

Legislative Journal

WEDNESDAY, JUNE 29, 1977

Session of 1977

161st of the General Assembly

Vol. 1, No. 54

HOUSE OF REPRESENTATIVES

The House convened at 10 a.m., e.d.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:

Most Gracious Lord, we pause at the beginning of this day's session to give Thee the honor and praise due unto Thy name. We thank Thee for the joys we share as we are conscious of Thy presence in the affairs of life. We praise Thee for the opportunities we encounter as we come face to face with Thy power and guidance in the situations of life itself. We honor Thee for the challenges we confront as we strive to follow Thy bidding in carrying out Thy way in day-to-day activities. O God, we ask that Thou wilt especially bless these workmen of Thine as they face the problems and complexities of life, and enable them to find solace and peace as they discharge their duties in accordance with Thy wants and desires. Amen.

JOURNAL APPROVAL POSTPONED

The SPEAKER. Without objection, approval of the Journal for Tuesday, June 28, 1977, will be postponed until printed.

MASTER ROLL CALL RECORDED

The SPEAKER. The Chair is about to take up the master roll call. The Chair advises all members who have not reported to the floor to report immediately, because the Chair will be moving to today's calendar for immediate business.

The clerk will strike the master roll.

The Chair is calling for a master roll and the Chair insists that only those members actually here be placed on the master roll. The members who are here will proceed to put themselves on the master roll, no one else.

The following roll call was recorded:

YEAS—197

Abraham	Gallagher	Madigan	Scanlon
Anderson	Gallen	Manderino	Scheaffer
Armstrong	Gamble	Manmiller	Schmitt
Arthurs	Garzia	McCall	Schweder
Barber	Gatski	McClatchy	Scirica
Bellomini	Geesey	McGinnis	Seltzer
Beloff	Geisler	McIntyre	Shuman

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

NAYS—0

NOT VOTING—3

Pitts Shelton Wagner

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

SENATE MESSAGE

AMENDED SENATE BILL CONCURRED IN

The clerk of the Senate informed that the Senate has concurred in House amendments to **SENATE BILL NO. 400**, entitled:

An Act amending the act of September 2, 1965 (P. L. 490, No. 249), entitled "An act providing for the licensing and regulation of the business of transmitting money or credit for a fee or other consideration by the issuance of money orders by the sale of checks or by other methods; . . ." further stating application requirements; increasing net worth and bonding minimums; revising license fees; providing for immediate suspension of a license; and providing for assessment of examination costs.

SENATE MESSAGE

HOUSE BILLS CONCURRED IN BY SENATE

The clerk of the Senate returned the following bills without amendment:

HOUSE BILL No. 200

An Act authorizing the General Assembly to meet on certain dates for organizational meetings requiring the Secretary of the Commonwealth to issue Certificates of Election at certain times.

HOUSE BILL No. 201

An Act amending the act of January 10, 1968 (1967 P. L. 925, No. 417) entitled "An act relating to officers and employees of the General Assembly; . . ." changing a provision relating to election of certain officers.

HOUSE BILL No. 795

An Act amending the act of March 11, 1971 (P. L. 104, No. 3), entitled as amended "Senior Citizens Property Tax or Rent Rebate Act" further providing for a temporary method of payment of administrative expenses and claims.

HOUSE BILLS INTRODUCED AND REFERRED TO COMMITTEES

No. 1431 By Mr. PRATT

An Act repealing the act of July 3, 1885 (P. L. 256, No. 181), entitled "An act to establish uniform compensation to be allowed witnesses in civil and criminal cases before justices of the peace and aldermen in the several counties of this Commonwealth."

Referred to Committee on Judiciary.

No. 1432 By Messrs. REED, BROWN, BORSKI, JONES, ZITTERMAN, MELUSKEY, ZWIKL, HOEFFEL and STAPLETON

An Act requiring the Commonwealth, political subdivisions and certain authorities to publish annually and before enacting certain tax measures the salaries, fees and commissions paid to certain persons and providing a penalty.

Referred to Committee on State Government.

SENATE MESSAGE

SENATE BILLS FOR CONCURRENCE

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

SENATE BILL No. 701

An Act making an appropriation from the Public School Employee's Retirement Fund to provide for expenses of the Public School Employees' Retirement Board for the fiscal period July 1, 1977 to June 30, 1978 and for the payment of bills incurred

and remaining unpaid at the close of the fiscal period ending June 30, 1977.

Referred to Committee on Appropriations.

SENATE BILL No. 906

An Act amending the act of November 26, 1976 (P. L. 1464, No. 55-A), entitled "Supplemental Appropriation Act of 1976" changing appropriations and adding an appropriation.

Referred to Committee on Appropriations.

BILLS SIGNED BY SPEAKER

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

HOUSE BILL No. 200

An Act authorizing the General Assembly to meet on certain dates for organizational meetings requiring the Secretary of the Commonwealth to issue Certificates of Election at certain times.

HOUSE BILL No. 201

An Act amending the act referred to as the Legislative Officers and Employees Law approved January 10, 1968 (1967 P. L. 925, No. 417), changing a provision relating to election of certain officers.

HOUSE BILL No. 795

An Act amending the "Senior Citizens Property Tax or Rent Rebate Act" approved March 11, 1971 (P. L. 104, No. 3), further providing for a temporary method of payment of administrative expenses and claims.

Whereupon,

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

LEAVES OF ABSENCE GRANTED

The SPEAKER. The Chair recognizes the majority whip.

Mr. GREENFIELD. Mr. Speaker, I request leave of absence for Mr. SHELTON for today's and tomorrow's sessions.

The SPEAKER. The Chair recognizes the minority whip.

Mr. RYAN. Mr. Speaker, I request leaves of absence for Mr. PITTS for today's session, and for Mr. WAGNER for the remainder of the week.

The SPEAKER. Without objection, leaves are granted.

CALENDAR

APPROPRIATION BILLS ON SECOND CONSIDERATION

Agreeable to order,

The House proceeded to second consideration of **House bill No. 1384, printer's No. 1646**, entitled:

A Supplement to the act of October 18, 1975 (P. L. 408, No. 112), entitled "An act providing for the capital budget for the fiscal year 1975-1976" enumerating a public improvement project to be acquired or constructed by the Department of General Services together with its estimated financial cost; authorizing the incurring of debt without the approval of the electors for the purpose of financing the project stating the estimated useful life of the project and making an appropriation.

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

Ordered, to be transcribed for third consideration.

Agreeable to order,

The House proceeded to second consideration of **Senate bill No. 697, printer's No. 741**, entitled:

An Act making an appropriation to the Department of Labor and Industry from the Workmen's Compensation Administration Fund to provide for the expenses of administering the Pennsylvania Workmen's Compensation Act and the Pennsylvania Occupational Disease Act for the fiscal period July 1, 1977 to June 30, 1978 and for the payment of bills incurred and remaining unpaid at the close of the fiscal period ending June 30, 1977.

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

Ordered, to be transcribed for third consideration.

Agreeable to order,

The House proceeded to second consideration of **Senate bill No. 793, printer's No. 1052**, entitled:

An Act making appropriations to the Governor's Study Commission on Public Employe Relations for operation and administration.

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

Ordered, to be transcribed for third consideration.

LABOR RELATIONS BILL ON SECOND CONSIDERATION

Agreeable to order,

The House proceeded to second consideration of **Senate bill No. 560, printer's No. 1105**, entitled:

An Act amending the act of December 5, 1936 (1937 2nd Sp Sess P. L. 2897, No. 1), entitled "Unemployment Compensation Law" further providing for benefits payments into the fund requiring repayment to the United States Treasury when credits in the Unemployment Compensation Fund exceed certain levels and altering provisions relating to relief from charges.

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

Ordered, to be transcribed for third consideration.

CONSUMER AFFAIRS BILL ON SECOND CONSIDERATION

Agreeable to order,

The House proceeded to second consideration of **House bill No. 489, printer's No. 1619**, entitled:

An Act amending Title 66 (Public Utilities) of the Pennsylvania Consolidated Statutes adding provisions relating to public utilities and making repeals.

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

Ordered, to be transcribed for third consideration.

JUDICIARY BILL ON THIRD CONSIDERATION

Agreeable to order,

The House proceeded to third consideration of **House bill No. 70, printer's No. 1323**, entitled:

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes further defining the offense of obscenity redefining obscene further providing for injunctions

further providing criminal sanctions against the sexual exploitation of children and prohibiting the transportation of certain materials relating to the sexual exploitation of children.

On the question,

Will the House agree to the bill on third consideration?

HB 70 TABLED

The SPEAKER. The Chair recognizes the gentleman from Philadelphia, Mr. Mullen, who moves that HB 70, PN 1323, be placed upon the table.

On the question,

Will the House agree to the motion?

Motion was agreed to.

The SPEAKER. For the information of those adherents of Mr. Mullen, so that they do not think that the Chair is pulling a fast one, Mr. Mullen advised the Chair that he wished to make this motion to table. Therefore, the Chair has placed the motion in Mr. Mullen's name.

HB 70, PN 1323, is tabled on the motion of Mr. Mullen.

RESOLUTIONS PASSED OVER TEMPORARILY

The SPEAKER. The Chair has been advised that among the resolutions, it is the request of several members that HR 109 be called up today.

The Chair will pass over all resolutions temporarily. There is going to be a caucus and there may be an opportunity to caucus on the resolutions. Mark all resolutions — 92, 94, 109, 110, 115, 119 — as over temporarily.

EDUCATION BILL ON FINAL PASSAGE

Agreeable to order,

The House proceeded to the consideration on final passage of **House bill No. 1075, printer's No. 1637**, entitled:

An Act providing for the creation of the Public School Finance Assistance Authority and providing for its powers and duties; and imposing additional powers and duties on the Department of Education.

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?

RECONSIDERATION OF VOTE ON HB 1075

Mr. MANDERINO moved that the vote by which HB 1075 was agreed to as amended on third consideration on Tuesday, June 8, 1977, be reconsidered.

Mr. TRELLO seconded the motion.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—142

Abraham	Foster, W.	Logue	Ryan
Anderson	Freind	Lynch	Scanlon
Armstrong	Fryer	Mackowski	Schweder
Arthurs	Gallagher	Madigan	Scirica
Bellomini	Gallen	Manderino	Seltzer

Bennett	Garzia	Manmiller	Shupnik
Berlin	Gatski	McCall	Sirianni
Berson	Geesey	McGinnis	Smith, L.
Bittinger	Geisler	McLane	Spitz
Bittle	George, M.	Mebus	Stairs
Brandt	Gillette	Milanovich	Stapleton
Burns	Goodman	Milliron	Stewart
Butera	Gray	Miscevich	Stuban
Caltagirone	Greenfield	Morris	Sweet
Caputo	Hasay	Mowery	Taddonio
Cassidy	Hayes, D. S.	Mrkonic	Taylor, E.
Cianciulli	Hayes, S. E.	Mullen, M. P.	Taylor, F.
Cimini	Helfrick	Mullen, M. M.	Tenaglio
Cole	Hoeffel	Musto	Thomas
Cowell	Honaman	Novak	Trello
Davies	Hopkins	Noye	Valicenti
DeMedio	Hutchinson, A.	O'Brien, B.	Vroon
DeVerter	Hutchinson, W.	O'Connell	Wansacz
DeWeese	Katz	O'Keefe	Wargo
DiCarlo	Kelly	Pancoast	Wass
Dietz	Kernick	Parker	Wilt
Dininni	Klingaman	Petrarca	Wise
Dombrowski	Knepper	Piccola	Wright, D.
Dorr	Kolter	Pievsky	Wright, J. L.
Doyle	Kowalshyn	Pott	Yohn
Duffy	Laughlin	Pratt	Zearfoss
Englehart	Lehr	Ravenstahl	Zitterman
Fee	Letterman	Reed	Zwilk
Fisher, D. M.	Levi	Rhodes	
Flaherty	Lincoln	Rieger	Irvis,
Foster, A.	Livengood	Ruggiero	Speaker

NAYS—42

Barber	Greenleaf	O'Brien, D.	Smith, E.
Beloff	Halverson	Oliver	Spencer
Borski	Hamilton	Polite	Weidner
Burd	Harper	Pyles	Wenger
Cessar	Itkin	Renwick	White
Dumas	Johnson	Richardson	Wiggins
Fischer, R. R.	Jones	Salvatore	Wilson
Gamble	McIntyre	Scheaffer	Yahner
George, C.	Meluskey	Schmitt	Zeller
Giammarco	Miller	Shuman	Zord
Goebel	Moehlmann		

NOT VOTING—16

Brown	Gleeson	O'Donnell	Ritter
Brunner	Greico	Pitts	Shelton
Cohen	Haskell	Prendergast	Wagner
Donatucci	McClatchy	Rappaport	Williams

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?

Mr. MANDERINO offered the following amendments:

Amend Title, page 1, lines 2 and 3 by striking out “; and” and inserting a comma

Amend Title, page 1, line 4 by removing the period after “Education” and inserting and further providing for the imposition of certain taxes.

Amend Table of Contents, page 2, by inserting between lines 11 and 12

Section 402.1. Additional requirements applicable to school districts of the first class.

Amend Bill, page 18, by inserting between lines 1 and 2

Section 402.1. Additional requirements applicable to school districts of the first class.

(a) Transfer or levy of real estate taxes.—In addition to the

requirements applicable to all school districts, before a school district of the first class coterminous with a city of the first class can receive approval to participate in or receive any funds from the programs provided by this act, the council of such a city of the first class, acting upon behalf of and for the benefit of such school district shall by ordinance be required, at its election:

(1) to transfer from such city to such school district of the first class in the fiscal year 1977-1978 and in each fiscal year thereafter part of its real estate taxes in an amount equal to four mills of the tax revenue received, or to be received by such city from the real estate taxes levied by the council in the same fiscal year in which such transfer shall be made. The amount of tax revenues to be transferred in the fiscal year 1977-1978 and in each fiscal year thereafter shall be in addition to any tax revenues or other revenues of the city which by ordinance were transferred, or are to be transferred by the city to such school district prior to the effective date of this act. The revenues so transferred shall be for the exclusive use of such school district. Notwithstanding the provisions of any law or city charter to the contrary, the council of the city of the first class shall have the authority, and its duty shall be, to open its budget approved in any fiscal year for the purpose of implementing the transfer of revenues as prescribed herein, and such school district, in like manner, shall have the same authority and duty to open its budget to receive and expend the revenue so transferred; or

(2) to levy on behalf of and for the exclusive benefit and use of such school district of the first class a tax at the rate of four mills on the assessed valuation of real estate situate in such city of the first class. Such four mill tax rate shall be imposed in the fiscal year 1977-1978 and in each fiscal year thereafter and such tax rate shall be in addition to any tax millage rate now imposed by such council, or by such school district, on the valuation of such real estate prior to the effective date of this act. Notwithstanding any provision of law or charter which prohibits council of any city of the first class from levying an interim tax after its fiscal year budget is approved, the council of such city of the first class is hereby authorized, and its duty shall be, to levy in the fiscal year 1977-1978 and in any fiscal year thereafter a tax on valuation at the rate of and for the use prescribed herein. Such school district is hereby authorized to open its budget approved for such fiscal year for the purpose of receiving and expending the revenues derived from any such interim tax imposition.

(b) Implementing requirements.—The council of any city of the first class shall have 90 days after the effective date of this act to effectuate the provisions of this section, by enacting an ordinance to either provide for the transfer of tax revenues from the city to the school district as prescribed in clause (1) of subsection (a), or provide for the imposition of an additional tax millage rate on real estate valuation as prescribed in clause (2) of subsection (a). In enacting such ordinance, council shall be prohibited from inserting therein or inserting in any other ordinance which it may enact any provision which would abolish any tax or reduce any revenues therefrom which heretofore was imposed by council or by the school district for school purposes.

(c) Failure of council to comply.—If the council of any city of the first class, coterminous with a school district of the first class, fails or refuses to implement by ordinance either of such options in the manner and within the time and under the conditions prescribed by this section, then, notwithstanding any provision of any law or of the Home Rule Charter of any such city to the contrary, and in addition to any tax which the council of such city or the board of education of such school district is now or hereafter authorized by law to impose on the assessed valuation of real estate, the General Assembly hereby imposes for the fiscal year 1977-1978 and in each fiscal year thereafter a tax at the rate of four mills on the assessed valuation of the real estate situate within the city of the first class.

(d) Collection of tax.—The additional tax hereby imposed in each fiscal year under this act shall be collected by the city of the first class in the same manner and under the same procedures as it is now authorized by law or charter in the imposition and collection of real estate taxes. The entire amount of taxes received, or to be received in any fiscal year as the result of real estate tax imposed herein shall be in addition to and not

in the reduction by council of any tax heretofore imposed for the benefit and use of such school district and shall be transferred by council of any city of the first class to and for the exclusive use of the school district of the first class coterminous with it.

(e) Qualification.—In the event a tax is imposed by the General Assembly pursuant to subsection (c), a school district of the first class shall then be entitled to participate in the programs provided by this act, provided such school district meets the other terms and conditions prescribed by this act.

Amend Sec. 403, page 18, line 8 by inserting after "402," and in the case of a school district of the first class, the additional requirements set forth in section 402.1.

Amend Sec. 415, page 27, line 13 by striking out "each" and inserting any

Amend Sec. 415, page 27, line 14 by striking out "the amount of" and inserting an amount equal to 50% of the

Amend Sec. 415, page 27, lines 17 and 18 by striking out "the respective school districts." and inserting such school district.

Amend Sec. 505, page 30, line 8 by removing the comma after "immediately" and inserting a period

Amend Sec. 505, page 30, lines 8 through 10 by striking out "UPON THE" in line 8 and all of lines 9 and 10

On the question,

Will the House agree to the amendments?

REPUBLICAN CAUCUS

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

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

I would respectfully request the opportunity for Republicans to caucus before we consider this amendment.

The SPEAKER. Would the gentleman advise the Chair as to the length of the caucus required?

Mr. S. E. HAYES. A half hour, Mr. Speaker.

QUESTION OF INFORMATION

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

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

The SPEAKER. The gentleman will state it.

Mr. RICHARDSON. Mr. Speaker, I would just like to know at what time will we be able to offer amendments to HB 1075? I have a technical amendment.

The SPEAKER. Any amendment may now be offered to HB 1075, Mr. Richardson. It is on third consideration, available for any amendment.

We are about to recess the House, if the majority leader accedes to this, for a period of one-half hour. Does the majority leader require longer than one-half hour?

The Chair recognizes the majority leader. Would the majority leader first place a motion to remove certain Senate bills from the table?

BILLS TAKEN FROM TABLE

Mr. MANDERINO. Mr. Speaker, I would like to move that SB 871, SB 874, SB 945, and SB 946 be removed from the table.

On the question,

Will the House agree to the motion?

Motion was agreed to.

The SPEAKER. The Chair recognizes the minority whip.

Mr. RYAN. Mr. Speaker, I think the members should understand that the bills that were just removed from the table were, to the best of my understanding, the stopgap measures.

The SPEAKER. That is correct, Mr. Ryan.

For the information of the members who have not followed the numbers of the bills, the House has, on the motion of the majority leader, now removed from the table and placed on the active calendar the stopgap bills which would take care of the state payroll, the welfare checks, medical assistance. Those bills are now on the active calendar, will be given second reading today and will be on third consideration tomorrow. That is merely for the information of the members.

DEMOCRATIC CAUCUS

The SPEAKER. The Chair recognizes the majority leader on the matter of the recess.

Mr. MANDERINO. Mr. Speaker, it is my suggestion that in caucus, in addition to HB 1075 which the Republican Party has indicated that they want to caucus on the amendments, that caucus be held on a number of other measures that have time *limits and deadlines that are pressing*. I would suggest that the caucus should be an extended caucus, beginning immediately upon the calling of the recess. The caucus would last anywhere from an hour and a half to an hour and 45 minutes. I would then suggest that we take our lunch and come back here at 1 o'clock.

THE SPEAKER PRO TEMPORE (LESTER K. FRYER) IN THE CHAIR

REPUBLICAN CAUCUS

The SPEAKER pro tempore. The Chair recognizes the minority whip.

Mr. RYAN. Mr. Speaker, we need caucus for an hour and a half and we will adjourn immediately to the caucus room. And I guess we will have to eat, too, Mr. Speaker.

Mr. MANDERINO. I think it would be foolish to come back on the floor at 12 o'clock when it is lunchtime. I think we ought to *come back at 1 o'clock and begin work after the members have had their lunch*. So if there are no objections and the minority goes along, I would ask that this House be in recess until 1 p.m. and that Democratic members report to the majority caucus room immediately for a caucus on very important matters.

RECESS

The SPEAKER pro tempore. Without objection, the House stands in recess until 1 p.m.

AFTER RECESS

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

THE SPEAKER (K. LEROY IRVIS) IN THE CHAIR**FILMING PERMISSION GRANTED**

The SPEAKER. The Chair is now giving permission for Caren Myers of WPVI-TV, Philadelphia, to film for 10 minutes only on the floor of the House.

Similar permission is being granted to Betsy Amig of WIIC-TV, Pittsburgh, to film for 10 minutes only on the floor of the House.

CALENDAR**APPROPRIATION BILLS ON SECOND CONSIDERATION**

Agreeable to order,

The House proceeded to second consideration of **Senate bill No. 874, printer's No. 946**, entitled:

An Act amending the act of July 1, 1976 (No. 17A), entitled "Federal Augmentation Appropriation Act of 1976" adding an appropriation to the Department of Justice.

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

Ordered, to be transcribed for third consideration.

Agreeable to order,

The House proceeded to second consideration of **Senate bill No. 945, printer's No. 1144**, entitled:

An Act making an appropriation to the State Treasurer for the purpose of paying salaries and wages of State officers and employees and other ordinary and general expenses in the interim between June 30, 1977 and August 1, 1977 and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 1977.

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

Ordered, to be transcribed for third consideration.

Agreeable to order,

The House proceeded to second consideration of **Senate bill No. 946, printer's No. 1145**, entitled:

An Act making appropriation to the Department of Public Welfare for the purpose of carrying out the Public Assistance Law for the fiscal year July 1, 1977 to June 30, 1978 and for the payment of cash grants medical assistance and county administration accrued or incurred prior to and remaining unpaid on June 30, 1977.

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

Ordered, to be transcribed for third consideration.

BUSINESS AND COMMERCE BILL ON SECOND CONSIDERATION

Agreeable to order,

The House proceeded to second consideration of **Senate bill No. 871, printer's No. 940**, entitled:

An Act regulating the titling of and the perfection of security interests in mobile homes sold in the Commonwealth and imposing powers and duties on the Department of Community Affairs in connection therewith.

