debate to 3 minutes. But I do not think that was on the motion of the Chair.

Mr. RYAN. How much time do we have on the rerun now, Mr. Speaker?

The SPEAKER. If the motion to suspend the rules prevails, then there would be no limitation on the vote. If the motion fails, the Chair would place the vote again on the limit of 10 minutes. But the Chair would advise the gentleman, Mr. Ryan, that the Chair would not, under any circumstances, strike the vote again, considering such a motion totally frivolous.

For the information of the members, the Chair is awaiting the decision of the majority leader as to a motion to suspend the rules or a motion to continue the vote.

The House will stand at ease awaiting the decision of the majority leader.

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

Mr. RYAN. Mr. Speaker, while the House was casually in recess, I spoke to you without the benefit of the microphone and was advised that we were awaiting the decision of the majority leader as to what he was going to do. I am wondering if he could pull himself away from Mr. Trello long enough to make such a decision so we know what is going on.

The SPEAKER. I am sure the majority leader will advise the Chair and also Mr. Ryan when he is ready to proceed.

The House will stand at ease.

VOTES CHALLENGED

The SPEAKER. The Chair recognizes the minority whip.

Mr. RYAN. Mr. Speaker, would you ask the members to take their seats? I understand some of them have left.

The SPEAKER. The gentleman is correct. The members should be in their seats, and only those members in their seats are permitted to vote.

Mr. RYAN. Is the gentleman, Mr. Fee, in the hall of the House?

The SPEAKER. The question was: Is the gentleman, Mr. Fee,

on the floor of the House? The retort was from his seatmate that Mr. Fee was on the floor of the House, voted, and left the floor.

Mr. RYAN. I accept that, Mr. Speaker.

Mr. Speaker, would you ask the members to please be seated? This is an important vote, and I would like to look at the members.

The SPEAKER. The members are advised that the gentleman, Mr. Ryan, is absolutely correct. The members should be seated.

Mr. RYAN. Is Mr. Milanovich on the floor of the House?

On the question recurring,

Will the House adopt the Report of the Committee of Conference?

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

YEAS—102

Arthurs	Gatski	Manderino	Richardson
Barber	Geisler	McCall	Rieger
Bellomini	George, C.	McIntyre	Ritter
Beloff	Giammarco	McLane	Scanlon
Bennett	Gleeson	Milanovich	Schmitt
Berlin	Goodman	Milliron	Schweder
Berson	Gray	Miscevich	Scirica
Bittinger	Greenfield	Morris	Shelton
Borski	Harper	Mullen, M. P.	Shupnik
Brunner	Haskell	Mullen, M. M.	Stapleton
Caputo	Hoeffel	Musto	Stewart
Cianciulli	Hutchinson, A.	Novak	Sweet
Cohen	Itkin	O'Brien, B.	Trello
Cole	Johnson	O'Donnell	Valicenti
Davies	Jones	O'Keefe	Wansacz
DeMedio	Kelly	Oliver	Wargo
DiCarlo	Knepper	Parker	White
Dombrowski	Kolter	Petrarca	Wiggins
Donatucci	Kowalshyn	Pievsky	Wise
Doyle	Kukovich	Pratt	Wright, D.
Dumas	Laughlin	Prendergast	Yahner
Englehart	Letterman	Rappaport	Zitterman
Fee	Levin	Ravenstahl	Zwilk
Fryer	Lincoln	Reed	
Gallagher	Livengood	Renwick	Irvis,
Garzia	Logue	Rhodes	Speaker

NAYS—97

Abraham	Freind	Madigan	Sirianni
Anderson	Gallen	Manmiller	Smith, E.
Armstrong	Gamble	McClatchy	Smith, L.
Bittle	George, M.	Mebus	Spencer
Brandt	Gillette	Meluskey	Spitz
Brown	Goebel	Miller	Stairs
Burd	Greenleaf	Moehlmann	Stuban
Burns	Grieco	Mowery	Taddonio
Butera	Halverson	Mrkonic	Taylor, E.
Caltagirone	Hamilton	Noye	Taylor, F.
Cassidy	Hasay	O'Brien, D.	Tenaglio
Cessar	Hayes, D. S.	O'Connell	Thomas
Cimini	Hayes, S. E.	Pancoast	Vroon
Cowell	Helfrick	Peterson	Wagner
DeVertter	Honaman	Piccola	Wass
DeWeese	Hopkins	Pitts	Wenger
Dietz	Hutchinson, W.	Polite	Williams
Dininni	Katz	Pott	Wilson
Dorr	Kernick	Pyles	Wilt
Duffy	Klingaman	Ruggiero	Wright, J. L.
Fischer, R. R.	Lehr	Ryan	Yohn
Fisher, D. M.	Levin	Salvatore	Zearfoss

Flaherty	Lynch	Scheaffer	Zeller
Foster, A.	Mackowski	Shuman	Zord
Foster, W.			