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

Ordered, to be transcribed for third consideration.

SENATE MESSAGE**APPOINTMENT OF CONFERENCE COMMITTEE**

The clerk of the Senate informed that the Senate has nonconcurred in House amendments to **SENATE BILL NO. 770**, entitled:

An Act to provide for the expenses of the Executive Legislative and Judicial Departments of the Commonwealth the public debt and for the public schools for the fiscal period July 1, 1977 to June 30, 1978 and for the payment of bills incurred and remaining unpaid at the close of the fiscal period ending June 30, 1977.

And has appointed Messrs. CIANFRANI, NOLAN AND TILGHMAN, a committee of conference 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 existing between the two houses in relation to said bill.

MOTION INSISTING UPON CONCURRENCE AND APPOINTMENT OF A CONFERENCE COMMITTEE

Mr. MANDERINO moved that the House insist upon Senate concurrence in House amendments to **SENATE BILL NO. 770, printer's No. 1137**, 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 SENATE BILL NO. 770

The SPEAKER. The Chair appoints as a committee of conference on the part of the House:

Messrs. MANDERINO, PIEVSKY AND SELTZER.

Ordered, That the clerk inform the Senate accordingly.

FILMING PERMISSION GRANTED

The SPEAKER. The Chair, at this time, interrupts the flow of business of the House to announce that the Chair has given permission for Susan Silkwood, a reporter with the Bucks County Courier Times, to photograph still photos for 10 minutes on the floor of the House.

BILL SIGNED BY SPEAKER

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

SENATE BILL No. 400

An Act amending the act of September 2, 1965 (P. L. 490, No. 249), entitled "An act providing for the licensing and regulation of the business of transmitting money or credit for a fee or other consideration by the issuance of money orders by the sale of checks or by other methods; . . .," further stating

application requirements; increasing net worth and bonding minimums; revising license fees; providing for immediate suspension of a license; and providing for assessment of examination costs.

Whereupon,

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

CALENDAR

CONSIDERATION OF HB 1075 RESUMED

On the question recurring,

Will the House agree to the amendments?

The SPEAKER. The Chair recognizes the minority leader.

Mr. BUTERA. Mr. Speaker, if I could have the attention of the House, I want to address the House on the subject broader than Mr. Manderino's amendment although very directly affecting his amendment and HB 1075. As I understand it, Mr. Manderino and I will probably disagree on the suggestion which I am about to make or the suggestions I am about to make, after which time we will consider the Manderino amendment and, I presume, other possible amendments, as well as the bill. These words of preface are to indicate to the members that I am not going to address myself just to Mr. Manderino's amendment, but I am rather going to stray from it on the entire subject of the Philadelphia school problem.

Mr. Speaker, first I am going to suggest that the time has come for all of us to remove the polarization and sometimes partisanship which has surrounded the particular question of the Philadelphia school problem. Surely this particular one has compounded the other problems which face us—that of passing a general fund budget for this Commonwealth for the next fiscal year.

Issues like these traditionally and, I think, quite naturally divide people either along partisan lines, geographic lines, philosophical lines, or otherwise.

During the heat of battle we seldom take time to step back and take a look at ourselves and reflect upon our actions and how they are affecting the solutions of the very important problems that are facing us. I think it is time we do that.

Mr. Speaker, I think it is time that a coalition of people form from within and without the city of Philadelphia, across party lines, that takes a look at the past and a look at the future and in doing so determines the effect of HB 1075 on the largest school system in this state. There is no question in my mind but that decisions or important problems that are solved by this legislature are normally solved when such coalitions form. Usually, in my history in this House, they have formed quite naturally after a crisis has been reached and a stalemate has resulted. I think we are at that stage.

There is little question in my mind also but that the failure of the city government of Philadelphia to adequately fund its schools during the past several years had caused greatly or has contributed greatly toward the problem which we are now facing.

But I think we should put that behind us. That is a fact we have lived with, at least to my memory, during the past 11 years.

There is mismanagement within the Philadelphia school system that has got to be concluded merely based upon the fact that that system is some 20-plus percent in the red when you look at the next fiscal year. We should put that behind us. That is a fact I think we can reasonably conclude.

I think, though, that what we have to do is recognize that this is the basic problem why we are still in session without a state budget, not only because it is the largest school district in the state but also because it has the largest voting bloc within this legislature. Therefore, I think we should collectively attempt to solve the problem rather than dance around it.

I suggest, first, that we take Philadelphia's current year deficit, which, for the purpose of simplicity, I shall place at \$70 million. I think it is a little less than that. And we in this legislature should split that deficit with the city council of Philadelphia and we should pay it off.

Second: We should adopt amendments which I shall be offering should HB 1075 not pass this House today or tomorrow, at such time that the amendments are drafted to my satisfaction, which will impose the most rigid standards of conduct and fiscal management that we have ever imposed on any level of government let alone on the state government itself.

We should impose those standards upon the Philadelphia school system in this way: We should appoint a 17-member commission — two members from each of the four caucuses in Harrisburg, one from within the city and one from without; and nine members, three each from the business community, the academic community, and the organized labor community in the city — to be appointed by the President pro tempore and the Speaker, to conduct over the next 90 days a thorough review of the financial condition of the Philadelphia school system.

A good portion of the work assigned to this commission has already been done. The Federal Reserve Bank in Philadelphia has done an exhaustive study of the Philadelphia schools. I believe the Greater Philadelphia Partnership or the Chamber of Commerce—I do not know which—has also done a very extensive review, with total cooperation, I might add, of the Philadelphia school system.

This commission would be charged with the responsibility of laying on our desks by October 1 a plan for the financial recovery of the Philadelphia school system.

Here is where I suggest we depart from custom. Custom tells us that these kinds of management reviews or citizen reviews or legislative reviews are very worthwhile. They are charged with the responsibility of making reports which are then assigned to gather dust, for people to comment upon, to wave and to inflame audiences. I suggest we depart from that custom and that we impose an obligation upon ourselves to take the recommendation of this special commission and adopt a financial recovery plan by legislative action for the Philadelphia school system. I suggest that we be given the power—we give the power to ourselves, which is inherent—of altering, modifying, or accepting as is the report of our special commission. But we must impose the responsibility on ourselves for adopting such a plan.

The purpose of that is the key here. The purpose of adopting

a financial recovery plan would be to impose restrictions and suggestions and critique and whatever that commission wants to do upon the Philadelphia school system, and insist that unless the plan which we ultimately adopt is adhered to, the school system of Philadelphia cannot come to Harrisburg and ask for additional funding.

Now what we would be doing for ourselves is to get involved in the actual operation and the fiscal management of the Philadelphia school system, which we have been involved in without knowing it for the past 11 years. It is during that period of time that the school system has had its most severe problems and we in this legislature—and I am included in this—have listened to, have supported, and in the supporting of the demands made and of the needs articulated, we have failed to check that system and give it the strength of fiscal management which it needs.

Since we have been called upon as the court of last resort in each of the fiscal crises within that school system, I think it is fair to assume that we are going to continue to be called upon as the people who must bail out the Philadelphia school system. That is exactly what is happening today. It is just that the problem this year is some \$70 million, whereas the problem last year was just some \$36 million, and the problem the year before was \$20 million, and the problem the year before that was \$20 million.

What I am suggesting is that we adopt an approach, a plan that the school system of Philadelphia must live with in order for the state government to pump additional dollars into that system. I am not suggesting that we be punitive and state that unless the system in Philadelphia adheres to the plan, they get no money from Harrisburg. That would be foolish. That would be punitive. We do not apply that to our own school districts. Why should we apply that to Philadelphia?

What I am suggesting is that we do our job for a change in an area which has shown increasingly, perhaps because of the system itself, that it is not managing the finances given to it by the Federal Government, by the state government, and one-third by the local citizenry, properly. I think we have that obligation. If we do not, I suggest that we will be in this position—our successors will be if it is not we—year after year after year.

Finally, I make a third proposal. I propose that members of all four caucuses, a small group, representing all four caucuses, of people from the city of Philadelphia and people from outside the city of Philadelphia, meet with Mayor Rizzo on this question. I propose we do that immediately. And I propose that we sit down and discuss across a table, without rancor and without labeling, the problems that we are faced with and learn the problem that he is faced with together with his city council.

I do not consider a meaningful meeting like this to be a whole mass of people, each of whom is getting his 2 cents in, but rather a small group of people who are representative of the two groups, the city and the state legislature, who can articulate the particular problems which each one has rather than conduct this affair in the mass media. That is how it has been accomplished so far, at least as far as I am concerned, and I think that is wrong.

I do not think the meeting should be secret. I think it should be quite open.

Mr. Speaker, HB 1075 and more particularly, first, Mr. Manderino's amendment do not offer anything new to the perpetual problem that we have seen in this legislature involving the Philadelphia school system. Mr. Manderino's amendment makes HB 1075 a little better, but it does not hide the fact that this particular approach to the city of Philadelphia's school problem is the same approach that we have been taking for the past 11 years. It just has a different name to it. It does not bail out the city school system; it condemns it.

Oh, it will hide the problem for the next several years—2, 3, 4, and some people say even 5 years. But what happens when it runs out? What have we done, really done, to the students in the Philadelphia school system who have not yet entered school? We have destroyed their school system. And I suggest that over the past several years we have been doing the same thing, because we have defaulted in our role in one of our most distressed creatures of this legislature, the Philadelphia school system.

We have to acknowledge that two-thirds of the budget of the Philadelphia school system is paid for by Federal and state funds, that over half of it is paid for by state funding. In each year, almost as long as I can remember being here back to 1965, that same school district has had a serious problem, a very real problem. Perhaps if we had recognized in the late sixties that we had a distinct obligation to this district over all other districts in the state and had begun to assert ourselves in the management or the mismanagement of that system, we would not find ourselves here today.

I suggest that if we pass HB 1075, we are only hiding from the problem. We are perpetuating it and we are not doing our duty and we are not looking after the interests of the school children in that city.

So, Mr. Speaker, in review, quickly, I suggest that we make an offer to split the deficit, the existing deficit, the immediately problem, with the city.

Secondly, that we impose restrictions upon the city, that we in this legislature, not the Secretary of Education and not the Governor but the people in this legislature who are called on year after year to bail out that system, have control over.

Finally, I suggest that a small group of us call upon the mayor as soon as that is feasible to do, to thoroughly discuss this plan and any modifications to it.

Mr. Speaker, I think it is time that a coalition of people is formed in this legislature that really wants to help the future generations, not only of Philadelphians, but of Pennsylvanians. I think the time is now, and that is what I propose.

Excuse me a minute. I left one thing out which I think should be articulated a little bit further and this will be very short. One of the reasons why I suggest that we meet the Philadelphia deficit head-on and make every effort to resolve that is in contrast to HB 1075 whereby we use taxpayers' dollars, hard earned, to immediately relieve the problems of school children.

What 1075 proposes to do—and we ought to think about this very carefully—is to borrow money over a long term to pay off a temporary deficit. In the borrowing of the money, tax-free

bonds will be offered to the public. For those of you who know who purchases tax-free bonds, you will know that, generally speaking, it is wealthy individuals and institutional buyers, large buyers of securities. The tax bill contemplated under this bill, without Mr. Manderino's amendment, grows to some \$20 million a year. That is just to pay the interest on the bonds. With Mr. Manderino's amendment, it is cut in half, somewhere between 10 or 11 million.

I suggest, strongly, that we not adopt an approach which borrows over a long term to pay off a short-term deficit, use taxpayers' dollars to pay interest to a very few people around this country who can afford to buy municipal bonds and rather take that same money and give it to the school children. That is the basic fallacy in this bill.

Unless you use long-term borrowing to fund long-term assets and the use thereof is made during the term of the borrowing, you are not being honest with yourself and with the people you are supposedly helping. Penn Central proved that, New York proved that, and we proved it in this House 3 or 4 years ago when Governor Shapp tried to borrow money to fix potholes. We rejected this concept for cross-party lines because it was improper. Short-term expenses financed with long-term debt does not work, and I suggest that the reason it does not work is because the interest payments are staggering and you get nothing back during the length of the loan that you can justify paying interest for.

I suggest that we take that interest money and give it to schools and school children and then we are being straight with the taxpayers.

The SPEAKER. The Chair now recognizes the gentleman from Philadelphia, Mr. M. P. Mullen.

Mr. M. P. MULLEN. Mr. Speaker, I am certainly deeply grateful as a Philadelphian here. Mr. Butera made a suggestion that we sit down and try to work out this situation.

Those of us from Philadelphia are not unmindful of many of the things that concern all of the members of the House. First of all, all of us from Philadelphia are embarrassed year after year to come before you to constantly ask for additional aid, and we feel that if we can resolve our differences and reach a point where we can, in fact, control the expenditures of the school board in Philadelphia, we would be more than happy and willing to join in such an undertaking. Many of the things that have been expressed by Republican members yesterday, Mr. Ryan, Mr. Seltzer, and Mr. Itkin, on our side, and many other members in our caucus and, I am sure, in your caucus, are valid objections. We recognize that but we do have a problem. And as Mr. Butera certainly indicated, his concern is for school children and so is our concern.

I certainly join as a member with Mr. Butera in asking the Speaker if he would not use his good offices to try to bring together the leadership in the House and the Senate together with the administration and the school board to see if we cannot resolve this matter in a sensible fashion. I am sure that all of us from Philadelphia are more than willing to work something out that will satisfy the needs of the children who attend the schools in Philadelphia and satisfy the many members on our side and your side who have expressed concern.

I have never at any time and in any way indicated that I did not agree with the many of the concerns of the members. They are valid concerns and they are responsible. I think that we can work something out that will be satisfactory to everyone, especially to the members.

I join, Mr. Speaker, in asking you to get together with the leadership on both sides and try to get a conference together so that we can try to solve this problem as quickly as we can and, on a long-term basis, try to solve the overall problem.

The SPEAKER. The Speaker will certainly endeavor to pursue that matter, first, in private conferences with the leadership of the Democratic Party and the leadership of the Republican Party, and then in public announcements.

The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, I think that we have taken a step, at least taking the words of Mr. Butera and I understand that he speaks as an individual, in recognizing that the matter of school financing in Philadelphia is a matter that deserves the attention of this House and recognizing that we have an obligation to those children.

I think, though, that the suggestion that he makes, if you think about it, is not at this time the solution, although I agree with Mr. Mullen that we should sit down and try to find the solution if 1075, indeed, is not the solution.

I have wrestled with this problem. I know that Mr. Butera has the same concerns that I do. I know that Mr. Butera does not like to see the \$10 million or \$11 million that we would put into this program over the next 20 years, each year, go to wealthy bondholders.

The plan is devised, however, for a large infusion of cash now which is needed. To put the problem in perspective, the Philadelphia School District this fiscal year—now I think their fiscal year, Marty, you correct me, ends June 30—that ends June 30, they are \$67 million in deficit, \$67 million. The projected deficit for next year is \$100 million. Now speaking to the problem by saying that we will take half of this year's deficit, certainly does not solve the problem, not for even next year.

Mr. Butera is, at least at this time, aware that many students of this matter do feel that we are solving the problem with HB 1075, and, as he said, for maybe 2, maybe 3, maybe even as long as 5 years. My opinion is just a little different. I think that we solved the problem over all that period of time that this plan covers, and it covers a 20-year period. I do not think that you have looked at the bill closely when you make arguments that the recurring problem is that Philadelphia keeps coming back to us as the court of last resort for additional moneys each year and not believe, if you have read this bill, that we have addressed that problem in the bill. We certainly have addressed the problem in the bill.

We have never, never, the Department of Education, here in the legislature, or anywhere else had any control whatsoever on what moneys were spent in the city of the first class in that school district in Philadelphia, never. I am saying to you that HB 1075 requires, requires a submission of the budget for approval each year that they are still participating in the program under 1075. That budget must be submitted for review by the Department of Education, by the Secretary of Education. The

Secretary of Education is given for the first time the power to amend and to suspend that budget.

We do have complete control, with the amendments that I put in last week, over the budget in the school district of Philadelphia. Now, if you do not believe that, take the time to read the bill in its amended form. Schedules must be submitted. Those schedules must contain the estimated budget each and every year, receipts and expenditures. There are requirements that no unfunded debt can be incurred. What does that mean? That budget must show a balancing each year, and if the budget is not balanced each year, the features of HB 1075 say that the provisions on a distressed district or something similar thereto, a committee will be appointed to actually run the school district in Philadelphia.

We have taken in this bill major steps. We have gotten a complete handle on the budget in Philadelphia. They are permitted to incur no debt, no debt whatsoever, let alone unfunded debt; no debt, without the approval of the Secretary of Education.

As I spoke to Mr. Butera in private when I indicated to him that I was happy that we were at least coming to recognize that we have to do something about this problem, I said to him, if you do not think that the Secretary of Education ought to be the person reviewing that budget or it should be a different committee reviewing that budget, I am perfectly amenable to that. There is no question that we must control the budget in Philadelphia.

What HB 1075 does is leave the management of the whole school system with the local board, with the provision and condition that we look at the budget as prepared every year through the Department of Education and we approve it, with the power to suspend it, with the power to amend it. That is important. We have never had that power before, and that is why at least many of us—and I am not sure that we are right—think that the problem recurs every year. We may find when we begin getting into the details of the Philadelphia school system that it is not a problem of budgeting but it is a problem of educating kids and the cost of educating kids down there, and maybe there is little that can be done about those costs. I do not know the answer to that. Certainly if we have the power over it, it is a lot different, a lot different than it is now.

Infusing \$35 million or thereabouts at this time is not going to solve the problem. If a plan could be devised that the deficit over the next several years could be handled by this legislature, I would be in favor of such a plan. I have difficulty, however, solving only half of their problem, and that is what we are doing by offering to pay half of that deficit for the first year, and we have only solved the problem for the first year. Sure, we ought to sit down; we ought to work together on the problem, and I am grateful that we recognize that it is all our problem.

The amendment that I have proposed to 1075 goes far in getting the Philadelphia School District to participate financially in that problem. It mandates \$21.6 million, not this year, not next year, but each year including the first year; each year from here on so long as they participate in this program.

You see, the Butera solution or suggestion costs you \$35 million out of general fund moneys next year and, perhaps, a lot

more thereafter after the study is made.

HB 1075 costs \$2.3 million the first year, and when we are talking about the budget crunch that we are in now and the necessity to raise new revenues in order to fund an adequate budget and give aid to the school districts, that is just additional taxes that we are going to have to raise in a large bite the first year. And I would envision any plan that would be evolved after the problem is studied is certainly going to cost additional moneys also, unless you went to some type of borrowing mechanism such as is in 1075.

So there is no panacea in what Mr. Butera suggests. Let me say to you that what 1075 does is not much different than what many of us do in the working of our daily lives. How many people do you know who have paid off their home in their young married lives and, when the kids go to college, have to go down and refinance and take out another loan for their immediate need of large amounts of cash in that family? They go out and borrow that large amount now, willing to pay it back over the long haul. It is not unusual. Certainly you have to pay interest. Interest is the extraction that is made for the use of somebody else's money, and we have a large need in Philadelphia now for the infusion for large amounts of money to take care of this year and next year's deficit, and if we do not borrow that money and pay the interest on it, there is only one other place that it is going to come from, and that is general tax funds.

I would think that what we ought to do is adopt the amendment that I proposed to this bill. It does insure that Philadelphia will be getting in the boat with us to the tune of \$21.5 million. Then I would suggest that we either go out and lay the bill on the table or pass over it after the amendment goes in and sit down and talk, as Mr. Butera suggests, instead of calling it up for final passage, to see whether some other alternative plan is viable. I am willing to talk. I am willing to look, and so are the people from Philadelphia, at this time, though—and I have explored all sorts of possibilities—I am not sure that we are going to end up with anything but 1075 or something like it.

Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the minority leader.

Mr. BUTERA. Mr. Speaker, by way of further explanation. I appreciate the gentleman's comments and I think he is being very rational. I think we have to face, however, the large question which he raised, and that is the long-range problem within this system. None of us in this House, I do not think, feel that the passage of HB 1075 solves, as it is presently worded or with the amendment, the Philadelphia crisis. There are only two ways to solve that crisis long range. One is the upgrading of the funding of the school subsidy formula, or, two, it is the reducing or the reduction of the costs of running the system.

I think that particular problem, the on-going future problem, is the same in Philadelphia as it is in my district in Norristown. We have been in a deficit for the last 3 years. The long-range solution to our problem has been a severe cutback in personnel, the closing of three schools and a more than moderate increase in local taxation. When our district was faced with a deficit, it was going to cost 24 mills. After cutbacks, it cost 11 mills; this

year it cost 12 mills, with two more schools closing.

I do not think this bill is a panacea for the long-range problems of the Philadelphia school system. That is going to require very expert management of limited funds flowing from Harrisburg as well as from city council.

So I do not want to give the impression that I am attempting to offer a solution to a problem in some kind of a vacuum. The only solution that any of us has put forth to the projected increase costs in that school system in Philadelphia or any other is these two facts: either increasing money flowing from all of Pennsylvania taxpayers or a reduction of cost within the district. Of course the third area is raising local effort.

The bill before us, HB 1075, suggests that controls be placed upon any school district which tries to apply for funding under this bill, and those controls fall under the power of the Secretary of Education. I suggest to you that that is the wrong person or the wrong department, the wrong agency, for two reasons: First, the Secretary of Education is part of the system, and the Secretary of Education, traditionally, regardless of who it is, has capitulated to the education establishment in this state. That office has never really stood up and made radical change to the status quo within the educational system. The last Secretary was the boldest that I have seen and even he had a problem in achieving what he thought was right. I am referring to Mr. Pittenger. He tried hard and he attacked the institution of education in this state and did not accomplish much, and he was very regretful in that plight that he found himself in.

The legislature is the proper group. We have the power to balance any school district's budget. We should be the ones looking over the management or the alleged mismanagement of any school district that comes to us for increased aid. That is where we find ourselves today. We have found ourselves in this position throughout history, but we have never gone the final step to inject ourselves in the manner in which I propose in any creature of the legislature. In this instance, the Philadelphia School system. We must do that and we must come of age and we must not be timid. We have the wherewithal to do this. We do not have to accept the status quo. Let us re-assert ourselves in a new way and help those units of local government, that we have created, better manage themselves.

I am suggesting a new era in our treatment of these units of local government. The Secretary of Education has powers today. Every school budget has to be submitted to the Secretary of Education, and I will tell you right now, the Philadelphia School System budget was submitted last year and it had a gaping hole in it. What did the Secretary do? Little, if anything.

The increased powers that we would grant the Secretary under this bill I suggest are cosmetic and do not address the problem because it is the wrong agency that we are giving power to. Now I say that this bill perpetuates the problem because it does not suggest a pay-as-you-go approach to funding current responsibilities. That is what is inherently wrong with it, and we all know it. It gets us out of an immediate problem but it does not address itself to the future problem, and it is clear to me that the future problem of this particular school dis-

trict will be worse before it gets better if we pass this kind of legislation. It is not a panacea. The only panacea is, getting down to the real problem and not pretending it does not exist, getting into the management of that school system.

I realize that this is a highly technical debate but I think it is a good one. It is one we should have and I understand that our interests are all different.

Finally, Mr. Speaker, the point I made prior to Mr. Mullen's comments, I want to reiterate: I see no reason for us to put up hard-earned tax dollars to pay to rich people who can afford to buy tax-free bonds. I suggest that we give that money to the poor school children. That is something we can all understand, and I think it makes sense. We do not have to overdramatize it. It is a fact. I do not think this is the way for us to get out from under this particular problem.

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

Mr. WILLIAMS. Mr. Speaker, I would like to make a comment.

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

PARLIAMENTARY INQUIRY

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

Mr. RYAN. I rise to a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RYAN. Mr. Speaker, it is my intention to move to divide this amendment. I do not know whether it would be more appropriate to do it prior to debate on the general amendment or at the conclusion of your having recognized all of the various people who want to speak on it. I simply want to call to your attention that that is my intention.

The SPEAKER. The Chair recognizes that, but the reason the Chair decided to recognize Mr. Williams is that he had waited for a long period of time at the microphone while the majority and minority leaders debated back and forth. The Chair will then recognize, following Mr. Williams, Mr. Ryan for the purposes of offering division.

The gentleman, Mr. Williams, may proceed.

Mr. WILLIAMS. Thank you, Mr. Speaker.

Mr. Speaker, I wanted to comment on Mr. Butera's statement. I want to congratulate him for what I see as the first act of creative responsibility on the Philadelphia problem by way, first of all, of the recognizing that there is a problem, and by suggesting a clear approach to the problem and to combine all of the forces in this House to come to a solution on the problem. And for that singular act of responsibility, Mr. Speaker, I feel that the tone of our approach to a very serious problem has and can be changed, and I personally appreciate that from the minority leader.

Mr. Speaker. I would like, however, to ask the minority leader about four questions.

The SPEAKER. Will the minority leader rise for interrogation?

Mr. BUTERA. I shall.

The SPEAKER. The gentleman indicates that he will. The

gentleman, Mr. Williams, may proceed.

Mr. WILLIAMS. Mr. Speaker, you heard my comments. I hope that we have turned the bend in terms of tone. I deeply appreciate your offer.

I did want to know, though, and have it be clear that your statements imply that you recognize the serious problem in Philadelphia that needed some help? Am I clear on that?

Mr. BUTERA. Yes.

Mr. WILLIAMS. Okay. Secondly, do I understand that your plan would take advantage of surveys and studies that have already been made of the fiscal situation and that proposals in Philadelphia have not been utilized?

Mr. BUTERA. Yes, Mr. Speaker. Let me just dwell on them just a little bit. The two studies that I know of and perhaps there are more—

Mr. WILLIAMS. I know the same two studies.

Mr. BUTERA. —are the Federal Reserve Banks and—I do not know if it is—the Chamber of Commerce or Greater Philadelphia Partnership or someone else have also taken a look at the school system, and that is why I only put a 3-month life to this commission before its responsibility to return a plan to us because I think that most of the work has already been done.

Mr. WILLIAMS. I agree with that. There is also a third study, Mr. Speaker, of which you may not be aware, done by a citizen's group responsibly involved in the education fiscal process and very excellently done, and that is the third one, I think, which was penned by Miss Debbie Weiner.

However, aside from that, wherein does your plan give promise of some relatively prompt response to the problem?

Mr. BUTERA. Well, I suggest that—

Mr. WILLIAMS. I know that you cannot be very, very, very specific.

Mr. BUTERA. No, I think that I can be specific. I think that the first problem that we have to address is the immediate one of the school system having to go to the banks to borrow to make it through this last school year. That entailed a deficit condition existing right now and as of June 30 of what I understand is some \$67 million. I think that we ought to split that with the city council.

Mr. WILLIAMS. We ought to do what, Mr. Speaker? I did not hear.

Mr. BUTERA. Split, split that.

Mr. WILLIAMS. Split that with city council?

Mr. BUTERA. That is immediate.

Mr. WILLIAMS. Okay. That is with regard to deficits?

Mr. BUTERA. Yes, and what that anticipates, Mr. Speaker, is that the immediate deficit which must be reckoned with can be resolved so that the school system, in going into the next school year, knows where it stands vis-a-vis the deficit.

Now if a school subsidy plan is adopted by this State, there would be a large number of new dollars into the city.

Mr. WILLIAMS. It would have no effect on the subsidy, if that goes into effect? Is that correct?

Mr. BUTERA. No. I think that the school subsidy problem, parenthetically, is really a tax-vote problem.

Mr. WILLIAMS. Okay.

Mr. BUTERA. And that is something different.

Now what I said was that if there is not new state funds for the next fiscal year going into the city and all other districts, under anybody's formula whether this bill passes or not, the school district of Philadelphia is going to have to make some very hard adjustments.

Mr. WILLIAMS. You still have trouble?

Mr. BUTERA. Yes.

Mr. WILLIAMS. Under either situation?

Mr. BUTERA. Yes.

Mr. WILLIAMS. Okay. I think that your general approach says, let us meet the problem, first of all, responsibly and head-on. Is that what I heard you say?

Mr. BUTERA. Yes.

Mr. WILLIAMS. I agree with it.

One final question, Mr. Speaker, could you identify the caucuses, the four caucuses, that you were talking about?

Mr. BUTERA. Oh, I am referring to the Republican and Democratic caucus in this House and the Republican and Democratic caucus in the Senate.

Mr. WILLIAMS. I see. Thank you, Mr. Speaker.

Mr. BUTERA. Right.

The SPEAKER. The Chair now recognizes the gentleman, Mr. Ryan. For what purpose does the gentleman rise?

Mr. RYAN. Mr. Speaker, I am not going to offer an amendment. Pardon me, I am not going to move to divide. Is it appropriate for me to discuss the amendment?

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

Mr. RYAN. Mr. Speaker, we have, over the past 2 or 3 weeks, spent a great deal of time trying to solve various problems that have been before us, and it seems to me for me to go through a complete debate on a division of this particular question is an exercise in futility considering what took place here yesterday afternoon. However, I am going to be making reference to what took place yesterday afternoon and I am also going to ask that the Manderino amendment be defeated.

I said yesterday that the leadership of the majority party met with the Governor's Office; they came back in here pretty much with a smirk on their face like a deal had been cut. The votes were changing backwards and forwards, at least as we saw it, and I had a feeling that something was up that really did not make a great deal of sense. I think this was borne out to a certain extent, Mr. Speaker, when we took up the Manderino amendment yesterday, which the majority leader offered, and we took it up for a vote, and it was offered with the idea in mind that it was going to help 1075. I have a copy of that roll call, Mr. Speaker, and I think it is interesting to note that every member of the Philadelphia delegation voted against the Manderino amendment, including their members of the leadership. Now if the Philadelphia people do not think this is going to help them, I do not know why we should believe it is going to help Philadelphia.

It seems to me very clear, Mr. Speaker, that what they are attempting to perpetrate upon us as members of the House is the obligation to raise taxes in the city of Philadelphia by statutory enactment, legislative mandate, rather than through the efforts of the persons charged with financing that

school system, that is, city council itself.

I made reference last week to tokenism on the part of city council where they offered to put \$10 million into the pot out of their municipal government to help their school districts and then I read in the paper—and I do not know how accurate it was—that certain members of city council objected to this overture by Councilman Schwartz, chairman of city council, to put the \$10 million in.

I do not know yet, and I am sure it has been reported, what the reaction of Mayor Rizzo was to Councilman Schwartz's offer of putting in the \$10 million, but it seems to me and it continues to seem to me that the city government, who over-taxed last year and promised to return tax moneys last year, who neglected to return tax moneys or even transfer them to the school system and who made a token gesture of \$10 million to the solution of this problem, have not done enough. I think this is partially borne out by the fact that they do not want to take that responsibility and that is why they, the Philadelphia Delegation, would not vote to divide on the Manderino question as it was divided yesterday where city council would have to bite the bullet and either transfer or raise the taxes.

For those reasons and all of the reasons that were raised yesterday by me, I am voting against the Manderino amendment and would also ask that those thinking colleagues of mine in the House do the same thing.

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

Mr. GARZIA. Mr. Speaker, I will not repeat what I asked yesterday to the majority leader, but coming into Harrisburg this morning I heard the news from Philadelphia—it was either WCAU or KYW—where the mayor was not too crazy about the \$5 million that President Schwartz had mentioned the city will give the school district. He said if that be it, it should be the administration to say where the money comes from, not city council. On the 4 mills, he would like to say where the money is coming from, not city council. I suggested yesterday and I say it again today, in my opinion that means they can take the money out of general budget, give it to the schools, if they so desire to do, and then raise the wage tax which the nonresidents will again pay.

I suggest to you, Mr. Manderino—and I hope you are still my friend after today—that if you want to put this amendment in, I would hope that you put a cap on the wage tax for nonresidents. If you did that, I might support this amendment, but without a cap for nonresidents, they will end up paying for this, and there is no way that I could support this amendment.

Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Bucks, Mr. Gallagher.

Mr. GALLAGHER. Mr. Speaker, I would like to interrogate the minority leader, Mr. Butera.

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

Mr. BUTERA. Yes, I will, Mr. Speaker.

The SPEAKER. The gentleman, Mr. Butera, indicates that he

will stand for interrogation. The gentleman from Bucks may proceed.

Mr. GALLAGHER. Mr. Speaker, listening to your discussion about the Philadelphia problem, I am rather familiar with it. And I understand your sincere concern with the problems that the General Assembly has been facing over the years of sometimes dumping money into a system that keeps on requiring additional money after we have done it the first time.

Last week I introduced a resolution on behalf of the Education Committee to give the Committee of Education of the House of Representatives the authority to hold hearings in each and every school district in the Commonwealth or in such districts where it may seem necessary and to ascertain the capacity and will of such districts to the use of State and local moneys efficiently and for appropriate purposes. What I have asked in this resolution is that an officer of the Department of Education be designated by the Secretary and an officer of the Auditor General's department be designated by the Auditor General to join with the Education Committee and to give the Education Committee the subpoena power to subpoena anything that is needed to conduct its hearings.

Now we have done this, Mr. Speaker, maybe 4 or 5 years ago when we passed a subsidy bill and we did this and were authorized by the House to do such a thing to try and make sure that the school districts which received the funds paid attention to our legislative intent, that the money at that time was to be, wherever possible, where they would reduce real estate property tax.

We had to call in one school district by subpoena. The reason we invite and put into the resolution the Department of Education and the Auditor General is because of their experience in dealing this subject; the Department of Education and the Auditor General who audits those books.

We found that that school district had basically inflated their estimates, had hidden from public record over \$300,000, and were basically denying that they received additional funds. We were able to achieve the real facts in that district and able to put everything in order at that time.

Since we have this matter of record of experience and since we have just introduced this resolution last week, I am asking you, following your debate and discussion, would you be willing to join with us in this kind of investigation by the Education Committee with that type of people participating with us?

The resolution requires us to make a report to the General Assembly, to the Governor, to the department, to the Finance Commission on Education, and to help us so that next year when we are dealing with the budget and education, the committee of this House would be able to have the facts. If we want it to go to Philadelphia, it could go, Mr. Speaker.

Mr. BUTERA. Mr. Speaker, I think it is a very constructive idea. I think that the operation of the Education Committee, in general, during the past 10 years under yours and Mr. Pancoast's leadership and cooperation, has been very good, probably the best functioning committee over that long period of time. I think what you propose here makes sense. I would presume that we would support that concept.

Mr. GALLAGHER. I appreciate that, Mr. Speaker.

I am not trying to say that what you were saying was just for the publicity for the newspapers. I know what you mean and I am trying to show you that we are very much concerned. We did it last week before we got to this point, because we could see down the road quite a bit beyond the 5 years that HB 1075 is talking about. We can see not just Philadelphia; we can see many districts. I can see it in my own district back in my own country. We have problems.

Mr. BUTERA. Mr. Speaker, the concept that you speak of I think makes sense. I do not think we do enough of it in this House in the various areas over which we have some involvement. I support it and the nature of legislation which I have been working on which I have used as a guide in drafting the amendment to HB 1075, that I hope to offer at some point and which I have described, has the same basic goal as that which you set forth. I support it.

Mr. GALLAGHER. Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Bucks, Mr. Wilson.

Mr. WILSON. Thank you, Mr. Speaker.

Tell Mr. Garzia that the majority leader is still going to be his friend, I think, and he is going to need his vote a little later down the line.

On the Manderino amendment which I think is simply a pacifier, I called up my local school district this morning and asked them if they could quickly give me a 10-year history, for example, as to the tax increases that we have enjoyed in this particular district.

It is amazing. I hate to pay the bill, but in 1968-69, the millage rate on real estate—now that is the only tax we have. We do not have a wage tax or a Sterling Act—was 74 mills. This year they have adopted their budget at 137 mills. It is a 63-mill increase over those years, almost double.

In that same period of time, the city of Philadelphia for education has levied an additional 1 mill. I would suggest to the members that they consider their own school districts back home as to what you have done in your local effort, contrarily, to the city of Philadelphia in what they have done in their local effort. This particular proposal of mandating a 4-mill increase, that is mandated by this legislature—believe me it will be because they will not enact it down home—is only a token effort. It is not a real effort on behalf of the Philadelphia School District or City Council, which is one and the same, to do any boot-strap effort on their own to raise any money whatsoever.

I would suggest that perhaps some of you who were here last year remember the gentleman, Mr. Mullen, admonish this legislature when we considered putting a lid on the Sterling Act on the Philadelphia wage tax, and he said, if you vote to put a lid on this wage tax, Philadelphia will be your burden; Philadelphia will be back next year, and, doggone it, they are here. I have been here 11 years and I tell you Philadelphia has been here every year. They come up here in their chauffeured-driven limousines to get some sort of bloc grant, some sort of special aid, something different than you get for your area back home.

I would suggest that this amendment is simply a gimmick. We have had gimmicks. This is the week of gimmicks, I would suggest, and it is a gimmick so that you can go home and say

that you made Philadelphia vote 4 more mills on their real estate tax. I suggest you are going to look awful foolish as your taxes go up 6 mills, 8 mills, 10 mills every year and Philadelphia's raises once in 10 years, 4 mills. I would oppose this amendment and suggest that we get on with doing something about the permanent cure of the Philadelphia problem.

Thank you, Mr. Speaker.

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

Mr. MORRIS. Thank you, Mr. Speaker.

With your permission, Mr. Speaker, and that of the ladies and gentlemen of this House, I would like to state a position on the amendment and then ask to interrogate the minority and majority leaders to try to get a little bit better picture of what is involved in their respective proposals that has to do with the amendment as well as with the bill itself.

Yesterday, it seemed to me and it seems to me today from what I hear from the other side of the aisle that there were two groups of people who were opposing Mr. Manderino's amendment. They were the Philadelphians who apparently did not want to have the taxes stuffed down their throats, and while I cannot blame them, I happen to have a different point of view. Then there are those who said to themselves—and I am not blaming them. Politically it is a perfectly proper maneuver—that the way to kill a bill that you do not want to go through is to make it worse. On the other hand, there were those of us who voted for the amendment on the grounds that were I a money lender or lending institution, I want to get every bit of security in my hands when I lend to a borrower that I can get my hands on. Therefore, the Manderino amendment improved the bill. If by some chance the bill went through later, at least it would be that much better.

On the other hand—and I have given some thought to this and I am very much inclined to agree with Mr. Garzia—there are problems here. I have some commuters from Philadelphia in my district and I want to see them protected and protected more than HB 1075 even as amended with this amendment would be able to do. However, I would like to get a better idea of exactly what we are doing here. Therefore, I will ask the minority leader and later Mr. Manderino, our majority leader, to stand for interrogation, very briefly I hope.

The SPEAKER. The minority leader indicates that he will stand for interrogation. The gentleman from Chester may proceed.

Mr. MORRIS. Mr. Speaker, I listened rather carefully, I thought, to the minority leader's first presentation. I still have some queries in my mind. As I understand it, he was saying that we dispose of the present deficit of Philadelphia School District, which roughly is around \$70 million, from what he said. I am not sure whether he said we ought to pay it, Philadelphia ought to pay it, or whether it should be divided up half-and-half.

Mr. BUTERA. Mr. Speaker, I anticipate it being divided half-and-half.

Mr. MORRIS. That may say \$35 million here and \$35 million there. Does that include the unfunded debt or was that merely the proposed deficit for the forthcoming year?

Mr. BUTERA. No, Mr. Speaker, that would anticipate wiping out the existing deficit so that next year the school districts start out without a previous deficit, with a full understanding on my part that it proposes a deficit for the coming fiscal year as well. I think that is a different problem.

Mr. MORRIS. Well, it now has an unfunded debt, right?

Mr. BUTERA. Yes.

Mr. MORRIS. Is that the \$70 million, roughly?

Mr. BUTERA. Yes.

Mr. MORRIS. And that is for this year that is coming to an end? Is that correct?

Mr. BUTERA. Yes.

Mr. MORRIS. Your proposition would be to take care of that and that alone? Is that correct?

Mr. BUTERA. Yes.

Mr. MORRIS. Then with your commission of important and intelligent people, you would get together with the school district and with the city of Philadelphia and discover a cure for any more deficits? Is that correct?

Mr. BUTERA. Yes, Mr. Speaker, the purpose of our getting involved in a much more intense way than we have ever before would be to prevent deficits of this magnitude in the future that we simply cannot tolerate nor can we handle except by hiding from them by passing legislation like HB 1075.

Mr. MORRIS. Thank you, Mr. Speaker.

Now, would Mr. Manderino be willing to stand for interrogation?

The SPEAKER. Will the gentleman, Mr. Manderino, stand for interrogation from the gentleman from Chester, Mr. Morris? The majority leader indicates that he will stand for interrogation. The gentleman from Chester may proceed.

Mr. MORRIS. Do you basically, Mr. Speaker, intend the same type of arrangement as far as the finances go except that yours would incur debt, HB 1075 will incur debt, on the part of an authority to produce the same result, and the first payment would be smaller from our budget?

Mr. MANDERINO. I am not sure of the question that you are asking, but with an unfunded debt this fiscal year in the neighborhood of \$70 million and the deficit next year of \$100 million on the same program without borrowing there has got to be a large infusion of cash. Even if you take Mr. Butera's first proposition of participating equally with the city, we are talking about \$87 million on the part of the general fund of Pennsylvania for this year and next year. I am not sure that is viable nor am I sure that it is viable that Philadelphia can come up with \$87 million in new taxes in that short period of time.

You see the Philadelphia School District did look to cutting the \$100-million projected deficit, and I am not sure whether they adopted or proposed a budget that would cut that out. Was it adopted? It was adopted. Mr. Greenfield, if you listened to his comments yesterday, told you what that balanced budget meant. It meant things like no kindergarten, no day care, it meant all sports programs for the children in Philadelphia were cut, it meant things like employees in the safety and security of the school system were completely eliminated, breakfast and lunch programs, all school libraries, a cutting of all these, to meet the \$100-million deficit. The list is longer than that. I just

wanted to indicate some of the things. Now, you have got to make a decision that either you cut all those things out and provide that kind of an education for the children in Philadelphia or you have got to find 100 million new dollars next year. What I am saying to you is, for the \$100 million next year and the \$67 million this year, the only viable solution I see is to allow them to borrow that money, impose taxes additionally in Philadelphia to insure the paycheck of the borrowed money. That is what my amendment seeks to do.

Mr. MORRIS. Mr. Speaker, as I understand it, Mr. Butera's infusion of cash would just cover the present unfunded debt. I believe that is what he said. Was that your impression?

Mr. MANDERINO. It will cover half of the unfunded debt.

Mr. MORRIS. Yes. It is an infusion from somewhere?

Mr. MANDERINO. Yes.

Mr. MORRIS. That leaves the proposed deficit for next year undealt with? Is that correct?

Mr. MANDERINO. Yes.

Mr. MORRIS. And that would be dealt with through mutual arrangements between the mayor and the school district and the legislative members and the other business members, and so on, of the proposed commission? Is that your impression?

Mr. MANDERINO. That is my impression.

Mr. MORRIS. With your system you would provide an infusion by the borrowing of \$170 million, in simple figures? Is that right? So you take care of this year's past unfunded debt plus next year's proposed deficit?

Mr. MANDERINO. Yes.

Mr. MORRIS. And at the same time you would, through your amendment, require somebody in Philadelphia, either voluntarily or involuntarily, to put up \$21 million or \$22 million to help out with this situation?

Mr. MANDERINO. This year and every year hereafter. That \$21.6 million is \$21.6 million the first year. Four mills on real estate may be worth \$24 million next year; it may be worth \$30 million 5 years from now. I am not sure. It depends on property values.

Mr. MORRIS. They could go down, too, knowing Philadelphia.

Mr. MANDERINO. That is possible, but I do not think that the values have gone down or the yield on millage has gone down in any place, even though there have been declining property values. I am talking about the overall large area. Certain neighborhoods may have gone down, but I think overall the tax yield per mill has gone up.

Mr. MORRIS. All right then, if I may characterize both these plans and ask your views if I am correct or not: Mr. Butera's covers the present situation and leaves next year up to hope. Yours, through a bonded indebtedness situation on which interest has to be paid, covers this year and the next year and introduces a definite obligation to help pay for the taxes. But the year after that is left open, and you are going to attempt to cure that through the efforts of the Secretary of Education, and so on, with his part of the strong-arm provision in your debt arrangements. Is that right?

Mr. MANDERINO. Yes, but you know the plan calls for a submission of the budget for approval each year. But it calls in

the first year for a submission of a 5-year budget, a 5-year budget with expenditures and revenues which must be balanced.

Mr. MORRIS. All I can say, Mr. Speaker, is that if these two gentlemen have the same kind of luck that we suburban legislators have had in dealing with the city of Philadelphia on our problems, God help us because we are going to be in the bucket all the way around.