NOT VOTING—4

Geesey	McGinnis	Seltzer	Weidner
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The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative and the Report of the Committee of Conference was adopted.

Ordered, That the clerk inform the Senate accordingly.

FILMING DISALLOWED

The SPEAKER. The photographers are advised that they do not have the freedom of the floor. The House is still in session.

BILLS REPORTED FROM COMMITTEE AND TABLED

HB 996, PN 2422 (Amended) By Mr. KOWALYSHYN

An Act amending the act of June 5, 1968 (P. L. 140, No. 78), entitled "An act regulating the writing, cancellation of or refusal to renew policies of automobile insurance; ***" further providing for limitations on the cancellation and failure to write or renew certain policies.

Insurance.

SB 320, PN 1529 (Amended) By Mr. KOWALYSHYN

An Act providing reimbursement to insured by insurance company for services performed by a psychologist.

Insurance.

REMARKS PRESENTED FOR THE RECORD

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

Mr. ZELLER. Mr. Speaker, I would like to submit for the record my reasons for voting "no."

The SPEAKER. The gentleman's remarks will be submitted for the record.

Mr. ZELLER presented the following remarks for the Legislative Journal:

Mr. Speaker, I submit for the record my reasons for continually voting "no" on this budget and the taxes to fund it.

First, the taxes in HB 247 are not to fund the nonpreferreds — colleges, universities and medical schools—but instead they are in reality funding the extra money Philadelphia received in the very poor school-subsidy program, with a formula that even Governor Shapp reluctantly signed into law.

Back in April of this year, the Senate passed SB 770 and sent it to the House as a budget which funded every department and education unit in the state without a tax increase. It even contained a 5-percent cut in most departments. But in came the Philadelphia pressure, along with the Pennsylvania State Education Association — PSEA — with their school-subsidy formula, and the Senate yielded by taking \$300 million away from our nonpreferreds — colleges, universities and medical schools — and funded Philadelphia's irresponsibly bad management and the Pennsylvania school-subsidy bill which came to

the House in the form of HB 1349. It passed with 102 votes, leaving a \$300-million void, which holds the nonpreferred institutions in hostage.

Ever since then we have not been able to obtain the necessary cuts to bring forward a bill which would fund all departments and receive the necessary 102 votes to pass. Instead the Senate has again sent to the House a package which is not feasible in my eyes, that is, HB 247 which calls for tax increases.

My taxpayers in the 134th district, of Lehigh County, do not want a tax increase and especially one that funds Philadelphia and the poor school subsidy.

I also requested reforms, such as each department being held to last year's budget and the 5-percent cut across the board, by all departments for next year. I also voted for Philadelphia school board directors being elected and having the power to tax and plan their own budget just as all other school districts do in Pennsylvania. They are now appointed by the mayor and have a record of irresponsibility. We lost our move to bring it about.

If we are ever going to stop this reckless spending with no regard to the taxpayer, we must start now, and I will continue to fight to hold the line on spending.

Thank you, Mr. Speaker.

STATEMENT ON LEGISLATION TO BE INTRODUCED

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

Mr. BERSON. For a brief announcement, Mr. Speaker: Yesterday, in discussing the death penalty decision of the Supreme Court, I informed the membership that the district attorney's office in Philadelphia was drafting a new death penalty statute. I now have that statute and will leave it on the front desk and those who wish to sponsor it can add your signatures to it.

STATEMENT ON RESOLUTION TO BE INTRODUCED

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

Mr. JOHNSON. I would like to introduce a resolution and take a few moments of the House's time.

The SPEAKER. The gentleman is in order and may proceed.