It is for that reason that I am going to change my position on this amendment, although I do think the amendment itself helps put a slightly greater element of security on the whole proposition.

Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, very briefly, yesterday when this amendment ran, there were a number of people on the other side of the House who indicated their support for the amendment. I would like to see those same votes there. I would like to see more votes there.

I can understand the Philadelphians' problem in not wanting us to tax them at the state level and wanting their city council to do that taxing. I mention this only because I think that it ought to be made abundantly clear that a defeat of the Manderino amendment, should it occur, would mean that we do not believe that they ought to get into the boat with us in providing money for their school district.

I think if you support the amendment, the message is clearly sent that your offer of \$10 million, a one-shot proposition, is not good enough. We want at least an infusion of money from the city of Philadelphia that will guarantee repayment of the obligation that will have to be incurred. That is what my amendment is doing, and I cannot more strongly urge that it should be supported.

I have agreed with Mr. Butera that should the amendment go in, I would be willing as Marty Mullen indicated, to sit down and talk, and I would be willing to pass over the bill and put it on the table and let it sit. But I think we ought to send the message before we sit down and talk with the people in Philadelphia that there is going to have to be an infusion of cash from the city to the school district, a local effort.

I urge the adoption of the amendment.

On the question recurring,
Will the House agree to the amendments?
(Members proceeded to vote.)

POINT OF ORDER

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

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

The SPEAKER. The gentleman will state it.

Mr. KATZ. Does this House have to be badgered by people in the back telling people how to vote?

The SPEAKER. The gentleman's point of order is absolutely well taken, and that area will be cleared now. Moreover, if the Chair is advised that there is anyone at the rear of the hall of this House at any time giving instructions to anyone on the

floor of this House as to how to vote, the Chair will have that person evicted from this House and that person will remain evicted from this House.

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

The SPEAKER. The Chair recognizes the lady from Susquehanna, Miss Sirianni. For what purpose does the lady rise?

Miss SIRIANNI. Your 10 minutes is gone.

The SPEAKER. The lady is incorrect. The House has expended 6 minutes 34 9/10 seconds.

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

The following roll call was recorded:

YEAS—89

Abraham	Foster, W.	Manmiller	Schweder
Arthurs	Fryer	McCall	Shuman
Bellomini	Gallagher	McLane	Shupnik
Bennett	Gamble	Meluskey	Stairs
Berlin	Gatski	Milanovich	Stewart
Bittinger	Geisler	Milliron	Stuban
Brown	George, C.	Miscevich	Sweet
Brunner	Gillette	Mrkonic	Taddonio
Caltagirone	Goodman	Mullen, M. M.	Taylor, F.
Caputo	Halverson	Musto	Trello
Cassidy	Hasay	Novak	Valicenti
Cole	Hopkins	O'Brien, B.	Wansacz
Cowell	Hutchinson, A.	O'Connell	Wargo
Davies	Kernick	Parker	Wilt
DeMedio	Knepper	Petrarca	Wise
DeWeese	Kolter	Pratt	Wright, D.
DiCarlo	Kowalshyn	Prendergast	Yahner
Dombrowski	Laughlin	Ravenstahl	Zitterman
Duffy	Letterman	Reed	Zwilk
Englehart	Lincoln	Renwick	
Fee	Livengood	Ritter	Irvis,
Fischer, R. R.	Logue	Ruggiero	Speaker
Flaherty	Manderino	Schmitt	

NAYS—91

Anderson	Goebel	McGinnis	Scirica
Armstrong	Greenfield	Mebus	Seltzer
Berson	Greenleaf	Miller	Sirianni
Bittle	Grieco	Moehlmann	Smith, E.
Brandt	Hamilton	Morris	Smith, L.
Burd	Harper	Mowery	Spitz
Burns	Haskell	Mullen, M. P.	Stapleton
Butera	Hayes, D. S.	Noye	Taylor, E.
Cessar	Hayes, S. E.	O'Brien, D.	Tenaglio
Cimini	Helfrick	O'Keefe	Thomas
Cohen	Hoeffel	Oliver	Vroom
DeVerter	Honaman	Pancoast	Wass
Dietz	Hutchinson, W.	Piccola	Weidner
Dininni	Itkin	Pievsky	Wenger
Dorr	Katz	Polite	White
Doyle	Kelly	Pott	Williams
Fisher, D. M.	Klingaman	Pyles	Wilson
Foster, A.	Lehr	Rappaport	Wright, J. L.
Freind	Levi	Rhodes	Yohn
Gallen	Lynch	Richardson	Zearfoss
Garzia	Mackowski	Ryan	Zeller
Geesey	Madigan	Salvatore	Zord
George, M.	McClatchy	Scheaffer	

NOT VOTING—20

Barber	Dumas	Jones	Scanlon
Beloff	Giammarco	McIntyre	Shelton
Borski	Gleeson	O'Donnell	Spencer
Cianciulli	Gray	Pitts	Wagner
Donatucci	Johnson	Rieger	Wiggins

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

QUESTION OF PERSONAL PRIVILEGE

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

Mr. BELOFF. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. BELOFF. I would like to be recorded as voting in the negative on the Manderino amendment to HB 1075.

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

Mr. BELOFF. Thank you, Mr. Speaker.

PARLIAMENTARY INQUIRY

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

Mr. WILLIAMS. I rise to a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WILLIAMS. Mr. Speaker, would I be in order to request that all votes on the last vote be closed as far as spreading on the record? Everyone knew this was an important tax vote for Philadelphia, and they should have been in their seats.

The SPEAKER. The Chair regrets—

Mr. WILLIAMS. Mr. Speaker, my question to the Chair is—

QUESTION OF PERSONAL PRIVILEGE

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

Mr. RIEGER. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. RIEGER. Mr. Speaker, I would like to be recorded in the negative on the Manderino amendment to HB 1075.

Mr. WILLIAMS. Mr. Speaker, my point of inquiry is on the matter that the gentleman wants to talk about.

My query is: Is there any way I can request of the Chair of this body a motion or anything that would require that no more votes be taken on the last vote either by voice vote or otherwise? Is there any such motion I could make?

The SPEAKER. The Chair would inform the gentleman that the statements made by members who rise to their feet asking that they be voted in the negative or the affirmative do not count as far as the actual vote is concerned. That statement is merely a statement of opinion for the record.

The statement in actuality should be: Had I been in my seat and had I voted, I would have voted in the affirmative or the negative. But it is usually foreshortened by the members, who simply say I would like to be recorded. They are not recorded in

the negative or the affirmative, and no matter what they say, it cannot affect the final outcome of the vote.

Mr. WILLIAMS. Thank you.

Mr. Speaker, then I rise for a statement of opinion. I believe all the Philadelphians on this Philadelphia vote should have been in their seats, and they were available and were not. And if they are going to say that if they had been in their seats they would have voted a certain way, I think that that particular opinion is phony. They should have been here and they should have voted.

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

QUESTIONS OF PERSONAL PRIVILEGE

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

Mr. CIANCIULLI. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. CIANCIULLI. Mr. Speaker, had I been in my seat, I would have been recorded in the negative on that last amendment, Mr. Manderino's amendment, to HB 1075.

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

The Chair recognizes the gentleman from Philadelphia, Mr. Giammarco.

Mr. GIAMMARCO. Mr. Speaker, if I had been in my seat, I would have been recorded in the negative, please, on Mr. Manderino's amendment to HB 1075.

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

Mr. GRAY. If I had been in my seat, I would have voted in the negative on the Manderino amendment to HB 1075.

POINT OF ORDER

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

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

The SPEAKER. The gentleman will state it.

Mr. GREENFIELD. Mr. Speaker, in view of the confusion and the concern and in consideration of those members who may have been confused in this matter, I ask that we have a re-vote on the matter, Mr. Speaker.

The SPEAKER. Under the rules of this House, no such motion may be entertained. However, the House may at any time reconsider an action taken by the House. But on this particular action, in order to reconsider the vote by which the Manderino amendment failed today, a motion to suspend the rules would be required.

If the House were to suspend its rules, the next motion would be to reconsider the vote by which the Manderino amendment failed. If the House agreed to that motion, the question would then be properly again before the House.

If there be any member who wishes to place such a motion or such motions, the Chair will entertain those motions.

QUESTIONS OF PERSONAL PRIVILEGE

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

Mr. DONATUCCI. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. DONATUCCI. Mr. Speaker, if I were in my seat, I would have voted in the negative on the Manderino amendment to HB 1075.

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

The Chair recognizes the gentleman from Philadelphia, Mr. Johnson.

Mr. JOHNSON. Mr. Speaker, I was called to the back of the House, and had I been in my seat, I would have voted in the negative on the Manderino amendment to HB 1075.

The SPEAKER. The remarks of the gentleman will be spread upon the record.

The Chair recognizes the gentleman from Philadelphia, Mr. Jones.

Mr. JONES. Mr. Speaker, had I been in my seat, I would have voted in the negative on the Manderino amendment to HB 1075.

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

The Chair recognizes the gentleman from Philadelphia, Mr. Wiggins.

Mr. WIGGINS. Mr. Speaker, I would like to be recorded in the negative on the Manderino amendment to HB 1075.

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

PARLIAMENTARY INQUIRY

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

Mr. TAYLOR. I rise to a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TAYLOR. Mr. Speaker, in view of your last ruling saying that we could reconsider it, has not that subject material been defeated twice?

The SPEAKER. The Chair would advise the gentleman that the Chair did not say the House could reconsider automatically. The Chair said that the proper method of proceeding would be for a motion to suspend the rules. If the rules were suspended, then a motion would be proper to be placed to reconsider the vote by which the Manderino amendment failed.

The only thing which prevents the House from reconsidering the Manderino amendment again would be the rules of the House. If they were suspended, there would be nothing in the way of a second or a third or, indeed, a fourth or a fifth vote on the Manderino amendment.

Does the gentleman understand?

Mr. TAYLOR. Is there a constitutional prohibition?

The SPEAKER. There is no such constitutional prohibition. The prohibition is in the rules of the House solely.

Mr. TAYLOR. Thank you.

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

Mr. CAPUTO. I rise to make a statement and a motion, Mr. Speaker.

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

Mr. CAPUTO. Since I am seated in the back of the House, I noticed that some very considerate Philadelphians who wish to avoid a tax increase in Philadelphia held a meeting behind the rail during the time of the last roll call.

I would like to point out also that throughout the history of this House, members have been able to get up and express their true consideration on any vote. As the Speaker has pointed out, that will not be reflected in the roll-call vote taken by the press.

Now these men who represent Philadelphia's interest to the best of their ability have been left out on that roll call. For that reason I would like to make a motion that the rules of the House be suspended to have another roll call on that vote.

The SPEAKER. The Chair would advise the gentleman from Allegheny that the proper procedure is for the gentleman to place that motion in writing in the form of a resolution and submit it to the Chair. The Chair will then recognize the gentleman.

The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, I support the Caputo move, and I would like to inform the members of this side of the House that I would like you to support it also. I asked the Speaker to keep that board open for another 30 seconds so I could make sure that all persons who had an interest who were talking in the back could come into the Assembly, and he closed the board.

The SPEAKER. The Chair would like to announce the edification of all the members, inclusive of the majority leader, that the Chair was not joking when the Chair said it would abide by the rules. The Chair was timing the debate and the vote, and the Chair was timing it on a split-second stopwatch. When the 10-minute mark was reached, the Chair felt obliged to obey the rules of the House.

As long as this Speaker stands in this position, this Speaker will obey the rules of the House.

The Chair recognizes the gentleman from Philadelphia, Mr. Richardson.

Mr. RICHARDSON. Mr. Speaker, I would ask that if the motion to reconsider the last vote is granted in this House, I would like to place an amendment to the motion that is before us if that is proper procedure.

The SPEAKER. There is no motion yet before us, Mr. Richardson. The Chair was making a suggestion as to proper procedure.

Mr. RICHARDSON. Okay. Then if there is no motion before the House, Mr. Speaker, I would like to offer my amendments to HB 1075.

The SPEAKER. The Chair will recognize the gentleman at the proper time.

QUESTION OF PERSONAL PRIVILEGE

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

Mr. DUMAS. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. DUMAS. Mr. Speaker, had I been in my seat, I would have voted in the negative on the Manderino amendment to HB 1075.

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

RULES SUSPENDED

The SPEAKER. The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, is there a motion to suspend the rules before the House?

The SPEAKER. There is no motion before the House, Mr. Majority Leader.

Mr. MANDERINO. Has the reconsideration motion been filed?

The SPEAKER. A reconsideration motion has been filed.

Mr. MANDERINO. Then I would like to make a motion to suspend the rules so that an additional vote, which I think can be taken quickly, can be taken on my amendment to HB 1075.

I made a specific request of the Speaker to allow me 30 seconds to make sure that the gentleman who were outside the hall of the House were able to vote on the bill. I had reached the doors of the House back there when the vote was locked.

I think the request that I made was a reasonable request, even though we had hit the 10-minute limit. I asked for an additional 30 seconds, and I think that I should have been granted that.

The SPEAKER. The Chair recognizes the minority whip.

Mr. RYAN. Are 102 votes required, Mr. Speaker?

The SPEAKER. One hundred and two votes are required to suspend the rules of the House.

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

Mr. COWELL. Thank you, Mr. Speaker.

Mr. Speaker, I would urge that we not suspend the rules at this time. I was one who voted in favor of the Manderino amendment and I voted in favor of it yesterday, but it has been twice defeated.

Those who sought to oppose it have had every opportunity to do so. The last roll call was kept open for 10 minutes. I do not believe on any other occasion when somebody has been called to the back of the House and has missed a vote, that this House has been asked to reconsider a vote for the purposes of that individual.

I think also that the individuals who did miss the vote have already indicated that they would vote in the negative, so a reconsideration would not change the results anyway. So I do not think the time of this House ought to be further wasted.

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

Mr. ZELLER. Mr. Speaker, I agree with Mr. Cowell. We are setting a serious precedent. In other words, we have already tried this twice. It has gone down. With all respect to the majority leader, I have to disagree. I feel like Mr. Garzia. I hope you do not hold this against me, but I did not see you back at that door. I saw you right down here when that vote was taken at that time.

I will tell you what: We are using remarks here to change something that did not happen.

Mr. MANDERINO. Mr. Speaker, I will not lie to the members of this House. When that vote was locked, I was at the back door.

The SPEAKER. The Chair sustains the position of the majority leader. The Chair was observing the majority leader, and the majority leader was at the rear door when the Chair locked the vote.

The Chair repeats that this is not a personal choice on the part of the Chair, and the chair will insist that the Chair obey the rules, as the Chair has insisted that the members obey the rules.

However, it is not unprecedented that the rules be suspended. That is quite within the power of the House to achieve. The motion before the House by the majority leader is that the rules be suspended.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—102

Abraham	Fryer	Laughlin	Renwick
Arthurs	Gallagher	Letterman	Rieger
Bellomini	Gamble	Lincoln	Ritter
Beloff	Gatski	Livengood	Ruggiero
Bennett	Geesey	Logue	Salvatore
Berlin	Geisler	Manderino	Scanlon
Berson	George, C.	McCall	Schmitt
Bittinger	George, M.	McIntyre	Schweder
Borski	Giammarco	McLane	Shupnik
Brunner	Gillette	Milanovich	Stewart
Caltagirone	Gleeson	Milliron	Stuban
Caputo	Goodman	Miscevich	Sweet
Cassidy	Gray	Mrkonic	Tenaglio
Cianciulli	Greenfield	Mullen, M. P.	Trello
Cohen	Harper	Mullen, M. M.	Valicenti
Cole	Hasay	Musto	Wansacz
DeMedio	Hayes, D. S.	Novak	Wargo
DeWeese	Hoeffel	O'Brien, B.	White
DiCarlo	Hutchinson, A.	O'Connell	Wiggins
Dombrowski	Johnson	Oliver	Wise
Donatucci	Jones	Petrarca	Wright, D.
Duffy	Katz	Pievscky	Yahner
Dumas	Kelly	Prendergast	Zitterman
Englehart	Kernick	Rappaport	
Fee	Kolter	Ravenstahl	Irvis,
Flaherty	Kowalyszyn	Reed	Speaker

NAYS—90

Anderson	Garzia	Mebus	Smith, E.
Armstrong	Goebel	Meluskey	Smith, L.
Bittle	Greenleaf	Miller	Spitz
Brandt	Grieco	Moehlmann	Stairs
Brown	Halverson	Morris	Stapleton
Burd	Hamilton	Mowery	Taddonio

Burns	Haskell	Noye	Taylor, E.
Butera	Hayes, S. E.	O'Brien, D.	Taylor, F.
Cessar	Helfrick	O'Keefe	Thomas
Cimini	Honaman	Pancoast	Vroon
Cowell	Hopkins	Parker	Wass
Davies	Hutchinson, W.	Piccola	Weidner
DeVerter	Itkin	Polite	Wenger
Dietz	Klingaman	Pott	Williams
Dininni	Knepper	Pyles	Wilson
Dorr	Lehr	Richardson	Wilt
Doyle	Levi	Ryan	Wright, J. L.
Fischer, R. R.	Lynch	Scheaffer	Yohn
Fisher, D. M.	Mackowski	Scirica	Zearfoss
Foster, A.	Madigan	Seltzer	Zeller
Foster, W.	Manmiller	Shuman	Zord
Freind	McClatchy	Sirianni	Zwinkl
Gallen	McGinnis		

NOT VOTING—8

Barber	Pitts	Rhodes	Spencer
O'Donnell	Pratt	Shelton	Wagner

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

**RECONSIDERATION OF VOTE
ON MANDERINO AMENDMENTS TO HB 1075**

Mr. CAPUTO moved that the vote by which the Manderino amendments were defeated be reconsidered.

Mr. TRELLO seconded the motion.

On the question,

Will the House agree to the motion?

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

Mr. RICHARDSON. Mr. Speaker, I would ask that there be an amendment to that motion, and that is that the board should not remain another 10 minutes open and that it should be open no more than 30 seconds to assure that everyone within the sound of my voice hears it, because I just think that it is kind of ridiculous for us to go back over this when we are debating a very serious issue such as our children in the city of Philadelphia.

The SPEAKER. The Chair understands that the gentleman's request is that the board be kept open for 30 seconds?

Mr. RICHARDSON. Mr. Speaker, I said no more than 30 seconds, because I think everyone knows the problem and the issue that is at hand and what is being done—

The SPEAKER. Will the gentleman yield?

For the information of the members, the 10-minute rule having been suspended, the length of time which the board may now be kept open depends upon the Speaker's judgment as to what is reasonable.

The Chair recognizes the gentleman from Philadelphia, Mr. Richardson.

Mr. RICHARDSON. Mr. Speaker, I would hope that that reasonableness would be no more than 30 seconds.

QUESTION OF INFORMATION

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

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

The SPEAKER. The gentleman will state it.

Mr. SELTZER. Did I understand the Speaker to say that the rule that we suspended was the 10-minute rule?

The SPEAKER. Although the motion was placed to suspend the rules of the House, it is the Speaker's belief that the intention was that the 10-minute rule be suspended as that is the rule in question.

The Chair would check with the majority leader.

QUESTION OF INFORMATION

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

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

The SPEAKER. The gentleman will state it.

Mr. WILLIAMS. I would like to know if the gentlemen who indicated they would have voted in the negative if they had been in their seats, now that they are in their seats would they be permitted to vote in the negative?

The SPEAKER. The Chair advises the gentleman that those members who are present and in their seats are required to vote on each question placed before them.

The question now is the reconsideration. Shall the House reconsider the vote by which the Manderino amendment failed?

On the question,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—105

Abraham	Flaherty	Laughlin	Rieger
Armstrong	Fryer	Letterman	Ritter
Arthurs	Gallagher	Lincoln	Ruggiero
Bellomini	Gamble	Livengood	Salvatore
Beloff	Gatski	Logue	Scanlon
Bennett	Geesey	Manderino	Schmitt
Berlin	Geisler	McCall	Schweder
Berson	George, C.	McIntyre	Shupnik
Bittinger	George, M.	McLane	Stewart
Borski	Giammarco	Milanovich	Stuban
Brunner	Gillette	Milliron	Sweet
Caltagirone	Gleeson	Miscevich	Taylor, F.
Caputo	Goodman	Mrkonic	Tenaglio
Cassidy	Gray	Mullen, M. P.	Trello
Cianciulli	Greenfield	Mullen, M. M.	Valicenti
Cohen	Halverson	Musto	Wansacz
Cole	Harper	Novak	Wargo
Davies	Hasay	O'Brien, B.	White
DeMedio	Hayes, D. S.	Oliver	Wiggins
DeWeese	Hoefel	Petrarca	Wise
DiCarlo	Hopkins	Pievsky	Wright, D.
Dombrowski	Hutchinson, A.	Pratt	Yahner
Donatucci	Jones	Prendergast	Zitterman
Duffy	Kelly	Rappaport	
Dumas	Kernick	Ravenstahl	Irvis,
Englehart	Kolter	Reed	Speaker
Fee	Kowalyshyn	Renwick	

NAYS—88

Anderson	Goebel	Mebus	Sirianni
Bittle	Greenleaf	Meluskey	Smith, E.
Brandt	Grieco	Miller	Smith, L.
Brown	Hamilton	Moehlmann	Spitz

Burd	Haskell	Morris	Stairs
Burns	Hayes, S. E.	Mowery	Stapleton
Butera	Helfrick	Noye	Taddonio
Cessar	Honaman	O'Brien, D.	Taylor, E.
Cimini	Hutchinson, W.	O'Connell	Thomas
Cowell	Itkin	O'Keefe	Vroon
DeVerter	Johnson	Pancoast	Wass
Dietz	Katz	Parker	Weidner
Dininni	Klingaman	Piccola	Wenger
Dorr	Knepper	Polite	Williams
Doyle	Lehr	Pott	Wilson
Fischer, R. R.	Levi	Pyles	Wilt
Fisher, D. M.	Lynch	Richardson	Wright, J. L.
Foster, A.	Mackowski	Ryan	Yohn
Foster, W.	Madigan	Scheaffer	Zearfoss
Freind	Manmiller	Scirica	Zeller
Gallen	McClatchy	Seltzer	Zord
Garzia	McGinnis	Shuman	Zwilk

NOT VOTING—7

Barber	Pitts	Shelton	Wagner
O'Donnell	Rhodes	Spencer	

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

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

The following roll call was recorded:

YEAS—94

Abraham	Foster, W.	Manderino	Scheaffer
Arthurs	Fryer	Manmiller	Schmitt
Bellomini	Gallagher	McCall	Schweder
Bennett	Gatski	McLane	Shupnik
Berlin	Geesey	Meluskey	Stairs
Bittinger	Geisler	Milanovich	Stewart
Brown	George, C.	Milliron	Stuban
Brunner	Gillette	Miscevich	Sweet
Caltagirone	Goebel	Mowery	Taddonio
Caputo	Goodman	Mrkonic	Taylor, F.
Cassidy	Halverson	Mullen, M. M.	Trello
Cole	Hasay	Musto	Valicenti
Cowell	Hayes, D. S.	Novak	Wansacz
Davies	Hopkins	O'Brien, B.	Wargo
DeMedio	Hutchinson, A.	O'Connell	Wilt
DeWeese	Kernick	Parker	Wise
DiCarlo	Knepper	Petrarca	Wright, D.
Dombrowski	Kolter	Pratt	Yahner
Duffy	Kowalyszyn	Prendergast	Zitterman
Engelhart	Laughlin	Ravenstahl	Zord
Fee	Letterman	Reed	Zwilk
Fischer, R. R.	Lincoln	Renwick	
Fisher, D. M.	Livengood	Ritter	Irvis,
Flaherty	Logue	Ruggiero	Speaker

NAYS—101

Anderson	George, M.	Madigan	Salvatore
Armstrong	Giammarco	McClatchy	Scanlon
Beloff	Gleeson	McGinnis	Scirica
Berson	Gray	McIntyre	Seltzer
Bittle	Greenfield	Mebus	Shuman
Borski	Greenleaf	Miller	Sirianni
Brandt	Grieco	Moehlmann	Smith, E.
Burd	Hamilton	Morris	Smith, L.
Burns	Harper	Mullen, M. P.	Spitz
Butera	Haskell	Noye	Stapleton
Cessar	Hayes, S. E.	O'Brien, D.	Taylor, E.
Cianciulli	Helfrick	O'Donnell	Tenaglio
Cimini	Hoeffel	O'Keefe	Thomas

Cohen	Honaman	Oliver	Vroon
DeVerter	Hutchinson, W.	Pancoast	Wass
Dietz	Itkin	Piccola	Weidner
Dininni	Johnson	Pievsky	Wenger
Donatucci	Jones	Polite	White
Dorr	Katz	Pott	Wiggins
Doyle	Kelly	Pyles	Williams
Dumas	Klingaman	Rappaport	Wilson
Foster, A.	Lehr	Rhodes	Wright, J. L.
Freind	Levi	Richardson	Yohn
Gallen	Lynch	Rieger	Zearfoss
Gamble	Mackowski	Ryan	Zeller
Garzia			

NOT VOTING—5

Barber	Shelton	Spencer	Wagner
Pitts			

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

The SPEAKER. The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, I understand there are other amendments to HB 1075. Is that correct?