Mr. JOHNSON. Mr. Speaker, as of this year the House of Representatives has taken over the actual funding of all Federal appropriations that come into the Commonwealth of Pennsylvania. It has been brought to my attention that the guidelines for these Federal moneys are not being adhered to as far as the Federal guidelines are concerned. So what I am going to do for the benefit of the people of this Commonwealth is to try to ask for a committee to be set up to make sure that the guidelines are being adhered to, because in certain cases if the guidelines of the Federal Government are not met, we are in the position of losing a lot of Federal dollars that come into this

Commonwealth.

The Federal Government does not operate the same way this House of Representatives operates. This is my third term as a member of the Appropriations Committee, and I do not get the chance, along with the other members of the Appropriations Committee, to digest most of the bills that come before us to see if the departments are spending the money appropriately. The Federal Government does not operate the way we do. The Federal Government sets up guidelines that must be adhered to. We are in a position now to administer this money from the House of Representatives, and if the guidelines are not met, we will be penalized for this. This is my deepest concern.

The members of this House must realize that getting 102 votes to fund a program has become a problem today because a lot of the members of this House do believe that taxpayers' moneys that we are appropriating are not being spent properly. As Mr. Butera said earlier today, we must make a start in trying to make these departments adhere to our wishes.

I am deeply concerned about the moneys that come into the Commonwealth of Pennsylvania, Federal moneys, because a lot of these moneys that come into the Commonwealth of Pennsylvania are helping people who are unemployed. My concern, Mr. Speaker, is to make sure that we start observing what the departments are doing with the moneys we give them to make sure the moneys are being spent properly.

I want to introduce this resolution today, Mr. Speaker, and hope we can have a committee set up to make sure these moneys are being spent properly.

Thank you, Mr. Speaker.

APPROPRIATIONS COMMITTEE MEETING

The SPEAKER. The Chair recognizes the gentleman from Philadelphia, Mr. Pievsky.

Mr. PIEVSKY. Mr. Speaker, before the members take off, there will be a very important meeting of the Appropriations Committee immediately upon the adjournment of the House, in the Appropriations Committee room.

HOUSE SCHEDULE

The SPEAKER. For the information of the members, there will be a session called tomorrow at 11 o'clock. The purpose of the session will be to move certain bills forward on the calendar and for the desk to be open to receive certain reports of committees. There will be no need for the membership to be in attendance. No master roll will be taken. It is the intention of the Speaker and the intention of the majority leader to move those necessary bills forward on the calendar so they are available and in the proper position for a vote on Monday.

It is also the intention of the Speaker and the majority leader that if the business of the House is consummated during next week, the House will be declared in recess for the remainder of the month of December at least.

LIQUOR CONTROL COMMITTEE MEETING

The SPEAKER. The Chair recognizes the gentleman from Philadelphia, Mr. Barber. For what purpose does the gentleman

rise?

Mr. BARBER. Mr. Speaker, the meeting of the Liquor Control Committee is still on for tomorrow. The meeting will start at 11 o'clock, in room 115.

QUESTIONS OF INFORMATION

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

Mr. STEWART. I rise to a question of information.

The SPEAKER. The gentleman will state it.

Mr. STEWART. Mr. Speaker, could you tell me at approximately what time tomorrow the desk will close for the acceptance of bills?

The SPEAKER. We will be open at 11 o'clock tomorrow and probably keep the desk open until about 2 o'clock in the afternoon.

Mr. STEWART. Thank you, Mr. Speaker.

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

Mr. RITTER. I rise to a question of information.

The SPEAKER. The gentleman will state it.

Mr. RITTER. Mr. Speaker, on the schedule for tomorrow, there is meeting that the Benjamin Franklin Symposium is having in Pittsburgh. Would it be possible for me to catch a 2 o'clock flight out of here tomorrow?

The SPEAKER. Yes, that will be easily possible. No problem there at all.

STATEMENT BY MR. GLEESON

The SPEAKER. The Chair recognizes the gentleman from Philadelphia, Mr. Gleeson.

Mr. GLEESON. Mr. Speaker, now that the budget battle seems to be over—and I say "seems" because we are not really sure until the Senate concurs—I would like to say this about the future: My suggestion is that we have a duty when we levy taxes to make sure that they are actually collected. I think it is a real concern in this state that there may be vast amounts of money in taxes that we have levied, particularly in the sales tax, that we are not collecting. One merchant, who I consider a responsible informant, told me that he estimates that only about 25 percent of the sales tax that is collected actually reaches the State of Pennsylvania.