The SPEAKER. The Speaker has not been advised, Mr. Majority Leader, as to whether or not there are in actuality amendments. The Chair was told that there may be amendments, but no one has sent those amendments to the desk.

The Chair recognizes the gentleman from Philadelphia, Mr. Richardson. Does the gentleman rise to the point of an amendment?

Mr. RICHARDSON. Mr. Speaker, that is not true. I did have them circulated, and I had one sent up there. I do not know why you do not have one. But I spoke this morning before the recess and indicated to this House that I did have amendments.

The SPEAKER. The gentleman does have amendments.

The Chair recognizes the gentleman from Philadelphia, Mr. Richardson.

Mr. RICHARDSON. Mr. Speaker, this is a very technical amendment.

Already this House has voted to require a desk audit and a preaudit by the State Treasurer immediately and that this also be done annually. It was brought to my attention that there was a possibility that on a technicality this amendment would be pulled out of section 202 of the bill where it is now. We have placed this in section 409 under "(a) Compliance" that there be a desk audit and a preaudit; that they be done immediately; and that there also be an audit done annually to check the fiscal accountability of the Philadelphia School District.

Mr. Speaker, I do not think this requires a lot of discussion. This is already in another part of the bill. We are just changing it from that section to put it specifically under "Investigation and audits by the department."

On the question recurring,

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

Mr. RICHARDSON offered the following amendments:

Amend Sec. 409, page 21, line 18, by striking out "The" and inserting

(a) Compliance.—The Amend Sec. 409, page 21, by inserting between lines 21 and 22

(b) Desk audit and pre-audit.—The department shall conduct a desk audit and a pre-audit immediately to determine the fiscal position of the Philadelphia school district, additionally a pre-audit should be conducted annually thereafter to assure fiscal accountability.

On the question,

Will the House agree to the amendments?

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

Mr. POTT. Thank you, Mr. Speaker.

Last week when Mr. Richardson offered an amendment similar to the amendment that he is offering today, I spoke in opposition to that amendment. I tried to direct my comments to the technical difficulties with the amendment at that time. I think Mr. Richardson has cleared up those difficulties. I think this amendment institutes strong internal accounting controls over the Philadelphia School District. I would certainly urge all the members of the House to support the Richardson amendment at this time.

Thank you, Mr. Speaker.

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

Mr. VROON. I would like to speak to the amendment, Mr. Speaker.

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

Mr. VROON. As I now understand it, there already is a requirement that the Treasurer's office conduct a desk audit and a preaudit. This amendment also apparently requires the Department of Education to conduct a similar preaudit and desk audit. That is duplication of effort, and I do not see any good reason for that. If the author of the amendment prefers to have the Department of Education do it, then he should remove it in the other section of the bill where it now is.

May I interrogate the author of the amendment?

The SPEAKER. The gentleman, Mr. Richardson, indicates that he will stand for interrogation. The gentleman, Mr. Vroon, may place that interrogation.

Mr. VROON. Mr. Speaker, do you agree that you now would have this in two different places and that a duplication of effort would be required if this amendment were passed?

Mr. RICHARDSON. No, I do not, Mr. Speaker. Last week there were several questions raised by members of your side of the aisle who indicated that there was some technicality which they felt did not address itself to the real meaning of what we wanted to do. There was some confusion about the 12 points concerning the authority as to compliance under the section dealing with the powers of the authority. This specifically points out that this is a compliance; that it must be done; that it is not something that can just frivolously be considered. We are saying that this compliance is a must and that this shall take place.

Mr. VROON. Then why would you want to retain the wording in the other section which requires the Treasurer's department to do the same thing?

Mr. RICHARDSON. Mr. Speaker, you are well aware that in

this House there is a possibility that they might strike it out of that section. We do not want to take that chance, and what we said was that we would correct it through a technical amendment by putting it also in section 409 instead of 202 where it presently is.

Mr. VROON. If they do not strike it out, Mr. Speaker, is it not true that you would require it from two different state agencies?

Mr. RICHARDSON. Mr. Speaker, my understanding of the bill as it presently is would already, in fact, have the Department of Education do it, but the Treasury Department, which was in the first amendment, is already a part of the commission that is drawn up in HB 1075.

Mr. VROON. That really does not answer the question, Mr. Speaker.

Mr. RICHARDSON. I think that it does, Mr. Speaker.

Mr. VROON. You will leave language in here, unless you are absolutely sure that it is stricken out, which will require two different desk audits, two different preaudits and it will be an expense involved by two different departments. There is no point at all, as I see it, in having this in two different places.

Mr. RICHARDSON. Mr. Speaker, if you will turn to page 21 of the new printer's number, it calls for "Investigation and audits by the department." It says specifically, Mr. Speaker, "The department may at any time make such investigations and audits . . ." It says "may." We are saying that this is a compliance and that it must be done. It goes on further to say, Mr. Speaker, ". . . the investigations and audits of financial records that it deems appropriate to assure compliance with the financial schedule approved by the secretary and agreements with the secretary made by the district."

We are adding a section (a), Mr. Speaker, that would allow that wording to be "Compliance," and that it be done immediately instead of haphazardly as it is placed in the bill presently.

Mr. VROON. If that is true—and I am inclined to agree that in this one instance here your position is a lot stronger and the compliance is certainly very much to be desired—then I think it would be very much in order to eliminate the other wording in the other place because that it not very strong and is not very effective anyway, and then we do have the possibility of a duplication of effort at very large cost.

Mr. RICHARDSON. Mr. Speaker, if I understand it correctly, I do not think so. If your inquiry is specifically that we should strike out in section 202 and then move to have this placed before the department, which you would feel better with, perhaps you might want to offer amendments to do that. I am just assuring this House that there is going to be an audit done and that it does not move to delete or dilute what is the intent of this particular amendment. I feel that this is one way of getting the kind of fiscal accountability, which I hear the minority leader and others speaking of, which specifically addresses itself to the problem. We have tried in good faith to do that, remembering the opposition last week of some of the members who talked to me and indicated that they felt that this would be a better amendment.

Mr. VROON. I certainly agree with all that you say, but I certainly do not think that we need it in two places. We stand in

danger of duplication of effort with much more costs. I would feel much better about it if it were eliminated in the other place.

Mr. RICHARDSON. Mr. Speaker, not to delay the House, I would suggest that you not do that. I think that we have debated this issue, HB 1075, long enough. I also checked the fiscal note required on this particular amendment before and indicated that it was going to cost something close to a quarter of a million dollars and that was projected, Mr. Speaker, on a yearly basis. If you remember, we are speaking of this audit being done immediately. It would not require that same amount of money to be done immediately in order to determine where the fiscal problems really are in the city of Philadelphia.

Mr. VROON. Okay. That finishes the interrogation.

The SPEAKER. The gentleman has the floor and may proceed.

Mr. VROON. Mr. Speaker, in view of the fact that we now stand in danger of doing this two times at considerable cost, I recommend a "no" vote on this amendment.

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

The following roll call was recorded:

YEAS—101

Abraham	Gallen	Livengood	Richardson
Barber	Garzia	Logue	Ryan
Berson	Geesey	Lynch	Salvatore
Bittle	Geisler	Madigan	Schweder
Brandt	Gillette	Mebus	Sirianni
Brown	Goebel	Meluskey	Smith, L.
Burd	Greenleaf	Milanovich	Spitz
Burns	Grieco	Miller	Stairs
Butera	Halverson	Milliron	Stapleton
Caputo	Hamilton	Moehlmann	Taddonio
Cassidy	Harper	Mrkonic	Wass
Cessar	Haskell	Mullen, M. P.	Weidner
Cimini	Hayes, D. S.	Noye	Wenger
Cohen	Hayes, S. E.	O'Brien, D.	White
Cowell	Honaman	O'Donnell	Williams
DeVerter	Hopkins	Oliver	Wilson
DiCarlo	Hutchinson, W.	Pancoast	Wilt
Dorr	Itkin	Parker	Wise
Doyle	Johnson	Petrarca	Wright, D.
Fischer, R. R.	Katz	Piccola	Wright, J. L.
Fisher, D. M.	Kernick	Polite	Zearfoss
Flaherty	Klingaman	Pott	Zord
Foster, A.	Knepper	Pratt	
Foster, W.	Kolter	Rappaport	Irvis,
Freind	Lehr	Ravenstahl	Speaker
Gallagher	Lincoln	Rhodes	

NAYS—92

Anderson	Gamble	McClatchy	Schmitt
Armstrong	Gatski	McGinnis	Scirica
Arthurs	George, C.	McIntyre	Seltzer
Bellomini	George, M.	McLane	Shuman
Beloff	Giammarco	Miscevich	Shupnik
Bennett	Gleeson	Morris	Smith, E.
Berlin	Goodman	Mowery	Stuban
Borski	Gray	Mullen, M. M.	Sweet
Brunner	Greenfield	Musto	Taylor, E.
Caltagirone	Hasay	Novak	Taylor, F.
Cianciulli	Helfrick	O'Brien, B.	Tenaglio
Cole	Hoeffel	O'Connell	Thomas
Davies	Hutchinson, A.	O'Keefe	Trello

DeMedio	Jones	Pievsky	Valicenti
DeWeese	Kelly	Prendergast	Vroon
Dietz	Kowalshyn	Pyles	Wansacz
Dininni	Laughlin	Reed	Wargo
Dombrowski	Letterman	Renwick	Wiggins
Donatucci	Levi	Rieger	Yahner
Duffy	Mackowski	Ritter	Yohn
Englehart	Manderino	Ruggiero	Zeller
Fee	Manmiller	Scanlon	Zitterman
Fryer	McCall	Scheaffer	Zwilk

NOT VOTING—7

Bittinger	Pitts	Spencer	Wagner
Dumas	Shelton	Stewart	

The question was determined in the affirmative and the amendments were agreed to.

QUESTIONS OF PERSONAL PRIVILEGE

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

Mr. DIETZ. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. DIETZ. Mr. Speaker, I would like to be recorded in the affirmative on the Richardson amendment to HB 1075. I inadvertently went the wrong way.

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

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

Mr. STEWART. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. STEWART. Mr. Speaker, had I been in my seat when we voted the Richardson amendment to HB 1075, I would have voted in the negative.

The SPEAKER. The remarks of the gentleman will be spread upon the record.

MR. FRYER REQUESTED TO PRESIDE

The SPEAKER. The Chair would now ask the gentleman, Mr. Fryer, to take the gavel on a temporary basis.

The Chair recognizes the gentleman from Philadelphia, Mr. Richardson.

Mr. RICHARDSON. Mr. Speaker, I would like to call up the bill for a vote.

The SPEAKER. The Chair would advise the gentleman that the Chair has been recently advised that there are at least three other amendments to be prepared for this bill. As a result of that information, the Chair is asking that the bill be passed over so those amendments will be available to be offered on the floor of the House.

Mr. RICHARDSON. Mr. Speaker, I would object to that. I think that we have delayed and procrastinated long enough. I would ask that if there are other amendments to be offered that we recess the House until they are ready and distributed, and at that time come back, vote those amendments and vote final passage of the bill.

It would seem to me that we should get to the business at hand and deal with the—

The SPEAKER. Will the gentleman yield? Has the clerk recorded the total on this? The clerk is ordered to record the vote. The board should now be cleared.

Has the gentleman from Philadelphia completed his statement? The gentleman still has the floor and is recognized and may proceed.

Mr. RICHARDSON. Mr. Speaker, I just want to reiterate what I said. I think that this House has procrastinated on this issue long enough and I would ask that we recess the House right away until the amendments are ready and distributed and right after those amendments are considered, Mr. Speaker, we should vote HB 1075 immediately after having considered those particular amendments.

I think that the House has been belabored long enough, and it would seem to me that in the best interest of time, we should go ahead and call up HB 1075 for a final vote.

HB 1075 TABLED

The SPEAKER. The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, I move that HB 1075 be placed upon the table.

The SPEAKER. The issue is now framed as to whether or not HB 1075 shall be passed over or placed upon the table.

The Chair would advise the members that the motion to table is not debatable, is not debatable.

PARLIAMENTARY INQUIRY

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

Mr. RICHARDSON. I rise to a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICHARDSON. It is my understanding, Mr. Speaker, that you are saying the motion to table is not debatable?

The SPEAKER. The Chair has so informed. Under rule 59, "A motion to lay on the table is not debatable, is not subject to amendment and carries with it the main question and all other pending questions which adhere to it, except when an appeal is laid on the table.

Mr. RICHARDSON. Mr. Speaker, then I would ask the question as to the motion and inquiry that I placed before the House asking that the bill be called up and also that we recess the House until the amendments, that the Speaker indicated were to be offered, were distributed and ready to be considered—

The SPEAKER. The Chair is having grave difficulty hearing the gentleman. I do not think it is the gentleman's fault. Will the gentleman please restate his inquiry?

Mr. RICHARDSON. Mr. Speaker, prior to the motion by the majority leader, I made an inquiry and also a motion that we call up HB 1075, and since the amendments that were to be offered—you indicated that there were three more—are not ready and have not been distributed, I ask that we, in fact, recess the House until such time that we have an opportunity to get copies of the amendments as they are written, vote those particular amendments and then vote for final passage.

I specifically asked that of the Chair and I would like to have had a ruling before the motion was ever placed.

The SPEAKER. The Chair would advise the gentleman and all those interested that there was nothing before the House except the question, Shall the House adopt HB 1075, PN 1637, on final passage? The Chair is now advised that the Chair has misstated, and the Chair is correctly so advised, that the question before the House was on amendments to be offered on third consideration.

The Chair would also advise the gentleman, Mr. Richardson, that he did not place any motion before this House to supersede the current question. The Chair would further advise the gentleman that the majority leader did place a motion to table and that that takes precedence over all other business currently before the House except a motion to adjourn.

Mr. RICHARDSON. Mr. Speaker—

The SPEAKER. Will the gentleman yield and let the Chair complete his statement? The motion to table is correctly placed and in fact does frame the question that the gentleman is trying to reach. The gentleman is trying, apparently, to reach a decision on the part of the House as to whether it should proceed on final passage to vote for HB 1075. The Chair would interpret a vote in favor of the motion to table as being opposed to Mr. Richardson's position, and the Chair would suggest that the House be permitted to decide this question. This is a method whereby the House may decide it. Does the gentleman have further questions of the Chair?

Mr. RICHARDSON. Mr. Speaker, I just ask that there be a "no" vote on the motion.

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

Mr. KATZ. Mr. Speaker, is it permissible to interrogate the majority leader on a motion to table?

The SPEAKER. The Chair would rule that such an interrogation is in fact debate and under the rules of the House would not be permitted.

Mr. KATZ. Even if it is only one question?

The SPEAKER. Even if it were only 25 percent of a question.

Mr. KATZ. Mr. Speaker, I would like the House to oppose the motion to the table.

The SPEAKER. For what purpose does the gentleman from Bucks, Mr. Ben Wilson, without a necktie this day, rise?

That is because he pointed out to me yesterday that he was dressed formally with a necktie.

Mr. WILSON. Informally, Mr. Speaker.

The SPEAKER. Informally, you may proceed, then.

Mr. WILSON. Would the Speaker grant the majority leader leniency so he could explain his reasons for this motion?

The SPEAKER. The Speaker advises his good friend, Mr. Wilson, that it is not within the power of the Chair to violate the rules. I thought the Chair had made that clear in the interchange between the Chair and the majority leader.

The rules of the House are the rules of the House and they may be suspended not by the Speaker but only by the House vote. The rule of the House says—

Mr. WILSON. No need to suspend the rules, Mr. Speaker.

The SPEAKER. —the motion is not debatable.

The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, I am not going to violate the rules any longer than Mr. Richardson did by asking this House to let the majority leader decide on the calendar, and I would like to place the bill on the table.

As Mr. Butera has indicated, we ought to sit down and talk and see whether we can resolve the issues. I would like the bill in place in the event that it might be amended to be fashioned in the manner that will be acceptable to the members of the House.

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

Mrs. KERNICK. Mr. Speaker, before I vote, I would like to have information on how long it will take to have these amendments distributed, and if I can, who are the sponsors of the amendments?

The SPEAKER. The Chair would not answer that question if it had that information. The Chair does not have the information to answer the question.

The only thing the Chair recognizes is that the majority leader has placed a legitimate motion before the House, to lay upon the table.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—157

Abraham	Englehart	Letterman	Ruggiero
Anderson	Fee	Levi	Ryan
Armstrong	Fischer, R. R.	Lincoln	Salvatore
Arthurs	Fisher, D. M.	Livengood	Scanlon
Barber	Freind	Logue	Schmitt
Bellomini	Fryer	Lynch	Schweder
Beloff	Gallagher	Mackowski	Scirica
Bennett	Gamble	Manderino	Shuman
Berlin	Gatski	Manmiller	Shupnik
Berson	Geisler	McCall	Smith, E.
Bittinger	George, C.	McIntyre	Smith, L.
Bittle	Giammarco	McLane	Stewart
Borski	Gillette	Mebus	Stuban
Brandt	Gleeson	Milanovich	Sweet
Brunner	Goebel	Milliron	Taylor, E.
Burd	Goodman	Miscevich	Taylor, F.
Burns	Gray	Morris	Tenaglio
Butera	Greenfield	Mullen, M. P.	Thomas
Caltagirone	Greenleaf	Mullen, M. M.	Trello
Caputo	Grieco	Musto	Valicenti
Cassidy	Hamilton	Novak	Vroon
Cessar	Harper	Noye	Wansacz
Cianciulli	Hasay	O'Brien, B.	Wargo
Cimini	Haskell	O'Connell	Wass
Cohen	Hayes, D. S.	Oliver	Weidner
Cole	Hayes, S. E.	Pancoast	Wenger
Cowell	Helfrick	Parker	Wiggins
Davies	Hoeffel	Petrarca	Wilson
DeMedio	Honaman	Piccola	Wilt
DeVerter	Hopkins	Pievsky	Wise
DeWeese	Hutchinson, A.	Polite	Wright, D.
DiCarlo	Itkin	Pratt	Wright, J. L.
Dietz	Johnson	Prendergast	Yahner
Dininni	Jones	Pyles	Yohn
Dombrowski	Kelly	Rappaport	Zearfoss
Donatucci	Klingaman	Ravenstahl	Zitterman
Dorr	Kolter	Reed	
Doyle	Kowalshyn	Renwick	Irvis,
Duffy	Laughlin	Rhodes	Speaker
Dumas	Lehr	Rieger	

NAYS—38

Brown	Katz	Mrkonic	Spitz
Flaherty	Kernick	O'Brien, D.	Stairs
Foster, A.	Knepper	O'Keefe	Stapleton
Foster, W.	Madigan	Pott	Taddonio
Gallen	McClatchy	Richardson	White
Garzia	McGinnis	Ritter	Williams
Geesey	Meluskey	Scheaffer	Zeller
George, M.	Miller	Seltzer	Zord
Halverson	Moehlmann	Sirianni	Zwikl
Hutchinson, W.	Mowery		

NOT VOTING—5

O'Donnell	Shelton	Spencer	Wagner
Pitts			

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

The SPEAKER. The bill is so tabled.

QUESTION OF PERSONAL PRIVILEGE

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

Mr. CAPUTO. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. CAPUTO. Mr. Speaker, I do not want to waive the rules or have a reconsideration, but I was legitimately getting a glass of water and was not recorded on the last vote to table HB 1075. I would like to be recorded in the affirmative.

The SPEAKER. The gentleman's remarks, especially about getting a glass of water, will be recorded duly.

GAVEL TURNED OVER TO MR. FRYER

The SPEAKER. The Chair now turns the gavel over to the gentleman, Mr. Fryer.

THE SPEAKER PRO TEMPORE (LESTER K. FRYER) IN THE CHAIR

BILLS REPORTED FROM COMMITTEE AND TABLED

SB 201, PN 825 By Mr. BERSON

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes adding the offense of theft of leased property.

Judiciary.

SB 231, PN 233 By Mr. BERSON

An Act providing the Commonwealth with the right to jury trials in criminal cases.

Judiciary.

REQUEST TO CALL UP HB 1349

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

Mr. RAPPAPORT. Mr. Speaker, at the request of the majority leader, I would like to call up HB 1349, PN 1604.

CALENDAR

APPROPRIATION BILLS ON THIRD CONSIDERATION

Agreeable to order,

The House proceeded to third consideration of **House bill No. 1349, printer's No. 1604**, entitled:

An Act amending the "General Appropriation Act of 1976" approved June 4, 1976 (No. 7-A), increasing the appropriation to the Department of Public Welfare for medical assistance.

On the question,

Will the House agree to the bill on third consideration?

Mr. ITKIN offered the following amendments:

Amend Title, page 1, line 8 by removing the period after "assistance" and inserting and providing for a continuing appropriation to public libraries.

Amend Bill, page 2, by inserting between lines 18 and 19

Section 2. Section 9 of the act is amended to read:

Section 9. (a) Except as provided in subsections (b) and (c), that part of all appropriations in this act unexpended, uncommitted and unencumbered as of June 30, 1977 shall automatically lapse as of that date.

(b) That part of the appropriation to the Pennsylvania Historical and Museum Commission for temporary custodial and security personnel, and maintenance as may be unexpended, uncommitted and unencumbered as of November 1, 1976 shall automatically lapse as of that date.

(c) The appropriation to the Department of Commerce for reimbursement to municipalities for Bicentennial related municipal overburden and the appropriations to the Legislative Department and to the Department of Education for grants to public libraries shall be continuing appropriations.

Amend Sec. 2, page 2, line 19 by striking out "2." and inserting 3.

On the question,

Will the House agree to the amendments?

The SPEAKER pro tempore. The Chair recognizes the gentleman from Allegheny, Mr. Itkin, to offer an explanation of the amendment.

Mr. ITKIN. Mr. Speaker, the bill we are considering amends the General Appropriation Act of the current year. My amendment seeks to do the same.

As the House will remember, about a week or two ago we debated the public library aid bill. Now we did that on the basis that there was roughly some \$480,000 available this year for distribution if the library formula passed into law.

Now as we approach the end of the fiscal year, HB 408 is still in the other body and has not been passed by that body. In order to ensure that that \$480,000 will be distributed to the libraries, I have sought to amend the GA bill by allowing the library appropriation to be a continuing appropriation. Thereby it will not lapse, and the money will be available to the libraries at such time when HB 408 becomes law.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—187

Abraham Gallagher Lynch Salvatore
Anderson Gallen Mackowski Scanlon

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

NAYS—3

Burd Fryer Letterman

NOT VOTING—10

Bennett	Pitts	Shelton	Irvis,
Mullen, M. P.	Rhodes	Spencer	Speaker
O'Donnell	Ruggiero	Wagner	

The question was determined in the affirmative and the amendments were agreed to.

On the question,

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

Bill as amended was agreed to.

The SPEAKER pro tempore. 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—180

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

NAYS—12

Anderson	Foster, A.	Pott	Stairs
Burd	Geesey	Scheaffer	Zeller
Dorr	McGinnis	Spitz	Zord

NOT VOTING—8

Johnson	Ruggiero	Spencer	Irvis,
O'Donnell	Shelton	Wagner	Speaker
Pitts			

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.

Agreeable to order,

The House proceeded to third consideration of **Senate bill No. 695, printer's No. 1121**, entitled:

A supplement to the act of (P. L. No.), entitled "Motor License Fund Supplement to the General Appropriation Act of 1977" itemizing appropriations required from the Motor License Fund for the proper operation of the several depart-

ments of the Commonwealth authorized to spend Motor License Fund moneys.

On the question,

Will the House agree to the bill on third consideration?

Mr. MILLIRON offered the following amendments:

Amend Bill, page 7, by inserting between lines 15 and 16

Section 4. For the purposes of this supplementary act the Secretary of Transportation, prior to entering into a contract with a private agency, company or corporation for consultant services, including but not limited to highway pre-design and highway design work, shall notify all district engineers and all members of the House and Senate Transportation Committees in writing of the proposed work to be done. The district engineers shall then submit in writing to the secretary and all members of the House and Senate Transportation Committees the reasons why their district office can or can not perform such work. This reply shall be sent within 30 days of receipt of the secretary's letter. The secretary shall decide whether a contract shall be awarded on the basis of the district engineer's report. No contract shall be awarded if the report of the district engineer shows that a district office can perform the work, except where the secretary submits a written explanation to the chairman of both the House and Senate Transportation Committees stating the reasons why such contract should be awarded.

Amend Sec. 4, page 7, line 16, by striking out "4" and inserting 5

On the question,

Will the House agree to the amendments?

The SPEAKER pro tempore. The Chair recognizes the gentleman from Blair, Mr. Milliron.

Mr. MILLIRON. Mr. Speaker, 2 years ago to the motor license fund this amendment was accepted overwhelmingly. It sets a strict procedure that the Secretary of Transportation must follow in awarding private consultant contracts. Last year—and the minority leader, who I am sure, is listening now because he gave me the devil last year about it—it had been accepted and, after it had been accepted, I had withdrawn the amendment at the personal request of the then-Secretary William Sherlock. He had asked to be able to work out a policy within the department to handle it rather than by statute, and I agreed. Although there had been no rule or regulation drawn up by the department, the Secretary, by his information given to me in about January of this year or the end of the year, around December, \$18-million worth of contracts which were to be given to consultants had been reviewed and given in-house, meaning that the PennDOT employees would do the work rather than giving it out to consultants.

I think it is an extremely important amendment. This House has accepted it in the two previous years. We must have a procedure to give out contracts to outside consultants. But more importantly, Mr. Speaker, we have heard about all the waste and all the mismanagement of tax dollars in budgets. When we have 18,000 employees who work for the Pennsylvania Department of Transportation and a lot of them are engineers and draftsmen and designers, they should be doing the work and it should not be given out to private consultants except as a last resort. We can no longer afford having people on the payroll not doing the work and giving the contracts out to friends through consultants at the same time.

I appreciate the support of the last 2 years and I hope the members will continue to support it this year.

Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Montgomery, Mr. Mebus.

Mr. MEBUS. For the last 2 years I have opposed Mr. Milliron's amendment and I imagine my efforts today will be crowned with the same success they were in the past.

His intent is excellent. I have no quarrel with it whatsoever. Effectively, I do not think that this can work the way he has in mind, because you just simply are not going to shift all these people around in the Commonwealth from place to place to where they can be effective. In many cases you cannot do the kind of work he has in mind, trying to have a piecemeal operation which is what this boils down to.

The other thing is this: Whether you believe it or whether you do not, if you bring all these matters, financial matters, involved in doing in-house work together, including retirement fund and consideration of the space that is required, and so forth, the consultant will do the thing less expensively, more economically than can you do it in-house.

Maybe there are excessive persons on the payroll. I am not ready to quarrel with that observation, but this I do not think is going to effectively serve the purpose which Mr. Milliron has in mind, however noble that intent may be. I oppose the amendment.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Erie, Mr. Bellomini.

Mr. BELLOMINI. I also agree with my colleague from the other side that we should oppose this amendment. The fact is that we have a new Secretary of Transportation, James Wilson, and we should give him this latitude. I rise to tell every member to oppose this amendment.

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

The following roll call was recorded:

YEAS—167

Abraham	Freind	Mackowski	Scanlon
Anderson	Fryer	Madigan	Scheaffer
Armstrong	Gallagher	Manmiller	Schweder
Arthurs	Gallen	McCall	Scirica
Barber	Gamble	McClatchy	Seltzer
Bennett	Garzia	McGinnis	Shuman
Berlin	Gatski	McIntyre	Sirianni
Berson	Geesey	McLane	Smith, E.
Bittinger	Geisler	Meluskey	Smith, L.
Bittle	George, C.	Milanovich	Spitz
Brandt	George, M.	Miller	Stairs
Brown	Giammarco	Milliron	Stapleton
Brunner	Gillette	Moehlmann	Stewart
Burd	Gleeson	Morris	Stuban
Burns	Goebel	Mowery	Sweet
Butera	Goodman	Mrkonic	Taddonio
Caltagirone	Greenleaf	Mullen, M. P.	Taylor, E.
Cassidy	Grieco	Musto	Taylor, F.
Cessar	Hamilton	Novak	Tenaglio
Cianciulli	Harper	Noye	Thomas
Cimini	Hasay	O'Brien, B.	Trello
Cohen	Haskell	O'Brien, D.	Valicenti
Cole	Hayes, D. S.	O'Connell	Vroon
Cowell	Hayes, S. E.	O'Keefe	Wansacz
Davies	Helfrick	Oliver	Wass

DeMedio	Hoeffel	Pancoast	Weidner
DeVerter	Honaman	Parker	Wenger
DeWeese	Hopkins	Piccola	White
DiCarlo	Hutchinson, W.	Polite	Wiggins
Dietz	Itkin	Pratt	Williams
Dininni	Katz	Prendergast	Wilson
Donatucci	Kernick	Pyles	Wilt
Dorr	Klingaman	Rappaport	Wright, D.
Duffy	Knepper	Ravenstahl	Wright, J. L.
Dumas	Kolter	Reed	Yahner
Englehart	Kowalshyn	Renwick	Yohn
Fee	Laughlin	Rhodes	Zearfoss
Fischer, R. R.	Lehr	Richardson	Zeller
Fisher, D. M.	Levi	Rieger	Zitterman
Flaherty	Lincoln	Ritter	Zord
Foster, A.	Logue	Ryan	Zwikl
Foster, W.	Lynch	Salvatore	

NAYS—23

Bellomini	Gray	Livengood	Pievsky
Beloff	Greenfield	Manderino	Pott
Borski	Hutchinson, A.	Mebus	Schmitt
Caputo	Jones	Miscevich	Shupnik
Dombrowski	Kelly	Mullen, M. M.	Wargo
Doyle	Letterman	Petrarca	

NOT VOTING—10

Halverson	Pitts	Spencer	Irvis,
Johnson	Ruggiero	Wagner	Speaker
O'Donnell	Shelton	Wise	

The question was determined in the affirmative and the amendments were agreed to.

QUESTION OF PERSONAL PRIVILEGE

The SPEAKER pro tempore. The Chair recognizes the lady from Centre, Mrs. Wise. For what purpose does the lady rise?

Mrs. WISE. I rise to a question of personal privilege.

The SPEAKER pro tempore. The lady will state it.

Mrs. WISE. Mr. Speaker, I was out of my seat for the first Milliron amendment to SB 695 and I would like to be recorded as voting in the affirmative.

The SPEAKER pro tempore. The lady's remarks will be spread upon the record.

On the question,

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

Mr. MILLIRON offered the following amendment:

Amend Bill, page 4, by inserting between lines 22 and 23 Rules, regulations and standards hereafter proposed by the Department of Transportation shall become effective 30 days after such rules, regulations or standards have been presented to the Transportation Committee of the House and Senate for their review. If, during this 30-day period, the Transportation Committee of the House or Senate adopts by majority vote a resolution disapproving the proposed rule, regulation or standard, such rule, regulation or standard shall become effective only after the House and Senate adopt, by majority vote, a resolution approving the proposed rule, regulation or standard.

On the question,

Will the House agree to the amendment?

The SPEAKER pro tempore. The Chair recognizes the gentleman from Blair, Mr. Milliron.

Mr. MILLIRON. Mr. Speaker, last year this legislature

passed a new Vehicle Code which goes into effect supposedly on Friday. In section after section and page after page, we have stated that the Secretary shall promulgate the rules and regulations to put this act into effect.

Last week my colleague from Allegheny offered an amendment which provided oversight over the Department of Education. This amendment does the same identical thing. It is the identical amendment which we passed last week to HB 593, only it changes the words "Department of Education" to "Department of Transportation" whereby we will finally, this legislature, this General Assembly, start to review the rules and regulations, the volumes of them that come out of every single department of this Commonwealth.

I think we have to get a handle on it. We have to have more input. We give up too much of our authority as legislators when we pass an act and then give the bureaucrats all the authority to draw up the rules and regulations.

I sincerely hope the members will vote as they did last week and accept this amendment so we will be able to keep a tab on the massive amount of rules and regulations that will be coming out of PennDOT with the new Vehicle Code.

Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Montgomery, Mr. Mebus.

Mr. MEBUS. Mr. Speaker, to show there is no perversity in my soul, I support the gentleman on this one. I wish he had not tried the first one, that is all.

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

Mr. RAPPAPORT. Mr. Speaker, very reluctantly, because I believe very strongly in legislative oversight, I rise to oppose this amendment.

My name has been in the paper the last couple of weeks for having perhaps tried to exercise too much oversight on some matters that were in the General Appropriations bill.

I have talked to colleagues of ours from other states where they do have this total review in legislative committees. I am sure many of us have read the Pennsylvania Gazette once or twice but never more because of the vast volume of material that appears in there. A lot of it is superfluous; some of it is silly; but most of it very essential and very boring and very technical.

Mr. Speaker, with the vast volume of rules and local regulations that this department puts out, the two Transportation Committees will be hard put to review even 10 percent of it. I am sure they will have to hire extra staff. In many respects the regulations being put out are highly technical in nature. They deal with what kind of concrete has to be used, or are verbatim repetitions of Federal rules that much be enacted within the state in order to get—unfortunately, not great enough Federal sums—Federal moneys that are necessary for this Commonwealth.

I do not think we are staffed to do this kind of work as yet, Mr. Speaker, and, therefore, on that practical basis, I would like to oppose this amendment.

The SPEAKER pro tempore. The Chair recognizes the gentle-

man from Blair, Mr. Milliron.

Mr. MILLIRON. Mr. Speaker, I realize none of the committees of this legislature are adequately staffed to review every single rule and regulation of every department. These rules and regulations, if no action is taken by the committee, will automatically go into effect. However, I do think there are certain rules and certain regulations that come out of the departments that we could review in committee. My colleague, Mr. Arthurs, I remember, about a month ago talked about the regulation concerning the signature on checks, that no longer could legislators do this kind of work and give their own check; it had to come from the constituent. These kinds of regulations when they come out could be the ones that we could review in committee. If we feel they are of enough substance to oppose and they should not go into effect, these are the ones we should try to get a handle on. The ones dealing with technicalities as far as engineering specifications, Federal guidelines, I would not expect the committee to intercede or to try to abrogate them. We do have to start somewhere and, limited as we are, I think this is the place to do it.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Erie, Mr. Bellomini.

Mr. BELLOMINI. I also rise to oppose this amendment simply because of the reasons which he just mentioned. We are not properly staffed; we do not have the moneys to take care of this; and I feel if we are going to adopt such regulations, we should adopt them as a whole in all state government offices.

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

Mr. RITTER. Mr. Speaker, I appreciate what Mr. Rappaport said and what Mr. Bellomini said, and normally I would be on the floor opposing doing it the way Mr. Milliron suggests. But, frankly, the Department of Transportation issues rules and regulations which, for the most part, are ill conceived and do nothing more than mess up the general public. We passed legislation in this House on the matter of title fees and then said that when an encumbrance is recorded, they can charge an additional \$5. The department has construed that to mean that if you record an encumbrance at the time you get the title, they will charge you \$5 for the title fee plus \$5 for the encumbrance. That was not our intention. I think there are hundreds of illustrations I could give you.

For those reasons, Mr. Speaker, as I said, even though I do not agree that we are set up to do it, I think we ought to adopt the amendment and send a message over to the Pennsylvania Department of Transportation to put a little bit more thought into the kinds of rules and regulations they are promulgating, and maybe by adopting this amendment they will get the message. I urge support for the amendment.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Erie, Mr. DiCarlo.

Mr. DiCARLO. Mr. Speaker, I, too, rise to support the Milliron amendment. It has been too long and too many years that this legislature has not been involved in the day-to-day, the month-to-month operations of the department, but yet we are called upon every year to appropriate funds to operate

those vast departments. We are also expected to be able to go back home and explain satisfactorily to our constituents what has really happened to them after these rules and regulations have been promulgated.

The gentleman from Philadelphia made a point. He said that we do not have the technical expertise to really understand the type of concrete and the type of engineering specifications that probably are promulgated under the rules and regulations. But I firmly believe that we have to start developing that kind of expertise in the legislature and, most importantly, in those committees that are directly responsible to those departments.

It is only then that we have the knowledge of are we going to be able to deal with these executives head to head and person to person. When the time comes to appropriate moneys, we are going to know what they are talking about and we are also going to be not dependent upon them, but very independent in our ability to do a good job and to make sure that those departments are really managing and operating the way they should be, responsibly and directly to the members of the legislature. So I do urge strong support for the Milliron amendment.

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

Mr. CAPUTO. Mr. Speaker, I rise to oppose the Milliron amendment for the following reasons.

I do not know if anybody in this legislature goes home and gets a pat on the back from his constituents or from the public news media. I am afraid if we take on the additional obligation of passing on every regulation or rule adopted by the various branches of administrative government, we are going to be subjecting ourselves to more ridicule and more criticism.

Those persons who rose in support of the amendment have reflected, perhaps, the ideas of some of us. But they have not confronted themselves with the proposition that presently there is a way to stop regulations from being adopted in the various departments. The procedure is clear on the books. Any member of this legislature can oppose any proposed regulation. If they read the Pennsylvania Bulletin, there are listed notices given on the proposed resolutions, and any citizen of the Commonwealth, as well as any member of the legislature, can oppose them.

In addition, Mr. Speaker, those who have advocated the adoption of this amendment have all agreed that the House of Representatives is not properly staffed to consider all of the rules and regulations proposed to be adopted by the various branches of our government.

I do agree with Mr. Ritter that the department should get the message, should make it more difficult to place the blame or fault on unpopular amendments or unpopular regulations on the members of the House of Representatives.

I would propose that, if this amendment is defeated, this House would introduce a resolution directing to the attention of the various department heads that the House is desirous of being informed of what they propose to amend when it is an amendment that will react and will be reacted to by the public, so that we will know and we will be on notice, if we are too lazy to look at the Pennsylvania Bulletin, that there is a proposed new rule or new regulation by the various departments. I urge

the defeat of this amendment.

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

Mr. GLEESON. Will the gentleman, Mr. Milliron, consent to interrogation?

The SPEAKER pro tempore. The gentleman indicates he will. The gentleman, Mr. Gleeson, may proceed.

Mr. GLEESON. Mr. Speaker, I would like to get some conception of what oversight your bill envisages. Does your bill call for oversight in other areas besides the rules and regulations enacted by the Department of Transportation?

Mr. MILLIRON. Since this is the motor license fund legislation, Mr. Speaker, of course this amendment is aimed only at the Department of Transportation.

Mr. GLEESON. Is it aimed at anything else besides the rules and regulations of the Department of Transportation?

Mr. MILLIRON. Not actually, Mr. Speaker. The way the amendment is worded, it deals with rules, regulations or standards promulgated by the department. So it is aimed specifically at PennDOT and their rules, regulations or standards.

Mr. GLEESON. Who, under your bill, Mr. Speaker, would do the oversight?

Mr. MILLIRON. The respective committees of the House or Senate, Mr. Speaker, would have the option, or rather its members would have the option, of reviewing the rules and regulations, and if they would find any of them that would be questionable or there would be problems on them, then that particular member would go through the same process as on a piece of legislation: approach the committee chairman, ask him to have it scheduled at the next meeting, and then it would follow the procedure of the amendment. Either the committee would have no action, which means it would go into effect, or they would disapprove it and the rule or regulation would not go into effect.

Mr. GLEESON. Does your bill call for any additional staffing of the committees in question?

Mr. MILLIRON. No, Mr. Speaker, it does not. There is no fiscal note involved. I felt that with the budget crunch we have, we will have to try to do the best we can with the staff we have.

Mr. GLEESON. Thank you, Mr. Speaker.

Mr. MILLIRON. Yes, sir, Mr. Speaker.

Mr. GLEESON. I would like to make a short statement.

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

Mr. GLEESON. Mr. Speaker, I am going to oppose this amendment, not because I am against the general concept of oversight. I think it is very important for this legislature to exercise control over the various departments of this Commonwealth.

I think if we exercise that control properly we would find out first of all that a number of the agencies and departments and employes were not even necessary. Secondly, of those agencies of the Commonwealth which are necessary, they can be run a lot more efficiently.

However, I really do not think the concept of oversight applies to what Mr. Milliron is talking about. He is saying we should exercise oversight over the rules and regulations of the Department of Transportation, which, of course, we already

can do and are supposed to do. There is nothing, as I understand his amendment, that gives us authority to do anything that we do not already have the authority do do, which is to oversee the regulations of the various departments, which we have authorized those department heads to issue.

So I do not see where his amendment does anything. I think in a real oversight amendment, a real amendment which would oversee, for example, the Department of Transportation would attempt to give the legislature a look into it so it would oversee how the department is administering the duties we gave them to do. It would oversee, for example, if all the rules and regulations, which we asked to be issued, were ever issued. It would oversee if all the highways that we directed to be built were actually built. It would oversee if the employes of the department are doing the duties that we have given them to do and not wasting the taxpayers' time and money.

But I do not see where our giving the authority to oversee the rules and regulations, which we already have the authority of doing, accomplishes anything.

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

Mr. DOMBROWSKI. I rise to oppose this amendment offered by the gentleman. Mr. Milliron. It seems to me that this would be the only department within the state government that would fall under review of the House of Representatives and the Senate if they should want to make any rules and regulations.

I can foresee some regulations that would be necessary to put into effect in 30 days. Once the department would draft this regulation, it would have to come over for review after 29 days. It says in the amendment that either the House or the Senate can reject that regulation or present a resolution asking for the House and Senate to pass on a resolution before we can put this regulation into effect.

In many cases of safety factors, regulations and rules are necessary to hurry them up. If we pass this amendment, some of these regulations would take from 90 to 120 days. Therefore, I oppose the amendment.

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

Mr. GEORGE. Mr. Speaker, could I interrogate Mr. Milliron, please?

The SPEAKER pro tempore. The gentleman indicates he does agree to interrogation. The gentleman, Mr. George, may proceed.

Mr. GEORGE. Mr. Speaker, I think your amendment says rules, regulations and standards hereafter proposed. Would that in anyway involve any laws, such as the current Vehicle Code amendments that we will be pursuing in a day or so?