I would like to recommend to this House that in the near future we do something about making sure our collection procedures are adequate and that the money that is being collected actually reaches the state.

ANNOUNCEMENT

HOUSE SCHEDULE

The SPEAKER. The Chair has been informed that the majority leader requests that the desk stay open for the purpose of accepting reports of committees, but when the adjournment motion is made, it will be until 11 o'clock tomorrow morning.

The Chair repeats, there is no intention on the part of the

majority leader or the Speaker to conduct any votes, including a master roll, tomorrow.

BILLS PASSED OVER

The SPEAKER. Without objection, all remaining bills on today's calendar will be passed over. The Chair hears no objection.

REMARKS SUBMITTED FOR THE RECORD

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

Mr. DAVIES. Just to submit these remarks for the record, sir.

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

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

Mr. Speaker, this tax package is one of the poorest tax compromises that the legislature could propose. It directly reflects on the lack of leadership in the Democratic majority and this whole fiscal fiasco. They masterminded a phoney budget through in August while holding the state-related universities as hostage for the tax votes in September. They failed to provide any honest efforts to provide the tax votes to fund their excessive spending programs.

My vote is given as a partial substitute vote for one of the Democratic members from Berks County and other Democratic members who voted for that original phoney budget to spend the money, but now they have failed to vote for the necessary taxes to fund that measure. I did not vote for that budget nor eight other nonpreferred appropriations in this mess. My vote was cast only in an attempt to resolve the impasse to get the funding of those institutions of higher education and stop future erosion to the fiscal stability of the state.

ANNOUNCEMENTS

FINANCE COMMITTEE MEETING

The SPEAKER. All members of the Finance Committee are urged to report promptly for a meeting at the rear of the hall of the House.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair. The purpose of the recess is, of course, to give the Appropriations Committee an opportunity to report, if indeed it does report, a bill to the calendar.

When the adjournment motion is placed, it will be for 11 o'clock tomorrow morning.

The House now stands in recess, subject to the call of the Chair.

AFTER RECESS

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

THE SPEAKER PRO TEMPORE (MAX PIEVSKY) IN THE CHAIR

BILL REPORTED FROM COMMITTEE AND TABLED

SB 1187, PN 1530 (Amended) By Mr. DOMBROWSKI

An Act amending the act of August 20, 1977 (No. 11-A), entitled "General Appropriation Act of 1977" changing certain appropriations.

Appropriations.

WELCOMES

The SPEAKER. The Chair, at this time, is delighted to welcome to the hall of the House, Mrs. Mary Wolfel, who is a Democratic committeewoman and Mr. Nicholas Borrell, a Democratic committeeman, who are here today as the guests of the Lehigh County delegation and especially are the guests of Representative Frank Meluskey.

Also here as the guest of Representative Mike Schweder is Mr. Richard Szulborski.

The Chair is delighted to welcome to the hall of the House the wife of a very dear friend of his, the wife of Representative Salvatore. I understand Mrs. Salvatore is sitting in the balcony.

Would the lady please rise?

We would like to assure the lady that the late reports her husband has been giving her about all the work he has been doing on the floor of the House are quite accurate, and that the entire show put on by us today was for her benefit so that she would understand how long and hard we struggle about every item on this calendar.

The Chair at this time welcomes to the hall of the House several visitors who are the guests of Representative Jim Burd, of Butler County, Representative Joe Levi, of Butler County, and Representative Jack Arthurs, of Butler County.

The guests are: Elinor Campbell of the state committee; Minnie Anderson; John Wise, prothonotary of Butler County; Jane Shively, assistant to the controller of Butler County; and Betty Bish, who is vice chairman of the Republican Party in Butler County.

FORMER MEMBER WELCOMED

The SPEAKER. The Chair at this time is delighted to welcome to the hall of the House, a former member of the House of Representatives, Pat Crawford. Pat is here as the guest of the Chester County delegation.

Pat, welcome back. Things have not changed a bit.

ADJOURNMENT

Mr. GREENLEAF moved that this House do now adjourn until Thursday, December 8, 1977, at 11 a.m., e.s.t.

On the question,

Will the House agree to the motion?

Motion was agreed to, and (at 6:28 p.m., e.s.t.) the House adjourned.