Mr. MILLIRON. Those are amendments and changes to an act, Mr. Speaker. I am talking about the bureaucratic authority of promulgating rules and regulations that would not affect the amendments or any statutory changes which this legislature would make.

Mr. GEORGE. When you say rules, are you just saying the promulgation of some specific item that you have not been made aware of or in some way you or your constituency are not

satisfied with? In other words, what you want is more input, is that it?

Mr. MILLIRON. No, Mr. Speaker, I want to have the very authority that this legislature is empowered by the constitution to have. We are supposed to set the law of the Commonwealth. We usually abrogate that very authority at the end of every act when we say that the department shall have the power to promulgate rules and regulations to enforce this act. That is a cop-out on our part. We have done it year after year, and what I am trying to do is for us to start to reassert ourselves as a coequal branch of government.

Right now we write almost the skeleton and the executive has total enforcement power, and through the rules and regulations that they write, they have been able to actually change the content and the effect and the input of the very laws that we have written, so it is not because of a particular complaint or gripe, Mr. Speaker; it is because of the entire system.

Mr. GEORGE. Are you saying in effect then that everything that is done by us in the legislature should be put down word for word and nothing should be established in any department that could be considered policy?

Mr. MILLIRON. No, Mr. Speaker. I am saying that if we allow the departments to write down word for word, as the gentleman said, I think we should have the power to review those. That is all I am asking, to give the legislature the opportunity to review rules and regulations before they go into effect.

Mr. GEORGE. A question that I certainly do not know the answer to, but is there anything in the House of Representatives, any committee whatsoever, that is established now by statute that is an oversight committee that can go into any department and look over any given situation and get back to us, the members of the legislature?

Mr. MILLIRON. Mr. Speaker, offhand I could not answer that. I imagine any committee could, at the discretion of its members, look into any State agency.

What I am attempting to do here is what we did last week, and that is, give particular legislative oversight to that appropriate committee for the particular arm of government. Last week it was the Department of Education and the Committee on Education. This week it is the motor license fund, which is PennDOT. Therefore, the logical committee would be the Transportation Committee.

Mr. GEORGE. Mr. Speaker, may I ask Mr. Milliron if I could interrogate someone who would be more knowledgeable on the question that I just asked. I certainly do not mean to demean Mr. Milliron, but is there an oversight committee, such as any committee that has been established and is not completely satisfied with the way that any specific department is handling the rules and regulations, that they can go in, look into the statutes or look into the rules and come back to the legislature and propose changes? Would anybody answer that? I am not really aware.

Mr. MILLIRON. Mr. Speaker, could I temporarily yield to Mr. Bennett?

The SPEAKER pro tempore. The gentleman, Mr. Milliron, yields to the gentleman, Mr. Bennett.

Mr. BENNETT. Mr. Speaker, in an attempt to answer the interrogation of Mr. George, there are committees that have been

established. However, they are not standing committees.

I would suggest to the gentleman that the Joint House-Senate Conservation Committee is a joint House-Senate committee that oversees the \$500-million bond issue.

The Legislative Budget and Finance Committee is the so-called watchdog committee of the House. There is no standing committee, however, that has an absolute mandate to oversee any particular department.

I would suggest to the gentleman that my own committee, the House Business and Commerce Committee, many times calls in the Secretary of Commerce, the Secretary of DCA, and others, to report to our committee questions that we would have. However, the answer is that, no, there is no mandate that a committee must do this.

Mr. GEORGE. Mr. Speaker, are you saying that no standing committee of the House, either by prerogative or resolution, can investigate any department of government as far as rules and promulgations? Is that what you are saying?

Mr. BENNETT. I did not say that, Mr. Speaker. I said that there is no mandate that a standing committee must do it. However, my own committee on many occasions, I am repeating, calls in the various cabinet-level and other officers to delve into the workings of those various departments.

Mr. GEORGE. Mr. Speaker, as a chairman of a committee, would you, sir, if you received many complaints about a specific department, take the initiative as a chairman and do what was given to you by law and use the prerogatives doing just what this amendment would do?

Mr. BENNETT. I would, Mr. Speaker.

Mr. GEORGE. And have you on several instances before you became a chairman—and you certainly were not happy with the bureaucratic fashion—try in anyway to become involved with an investigation of rules and regulations?

Mr. BENNETT. I can recall one instance, Mr. Speaker, where with the Department of Welfare,—I think it was 10 or 12 years ago—there were many members of this House who attempted to investigate that particular department.

Mr. GEORGE. Mr. Speaker, if this Transportation Committee of the House of Representatives or over in the Senate felt that there was a need, could they just by resolution, a majority vote, demand an investigation of the Department of Transportation?

Mr. BENNETT. Mr. Speaker, I would assume that as a chairman—it is more than an assumption on my part—I would have a very strong feeling that any chairman of any standing committee can, at any time, look into any department of state government that that particular chairman feels ought to be looked into. I would suggest to the gentleman, however, that my understanding of Mr. Milliron's point is that they are not looking for investigative powers.

Mr. GEORGE. But with the committee system and an individual coming to Harrisburg with a number of complaints, whether it be just one or 100, what process do we generally use as rank and file? We do intend to provide legislation and put it into committees and, hopefully, it will come out of committees, and is this the process which we normally use?

Mr. BENNETT. I would suggest, Mr. Speaker, that that would be a proper procedure. I know on occasions if any mem-

ber of my committee or if any member of the House, indeed, approached me as a chairman, that certainly we would give their thoughts all consideration.

Mr. GEORGE. And do you, sir, without being personal, when a bill is proposed to your committee, in fact, give it every bit of consideration and bring it before the entire committee on every individual case?

Mr. BENNETT. I would ask the gentleman—

Mr. GEORGE. Now mind, I am not trying to box you in, and I would warn you to answer that very carefully.

Mr. BENNETT. Well, thank you for the forewarning, Mr. Speaker.

Mr. GEORGE. Sir, allow me to apologize. It was not a warning but a matter that I have respect for you, and I did not try to get you into a "yes" or "no." I am not an attorney. I just wanted you to answer a question in the best manner and give you a little time to think up an answer, because I think I have one for you.

Mr. BENNETT. You could have fooled me a little bit there, Mr. Speaker.

I would say to the gentleman, Mr. Speaker, that in answer to his question, the question was two part. He asked me if I considered every bill that come into my committee and brought all of those bills before the committee. To the first part, I would answer "Yes." Certainly as a chairman, I look at every bill. I have my counsel analyze every bill. Periodically, my staff and I go over that.

The answer to the second part of the question is "No." I do not consider every bill that comes before my committee.

Mr. GEORGE. Thank you very much for your time and your information.

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

Mr. GEORGE. Mr. Speaker, may I deliberate slightly on the gentleman's amendment?

The SPEAKER pro tempore. For a reasonable length of time, which is almost up.

Mr. GEORGE. As any other member of this House, I can assure every member that I get as many complaints back home from not only this department but many departments of state. With a reasonable amount of compassion and a slight degree of intelligence, we try at our very best to respond to such complaints. I would be very remiss and terribly naive if I could not honestly stand up here and say that I agree with the gentleman and his amendment in part. For what this gentleman is trying to do today, I believe he should be commended. I believe sincerely that he is trying to get this handle he talked about. I believe that he feels that these rules and regulations that are not laws—not that which is passed by us but basically policy matters—sometimes when they are put into effect, do hurt the people in Pennsylvania.

The only reason that I intend to vote against this—and I wish this amendment would have come at a later time when more people could have taken into consideration one important facet—is that I believe the passage of this amendment—and even though I agree that he is right in part—will indeed provide ramifications within the committee system that we have. There are many times that, I am sure he will agree, he has voted for a

bill for one reason when it came out of the committee, not because he basically believed it was 100 percent the way he wanted but due to the fact that he believed that he wanted the 203 members on this floor to decide what should go on for the people in Pennsylvania, and due to the fact that being a member of this committee as I am, I would feel that the people back home would say, here you are. You are complaining about those bureaucrats, those civil service agents whom nobody can tell what to do, and now you want to give yourself more power. You want to play God.

I really believe that the gentleman at sometime will come up with a bill and it will effectively and in its best manner do something to stop this nonsense.

I can cite several reasons and probably they are the same as his. I just wish that it would have been somewhat later, because I believe he is on the right track. But at this moment, I am afraid it is just going to cause us ramifications that we will not be able to put up with. It will cost additional moneys; it will cause complete chaos; it will even cause lay-offs; it will cause re-assignments, and it is just not the right way to go.

Thank you very much.

The SPEAKER pro tempore. The Chair notes that three members are waiting to be recognized. They will be recognized in this order: Mr. Cowell, Mr. Brandt and Mr. DiCarlo. So it will not be necessary for them to remain by the microphone. They will be recognized individually and in order.

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

Mr. COWELL. I would just like to respond briefly to the two basic criticisms that have been leveled at the Milliron amendment, because I agree with the Milliron amendment.

The first criticism has been that it does not provide the committee the authority to do anything different than it can already do, and that is not true. While we can all read the Pennsylvania Bulletin and while committees can call in department heads or bureau heads and while committees can discuss rules and regulations, the Milliron amendment gives the committee an additional power that it does not presently have, that is, the power to effectively veto a proposed rule or regulation. That is a very important power. That is a very important new power.

The second basic criticism that has been leveled at the Milliron amendment is that it does too much. It is going to create too much work for staff. We will have to hire additional people, and all that sort of thing. Somebody has suggested that we should not take on the responsibility of reviewing every new rule and regulation. The amendment does not do that. The amendment simply provides the committee the opportunity—it does not say it has to—to interject itself into the discussion about a proposed new rule or regulation.

I am sure that the staff of any committee already reviews those rules and regulations as a part of their day-to-day operation to keep members advised. What this will do is to give that staff the opportunity to go the members and say, we see problems with this proposal. It will give the members of that committee the opportunity to react in a positive way to complaints that come from their constituents.

Somebody said that we should not start to play God, this

legislature. This amendment would not have the legislature play God. What it does a little bit, though, is to make sure that the bureaucrats who are writing the rules and regulations do not play God. I would urge us to adopt the Milliron amendment.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Lancaster, Mr. Brandt.

Mr. BRANDT. Mr. Speaker, I think one of the most frustrating problems we get into as a legislator is that we try to attack the problem. It is not a legislative problem. It is a problem that was brought about by a rule or regulation adopted by a particular department.

I have great respect for the Department of Transportation. I feel that of all the departments that I have worked with already, that was the one that I got the most responsible answers out of. I think this is a good department to try this on.

We heard a lot about oversight. We heard a lot about sunset. I think this amendment takes care of both, because it put it into SB 695. It automatically sunsets in a year. We have a good chance to try it out. I approve of this amendment and urge a "yes" vote.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Erie, Mr. DiCarlo.

Mr. DiCARLO. Mr. Speaker, just a couple of notes for the membership. The whole theory of legislative oversight is not brand new in Pennsylvania. It has been a concept that we have been dealing with for the past 2 or 3 years. In fact, in the last term of the House, the then-Speaker had commissioned, I think it was, the Eagleton Institute of Politics and also LEGIS 50 to come to Pennsylvania and sit down in coordination with the Federal-State Relations Committee and to get together with various staff members on the different committees to talk about legislative oversight. Those people went through a training schedule to learn how to deal with legislative oversight, what procedures ought to be implemented and what we ought to be looking at in the operations of the departments of state government.

We tried to impose legislative oversight through the past 2 or 3 years. We have done it on issues of health and welfare. Last term we passed the new Child Abuse Act, and in that act very specifically we put in legislative oversight, giving this legislature the right to review that act the way it was implemented and also to review rules and regulations. We have done that and we are presently working on the final draft.

The gentleman is right. It is probably going to take a lot of new staff to really do a good job on legislative oversight, but you have to look at the Department of Transportation. We are talking about a half-a-billion-dollar budget, over half a billion dollars which are being spent every year. I am sure that for the little investment that we are going to make in extra staff and in hiring competent staff around this House and getting people there to do a job and make us better informed, that that investment is going to be well worth it.

All I have to do is just point out to you some of the past problems that we have gone through. As to the Department of Environmental Resources, I am sure every one of you here remember HB 1 of last year, the flood plain bill. We went on record and we voted accordingly as to how we felt what the legislative

intent for that bill was, only to see that department turn around and try to promulgate rules and regulations that ran very contrary to our legislative intent.

We are finding the same thing now in rules and regulations that other departments are promulgating. I can only tell you that states that have gone ahead and have taken this reform measure, this progressive measure, of having the legislature and its specific committees review the operations of departments, have cut down tremendously. In fact, in some states, 20, 30 and 40 percent of the rules and regulations on paperwork have been eliminated simply because departments know that somebody in the legislature is watching, somebody in the legislature every time a rule or regulation is promulgated is going to question that rule and regulation, and, most importantly, because someone who sits on that committee is not going to take the word of the person in that department as gospel.

The time has come when members of this legislature and staff people in this legislature are going to be as knowledgeable and perhaps even more knowledgeable than those persons who sit in the department.

I cannot stress enough that this amendment is very important and that oversight function is something whose time has come. I think that we have to not only pass the amendment with PennDOT, but I think it is a theory that we are going to have to implement in each and every department that we are dealing with in this legislature.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Berks, Mr. Davies.

Mr. DAVIES. Mr. Speaker, would the maker of the amendment stand for a few questions?

Mr. MILLIRON. Yes, Mr. Speaker.

The SPEAKER pro tempore. The gentleman, Mr. Milliron, indicates that he will. The gentleman, Mr. Davies, may proceed.

Mr. DAVIES. Relative to your amendment, sir, the question comes up, what about the failure of the department to enact rules and regulations when they were supposed to within a framework of time or to take executive action that they possibly have not taken, let us say, relative to the recodification we make? The two examples I would take that I think you should have concern about in here, and I do not see that you address yourself to them, but I would cite, for example, nothing has been finalized, for example, until the last week on Mopeds, 1 week before it was supposed to be enacted. Another one would be the satisfaction of instruction or the level of instruction that was put out to the public, the State Police and the municipalities relative to the implementation of the act on July 1. How would your amendment address itself to these things?

Mr. MILLIRON. Mr. Speaker, I am sorry to say that actually the amendment per se would have no effect on a department or on PennDOT for not promulgating the necessary rules and regulations.

I think we are going to find over the next 3 to 6 months many areas of the new code which are not in effect because the department has not had the time or expertise, or whatever the excuse is, for not promulgating rules and regulations, even though they were mandated to do so by July 1.

I would hope that the respective committee could prod the de-

partment. But per se with this amendment, it would not really have a bearing on how we could encourage them to have these rules and regulations done on time. This would only be a review of them after they are finished.

Mr. DAVIES. All right. Thank you, Mr. Speaker.

Mr. Speaker, I would support the amendment. The only thing I would encourage Mr. Milliron is that he be more inclusive in any additional attempts, and that would be to include any areas of omission that the department would make in pursuing its administrative responsibility after we enact legislation, such as the recodification of the Motor Vehicle Code as an example.

Thank you, sir.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Clearfield, Mr. George, for the second time.

Mr. GEORGE. For the benefit of those who feel that this just might be the right way to go, I would warn them that, yes, I do believe that something must be done.

I, too, run into the same problems that every other legislator faces. Just yesterday, I called the Pennsylvania State Police because of a constituent who called me and said that he needed his birth certificate before he could apply for a driver's permit. Upon contacting the central office over here, I found out that for months they have been sending youngsters back because they did not have their birth certificate with them. In fact, it was not as it was being handled at the local substation, that you could use a baptismal certificate, that you could use a school record and that you could use a marriage certificate. I agree with Mr. Milliron wholeheartedly that he is on the right track. But I do say that if the committee system is going to be used, in fact it is going to come back to the Transportation Committee in both Houses, is in fact what we come up with going to be decided by the whole 203 or is there going to be partisanship? I happen to be in the majority and I hate partisanship. I would urge that we vote against this.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—134

Abraham	Foster, A.	Lincoln	Salvatore
Anderson	Freind	Livengood	Scheaffer
Armstrong	Fryer	Logue	Schweder
Arthurs	Gallagher	Lynch	Scirica
Barber	Gallen	Mackowski	Seltzer
Berlin	Gamble	Madigan	Shuman
Bittinger	Garzia	Manmiller	Shupnik
Bittle	Gatski	McCall	Sirianni
Brandt	Geesey	McClatchy	Smith, E.
Brown	Geisler	McGinnis	Smith, L.
Burd	George, M.	McIntyre	Spitz
Burns	Gillette	Mebus	Stairs
Butera	Goebel	Meluskey	Stuban
Caltagirone	Greenleaf	Milanovich	Sweet
Caputo	Grieco	Miller	Taddonio
Cassidy	Halverson	Milliron	Taylor, E.
Cessar	Hamilton	Moehlmann	Taylor, F.
Cimini	Hasay	Morris	Tenaglio
Cohen	Haskell	Mowery	Thomas
Cole	Hayes, D. S.	Mrkonjic	Vroon
Cowell	Hayes, S. E.	Novak	Wargo

Davies	Helfrick	Noye	Wass
DeVerter	Hoeffel	O'Brien, D.	Weidner
DeWeese	Honaman	O'Connell	Wenger
DiCarlo	Hopkins	Pancoast	Wilson
Dietz	Hutchinson, A.	Parker	Wilt
Dininni	Itkin	Piccola	Wise
Dorr	Katz	Polite	Wright, D.
Doyle	Kernick	Pratt	Wright, J. L.
Duffy	Klingaman	Pyles	Zearfoss
Dumas	Knepper	Reed	Zeller
Fischer, R. R.	Kowalshyn	Ritter	Zord
Fisher, D. M.	Lehr	Ryan	Zwikl
Flaherty	Levi		

NAYS—53

Bellomini	Giammarco	Mullen, M. P.	Scanlon
Beloff	Gleeson	Mullen, M. M.	Schmitt
Bennett	Goodman	Musto	Stapleton
Berson	Gray	O'Brien, B.	Stewart
Borski	Greenfield	O'Keefe	Valicenti
Brunner	Harper	Oliver	Wansacz
Cianciulli	Johnson	Petrarca	Wiggins
DeMedio	Jones	Pievsky	Williams
Dombrowski	Kelly	Pott	Yahner
Donatucci	Kolter	Prendergast	Yohn
Englehart	Letterman	Ravenstahl	
Fee	Manderino	Renwick	Irvis,
Foster, W.	McLane	Rieger	Speaker
George, C.	Miscevich	Ruggiero	

NOT VOTING—13

Hutchinson, W.	Rappaport	Shelton	Wagner
Laughlin	Rhodes	Spencer	White
O'Donnell	Richardson	Trello	Zitterman
Pitts			

The question was determined in the affirmative and the amendment was 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 pro tempore. 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—188

Abraham	Fryer	Lynch	Salvatore
Anderson	Gallagher	Mackowski	Scanlon
Armstrong	Gallen	Madigan	Scheaffer
Arthurs	Gamble	Manderino	Schmitt
Barber	Garzia	Manmiller	Schweder
Bellomini	Gatski	McCall	Scirica
Beloff	Geesey	McClatchy	Seltzer
Bennett	Geisler	McGinnis	Shuman
Berlin	George, C.	McIntyre	Shupnik
Berson	George, M.	McLane	Sirianni
Bittinger	Giammarco	Mebus	Smith, E.
Bittle	Gillette	Meluskey	Smith, L.
Borski	Gleeson	Milanovich	Spitz
Brandt	Goodman	Miller	Stairs
Brown	Gray	Milliron	Stapleton
Brunner	Greenfield	Miscevich	Stewart

Burd	Greenleaf	Moehlmann	Stuban
Burns	Grieco	Morris	Sweet
Butera	Halverson	Mowery	Taddonio
Caltagirone	Hamilton	Mrkonic	Taylor, E.
Caputo	Harper	Mullen, M. M.	Taylor, F.
Cassidy	Hasay	Musto	Tenaglio
Cessar	Haskell	Novak	Thomas
Cianciulli	Hayes, D. S.	Noye	Trello
Cimini	Hayes, S. E.	O'Brien, B.	Valicenti
Cohen	Helfrick	O'Brien, D.	Vroon
Cole	Hoeffel	O'Connell	Wansacz
Cowell	Honaman	O'Keefe	Wargo
Davies	Hopkins	Oliver	Wass
DeMedio	Hutchinson, A.	Pancoast	Weidner
DeVerter	Hutchinson, W.	Parker	Wenger
DeWeese	Itkin	Petrarca	White
DiCarlo	Johnson	Piccola	Wiggins
Dietz	Jones	Pievsky	Wilt
Dininni	Katz	Polite	Wise
Dombrowski	Kelly	Pott	Wright, D.
Donatucci	Kernick	Pratt	Wright, J. L.
Dorr	Klingaman	Prendergast	Yahner
Doyle	Knepper	Pyles	Yohn
Duffy	Kolter	Ravenstahl	Zearfoss
Dumas	Kowalshyn	Reed	Zeller
Englehart	Laughlin	Renwick	Zitterman
Fee	Lehr	Richardson	Zord
Fisher, D. M.	Letterman	Rieger	Zwikl
Flaherty	Levi	Ritter	
Foster, A.	Lincoln	Ruggiero	Irvis,
Foster, W.	Livengood	Ryan	Speaker
Freind	Logue		

NAYS—2

Fischer, R. R.	Goebel
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NOT VOTING—10

Mullen, M. P.	Rappaport	Spencer	Williams
O'Donnell	Rhodes	Wagner	Wilson
Pitts	Shelton		

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

Ordered, That the clerk return the same to the Senate with information that the House has passed the same with amendment in which concurrence of the Senate is requested.

BUSINESS AND COMMERCE BILL ON FINAL PASSAGE

Agreeable to order.

The House proceeded to the consideration on final passage of **House bill No. 949, printer's No. 1601**, entitled:

An Act amending the "Business Corporation Law" approved May 5, 1933 (P. L. 364, No. 106), further providing for the approval of a plan of merger or consolidation for certain domestic corporations.

The SPEAKER pro tempore. 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 pro tempore. The Chair recognizes the gentleman from Montgomery, Mr. Mebus.

Mr. MEBUS. Mr. Speaker, I would like to interrogate somebody who knows what this bill is all about to ask a question — one of the sponsors. I hate to pick on Mr. Bennett since he is incapacitated.

The SPEAKER pro tempore. The gentleman from Mercer,

Mr. Bennett, agrees to consent to a period of interrogation. The gentleman, Mr. Mebus, will continue.

GAVEL RETURNED TO THE SPEAKER

The SPEAKER pro tempore. The Chair at this time turns back the gavel to the Speaker.

THE SPEAKER (K. LEROY IRVIS) IN THE CHAIR

The SPEAKER. The gentleman, Mr. Mebus, may proceed.

Mr. MEBUS. Mr. Speaker, what I do not comprehend is what virtue will be served by insisting that there be a two-thirds majority vote of the stockholders required to vote for mergers and acquisitions. It would seem to me that a simple majority would serve the purpose. That speaks democratically to the thing. I mean a majority rules; it does here; it does in almost all things. Why a two-thirds majority in this instance? I just cannot comprehend the rationale.

Mr. BENNETT. Mr. Speaker, the purpose of the bill in stating that 66 2/3 percent of the stockholders would be needed in the case of a takeover is directed to the unfriendly takeover that had been occurring with increasing urgency around the country. In order to stop those kinds of unfriendly takeovers, the gentleman will recall the Copperweld situation as one of recent vintage. The decision to bring the majority of 66 2/3 percent is arrived at so that a small minority of stockholders would not be able to block a takeover attempt in an unfriendly manner. I would suggest to the gentleman that an amendment was offered to the bill and accepted by this House that takes out those small companies having less than 25 stockholders.

Mr. MEBUS. I recognize that and I understand that that is the case. What is the law now, Mr. Speaker?

Mr. BENNETT. Fifty percent plus one.

Mr. MEBUS. Fifty percent plus one?

Mr. BENNETT. Yes, Mr. Speaker.

Mr. MEBUS. This would enable the small group to block the merger more readily than the other, would it not? It seems to me your argument does not fit the situation, unless I have missed something.

Mr. BENNETT. Not so, Mr. Speaker. In the case of friendly takeovers, there have been no problems. However, in the case of unfriendly takeovers, that minority or rather that majority of stockholders—the gentleman is correct. The majority of stockholders—would be able to block that takeover.

I think the gentleman, Mr. Rappaport, if he is on the floor is quite familiar with the certain situation and if the gentleman were here I would ask him. Is the gentleman on the floor?

Mr. MEBUS. Mr. Speaker, may I offer this suggestion? I would like to hear Mr. Rappaport address himself to it because I want to act properly on this matter and I do not really follow the rationale at all.

REQUEST TO PASS OVER HB 949

Mr. MEBUS. Mr. Speaker, may we pass over this bill until such time as Mr. Rappaport may be present to offer his wisdom on this topic?

The SPEAKER. The Chair understands that there is a re-

quest for passing over this bill?

Mr. MEBUS. Mr. Bennett suggests that Mr. Rappaport might better be able to answer some of the inquiries I have been raising and, until he is present, may we pass over the bill and then come back to it, Mr. Speaker, because I think a lot of us are somewhat confused on this thing.

The SPEAKER. The Chair would advise the members that if this bill is passed over, under the rules of the House it would be dropped from the calendar because this bill has already been on the calendar for 15 days.

QUESTION OF INFORMATION

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

Mr. BENNETT. I rise for a question of information.

The SPEAKER. The gentleman will state it.

Mr. BENNETT. Mr. Speaker, is the Chair contemplating being in for at least a short time yet this evening? Are there more pieces of legislation to consider today?

The SPEAKER. The Chair would advise the member that—

Mr. MEBUS. Mr. Speaker, the gentleman, Mr. Rappaport, is now here.

The SPEAKER. The Chair would advise the member that there are other pieces of legislation yet to be acted upon.

Mr. BENNETT. Mr. Speaker, the gentleman from Mercer was going to suggest that we pass it over temporarily. I see, however, that Mr. Rappaport is here. With the permission of the Chair, I would yield to Mr. Rappaport at this time.

The SPEAKER. The Chair recognizes the gentleman from Philadelphia, Mr. Rappaport. Will the gentleman consent to stand for interrogation?

Mr. RAPPAPORT. If the Chair would be kind enough to tell me on which bill?

The SPEAKER. That really does not matter, the Chair recognizes the gentleman's ability.

Mr. RAPPAPORT. I thank the Chair for its expression of confidence. I am informed by my good friend it is HB 949 and I will consent to interrogation, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman, Mr. Mebus. The gentleman may proceed.

Mr. MEBUS. Mr. Speaker, what I was trying to elicit from Mr. Bennett was this: What is the virtue to be served by insisting that a two-thirds majority of stockholders be required to approve of any acquisition or merger? It would seem to me that in the Democratic process, little be, that 50 percent plus 1 is something more than a majority and is all that is required or should be required in anything of this nature. It would seem that a well-organized minority could support the wishes of the majority. I fail to see why there is any particular virtue in passing this bill in light of that.

Mr. RAPPAPORT. Mr. Speaker, the majority rule is very well. We all support it in the political arena, but it is not always practical or very just in a corporate arena. This is part, really, of a package, the first bill of which we passed last session involving takeovers.

To own 51 percent of a corporation is to own an asset called control. It makes the 51 percent of the stock worth a lot more than 2 percent more than the 49 percent of the stock. If someone is in control of a corporation, especially if it is not a listed corporation, that controlling person is in a position to tell the stockholders to go whistle, the minority stockholders. The controlling stockholder can decide to pay no dividends, can make himself the president or the chairman of the board and take out all the profits and salaries and bonuses because he controls the ship. As I said, and as a lawyer I have said this on occasion to minority stockholders, go whistle if you do not like it. We control. This is to prevent someone having the bare 51-percent control from being able to ride roughshod over the other 49 percent and maybe get that bonus for control in the merger and the other payment.

If the gentleman would give me one more moment, it was my amendment on line 2 of page 2 of the bill that limited it to corporations with more than 25 stockholders. For the smaller corporation, we did not want to impede their business because of the recalcitrant, stupid brother-in-law.

Mr. MEBUS. I agree with the amendment you put in. I wonder if the 66 2/3 vote is an arbitrary number selected by the drafters of the bill. I can understand what you are suggesting, but I am wondering if maybe those assaults might be defeating the problem in this case and might not produce difficulties greater than those you are hoping to cure.

Mr. RAPPAPORT. Mr. Speaker, the gentleman's question is quite proper, of course. The two-thirds was not selected just out of a hat. Many surrounding states, I am informed, have precisely the same figure and have similar statutes to this, states surrounding us. I do not think Delaware is one of them because Delaware tends to have, for a better expression, a no-fault corporation code. Anything goes in Delaware if you are running a corporation. But this two-thirds figure is in line with the thinking of other states that are trying to do the same thing that we are trying to do, that is, to protect the corporations from hostile takeovers.

Mr. MEBUS. Are you suggesting to me then that New York and New Jersey do have similar statutes?

Mr. RAPPAPORT. I am informed, Mr. Speaker, that they do have similar statutes.

Mr. MEBUS. Since I got on the floor to address this matter, which I really had no intention of doing earlier, I have been informed that there are some other suggested amendments that are floating around. I do not have them, but conceivably they may be offered by someone. I think that we should have been made aware of them long before it reached the 15th day. In any case, if there is something that could make this still a better bill, maybe we ought to hold it off. I am suggesting therefore that maybe we should put the bill on the table rather than rush it through at this moment while we are in the throes of dealing with the financial dilemma of the Commonwealth. In light of that, Mr. Speaker, I would like to offer a motion to put the bill on the table, not with the idea of killing it but just so we have an opportunity to see what these additional amendments might be.

The SPEAKER. Will the gentleman yield?

For what purpose does the gentleman from Mercer rise?

Mr. BENNETT. Mr. Speaker, I am seeking recognition. I apologize to the gentleman, Mr. Mebus. I know that his motives are well intended. Mr. Speaker, I would say to the members of this House that at no time have I been advised, as the chairman of that committee or as the prime sponsor of that bill, that there were any, I repeat, any contemplated amendments to this bill.

I think it would be totally unfair for any member to offer amendments at this time. As Mr. Mebus said, the bill has been on the calendar for 15 days. Any member who would offer an amendment to this bill now would be totally unfair to the sponsors of this legislation.

I would ask Mr. Mebus not to move that the bill be tabled or passed over. It is important legislation that needs to be done. We are attempting to get it done before the summer recess. I would again ask Mr. Mebus not to make that motion.

MOTION WITHDRAWN

Mr. MEBUS. Mr. Speaker, in deference to Mr. Bennett's request, I will withdraw the motion and see to it that if I find these amendments, which I am informed exist, that we will ship them over to the other body and let them wrestle with them.

The SPEAKER. The Chair recognizes the gentleman from Lancaster, Mr. Armstrong.

Mr. ARMSTRONG. Thank you, Mr. Speaker.

Can I interrogate Mr. Rappaport, please?

The SPEAKER. The gentleman, Mr. Rappaport, indicates that he will stand for interrogation. The gentleman may proceed.

Mr. ARMSTRONG. Mr. Speaker, you said that if you have 51 percent of the stock, you can tell people to go whistle. You can cut the dividends, cut the bonuses and do whatever you want? Is that correct?

Mr. RAPPAPORT. The gentleman is correct, Mr. Speaker.

Mr. ARMSTRONG. What happens if the president of this corporation and his buddies and friends have 34 percent of the stock? They can increase their salary, go buy themselves a yacht, go buy themselves an airplane, go buy themselves a home at the shore, and they can go and tell the rest of the shareholders to go whistle because they have 34 percent of the stock.

Mr. RAPPAPORT. Mr. Speaker, unfortunately, I am not personally acquainted with the gentleman who is interrogating me, but perhaps he misapprehended my answer or I did not make myself too clear.

Fifty-one percent is required to control a corporation. People owning 34 percent of the stock, unless it is a very huge public corporation, do not have control. And in the huge public corporations, there are all sorts of my classmates from law school around practicing in New York who will start a stockholders' suit at the drop of a hat. They just cannot do that. That is waste of corporate assets. But in a smaller corporation, the one having 51 percent controls; 34 percent does not.

What we are saying here is that this asset of control has to be

spread out at least to two-thirds of the stockholders. It cannot just be in 51 percent, where somebody comes in and buys 51 percent of the stocks and proceeds to do what he will with the corporation, in terms of mergers and maybe getting something on the side for it. This has been a tremendous problem in corporation law nationally, and we are trying to solve that problem here in Pennsylvania. I would say, Mr. Speaker, that 34 percent just will not cut the mustard in the situation.

Mr. WILLIAMS. If you have—

Mr. RAPPAPORT. Excuse me, Mr. Speaker, and I ask the gentleman's pardon, Mr. Speaker. This 66 2/3 percent only applies in a take-over situation. It does not apply to any other situation of corporate management.

Mr. WILLIAMS. Mr. Speaker, what would happen if someone got 31 percent of the stock and then they could decide to vote out the president?

Mr. RAPPAPORT. That is quite correct. That is called corporate democracy.

Mr. WILLIAMS. So that would still be in effect, then?

Mr. RAPPAPORT. Yes, that is correct, Mr. Speaker.

Mr. WILLIAMS. Thank you very much.

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

Mr. POTT. Thank you, Mr. Speaker.

Mr. Speaker, I would like to give you an example of some of the ramifications which can occur if this bill is enacted into law. Let us assume that approximately 15 or 20 years ago a man formed his own corporation with 100 percent of the stock. At that time he owned 100 percent of the stock. Over the past 10 to 15 years the gentleman, through his benevolence, gave away 1 percent or 2 percent of the stock to numerous employees of the company, 1 percent or 2 percent to each employee over the years in the form of additional compensation, bonuses, and things like that, so thus he no longer has 100 percent of the stock. His stock is now reduced to 60 percent. The gentleman is becoming elderly. He decides that he no longer wants to participate. Now, in my example, the gentleman is now becoming elderly and he has given 40 percent of the stock. He only now owns 60 percent of the stock. A large national corporation or a large multi-national corporation offers this gentleman a certain amount of money for the stock. The employees of the company who have the other 40 percent become somewhat concerned about what is going to happen under this new management. Therefore, because of fear and apprehension, they vote "no" on a takeover. The man with 60 percent of the stock cannot even sell his own company.

I do not think that this is what we want to do to improve the business climate in the Commonwealth. I do not think that measures like these are going to encourage new corporations in Pennsylvania. In general, I think that this bill is a bad bill for future corporations in Pennsylvania and it is a bad bill for individuals in corporations who have previously divested in those corporations through their own benevolence, when an acquisition or merger is about to take place, and now this is on the other side; this is not the small corporation but this is the larger corporation.

I discussed with several stockbrokers in the western Pennsylvania area and they tell me, Mr. Speaker, that on mail-ins, when proxies are taken, generally between 80 and 90 percent of the shareholders reply to the proxy. Therefore, you are trying to get a two-thirds majority without a full 100 percent replying to the proxies.

I think that this bill is really not necessary at the present time. Last year this House passed a very stiff foreign takeover bill. With that bill I really do not think that this bill is necessary and I question the wisdom of this House in passing legislation of this nature.

We are discouraging business; we are hurting the corporation where individuals have previously divested and given their stocks away; and I would urge my colleagues in the House to vote "no" on this measure. Thank you.

The SPEAKER. The Chair recognizes the gentleman from Lebanon, Mr. Seltzer.

Mr. SELTZER. Mr. Speaker, would the gentleman from Philadelphia, Mr. Rappaport, expand on his observations as to why there is a need for this type of legislation in Pennsylvania? Do you have any illustrations that you can give of minority stockholders whose rights have been eroded?

The SPEAKER. The gentleman from Philadelphia indicates that he will stand for interrogation. The gentleman may proceed.

Mr. RAPPAPORT. Mr. Speaker, one of the major problems in corporations of the United States over the past 20 years has been this problem of how do you value control of a corporation, a person who in fact controls it and wants to sell. This is an asset that far exceeds the per share value or the book value of the stock of that corporation and has led to numerous abuses, not only in Pennsylvania but throughout the country, in the merger and in the takeover situations.

In order to obviate some of those abuses, to prevent them, many people in the business community felt that to increase the requirement in this limited situation would prevent that sort of thing. It would mean that really a huge substantial number of the stockholders are ready to merge.

I might point out that recently one of the largest corporate mergers that we have had, the General Electric Company, bought what I believe was Utah Minerals, Utah something, and it was merged into General Electric. Substantially, all of the stockholders of Utah voted in favor of it and so did substantially all of the stockholders of General Electric.

With my vast stockholding at 50 shares in the General Electric Company, I pondered the matter at great length and decided that it might be a good thing for my 50 shares, but that is a legitimate merger and there was, of course, no problem with it. It is the merger when somebody is not being treated fairly that this language is directed at.

Mr. SELTZER. Mr. Speaker, the illustration that the gentleman gave would not have been and had nothing to do with the bill that is before us. If this bill were on the books, it could not have stopped the merger or the consolidation of the illustration that the gentleman gave.

Mr. Speaker, the point that I am trying to develop is that so

many times we pass legislation because people think that we just pass legislation to speak to a subject, without having any reason to speak to that subject. Mr. Speaker, from my experience I know of no real reason why legislation should be passed that speaks only to domestic corporations.

Mr. Speaker, another question: What happens if this bill becomes law and the 51 percent of the stockowners decide not to consolidate or not to merge but to sell the assets of the corporation?

Mr. RAPPAPORT. That would not be covered by this act.

Mr. SELTZER. Mr. Speaker, the point that I am developing again is that if the 51 percent of the stockholders could then do what they wanted to do without merging or consolidating by simply selling the assets of the corporation, the minority stockholders would be in the same position as the gentleman in this bill purports to resolve.

Mr. Speaker, I see no need for this legislation and I point out a very serious point here which is not even spoken to, which can be just as serious as the gentleman's other two points. It would be serious if there was a problem. I see no problem. I foresee no major problem. Therefore, Mr. Speaker, I see no need for this type of legislation.

The SPEAKER. Does the gentleman, Mr. Rappaport, desire to reply to his statement or would the gentleman consent to wait his turn to speak to the bill?

Mr. RAPPAPORT. Mr. Speaker, I wanted to reply but I am concerned about whether this rule applies to me or how many times I may speak.

The SPEAKER. The rule applies to you.

Mr. RAPPAPORT. Then, Mr. Speaker, I will await the Chair's good advice.

The SPEAKER. The Chair thought that the gentleman would be that wise.

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

Mr. ZEARFOSS. Mr. Speaker, I would like to interrogate Mr. Rappaport, too.

The SPEAKER. The gentleman, Mr. Rappaport, has indicated that he will stand for interrogation. The gentleman, Mr. Zearfoss, may proceed.

Mr. ZEARFOSS. Mr. Speaker, both you and Mr. Bennett have indicated that this bill is designed to hinder acquisitions or takeovers. Do all acquisitions or all takeovers occur by the method of merger and consolidations, or consolidations?

Mr. RAPPAPORT. I must confess to the gentleman that I got up at 5:30 this morning, and if he can think of any examples that are not, I will not argue with the gentleman.

Mr. ZEARFOSS. How about purchase of the stock of the shareholders, outstanding stock?

Mr. RAPPAPORT. Is the gentleman—

Mr. ZEARFOSS. An actual purchase and it is not a trade or an exchange of shares?

Mr. RAPPAPORT. Is the gentleman talking about an offer made to all the stockholders uniformly?

Mr. ZEARFOSS. Yes.

Mr. RAPPAPORT. Then this would not apply.

Mr. ZEARFOSS. That is the answer to the same question that

Mr. Seltzer asked, you know that?

Mr. RAPPAPORT. That is correct.

Mr. ZEARFOSS. Is the gentleman sure of the facts that he quoted or did you say that New Jersey and New York did have a two-thirds requirement, or do you not know?

Mr. RAPPAPORT. Mr. Speaker, I am informed by counsel to the House Business and Commerce Committee, whose knowledge I have reasons to respect, that those two states plus Ohio, do have a similar act.

Mr. ZEARFOSS. Mr. Speaker, if the theory is good that it should be possible for one-third of the shareholders to block a merger or consolidation, why would you not have 100 percent of the shareholders required to consent to merger or consolidation in order to protect the rights of that one-third minority?

Mr. RAPPAPORT. For the same reason, Mr. Speaker, I am against the principle of reducing the size of this House. When you compare this House in size with the Senate, you have the idiot principle over there that any two idiots can hold up action of the Senate without any trouble. Over here it takes about 20 idiots, and I do not think that we have that many in this House to hold up the action of the House. The same thing with 100 percent. That is why these amendments are in there for less than twenty-five. There is always some idiot who is going to say no.

Mr. ZEARFOSS. Well, Mr. Speaker, is it not possible that the idiots who would say "no" to the merger and consolidation of a company would number beyond the one-third and be able to block it?

Mr. RAPPAPORT. If the amount of idiots to hold stock is more than one-third, then maybe you have to listen to them and maybe they are not totally idiots.

Mr. ZEARFOSS. Thank you, Mr. Speaker.

Mr. Speaker, just a comment: I think that the principle of the majority rule has been adhered to in the corporate structures in Pennsylvania as long as I know, and in the merger and consolidation situation, there are actions of corporations that do require two-thirds of the shareholders to take action. But it seems to me, echoing what Mr. Seltzer has said, we have had no problem with the majority control in the merger and consolidation situation. This bill would not affect the acquisition situation, if the acquisition is by purchase of the outstanding shares. For those reasons, Mr. Speaker, I do not see that there is any need for this bill.

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

Mr. DORR. Mr. Speaker, to follow up on the last point that was made, I expressed some concern about this bill when it was in committee and I should have thought that anyone who was interested in the bill and had a good reason why it should pass would have made an effort to contact me and tell me that, but no one has come to me. I have made several other inquiries since then, and no one can express a good reason why this bill should be passed other than the reason which Mr. Bennett expressed in the original instance here. Mr. Bennett expressed the thought that the bill is necessary as an extension of the anti-takeover legislation which was passed in the last session. I

suggest that if that is the case, what we are doing is another exercise in killing fleas with shotguns. This legislation does not only affect the takeover situation; it affects any merger situation involving businesses, corporate businesses, in this State.

The opinion was expressed in the committee that states surrounding us, and I think that that has been said on the floor here, are going to this kind of legislation. That prompted me to do some additional research, and I discovered that in fact the direction of other states is in the opposite direction. Those which previously held two-thirds requirement have in some instances, recently gone to a majority. Unfortunately, that material is on my desk downstairs. I did not know that the bill was going to be run today and I do not have it in front of me to name the states. But I think that the members of the House would find that the trend in legislating corporate business is in the opposite direction as to that which we are going with this bill. In fact, the bill I think addresses itself to one or two situations. Too many times the members of this House are called upon to change major laws of this state which affect many, many people across this state in order to solve one or two minor problems for people.

If someone had come to me and said what those minor problems are, maybe we could have discussed that intelligently on the floor, but no one has come and said that. If the gentlemen, Mr. Bennett or Mr. Rappaport, know what the particular situations are, perhaps we could talk about them, but until that time, Mr. Speaker, I think that we ought to leave the law where it is, where businessmen and corporations which have begun to deal on a basis that their thinking was in part governed by the law that was on the books, that we should leave it that way for them instead of changing the game in the middle of the plan.

The SPEAKER. The Chair recognizes on the question, the gentleman from Chester, Mr. Vroon.

Mr. VROON. Yes, sir. Mr. Speaker, will Mr. Rappaport consent to a brief interrogation?

The SPEAKER. The gentleman from Philadelphia indicates that he will stand for interrogation. The gentleman from Chester may proceed.

Mr. VROON. It is quite evident that one of the major reasons for this bill is to safeguard against the unfriendly takeover, and by an unfriendly takeover, we are talking about these large corporations that go around and raid small corporations buying up their stock and forcing them into their fold, the Gulf and Western type of thing and several other corporations of the conglomerate variety.

Now, is it not possible, Mr. Speaker, for such a corporation, in spite of what we have here, even if we do pass this, to go out and successfully acquire, on an unfriendly takeover basis, 51 percent of the stock and thus effectively control the corporation and achieve their purpose?

Mr. RAPPAPORT. Mr. Speaker, the gentleman's question is a rather profound one, and I know that he is familiar with the Pennsylvania business scene.

Pennsylvania is the situs of a number of formerly family-owned corporations that now have some outside stockholders, maybe in the same town, like the Copperweld situation, and the

stock may very well be traded over the counter and, because of the present state of the market it is being traded at a serious discount from book value and way below its true value, considering the income that is being paid. If this bill does not become law, it becomes possible for an outside raider to come, perhaps, to descendants of the founding family who have left that town and could not care less about that employment there, make their deal for the stock owned by that family—maybe it is 55 percent, maybe it is 60 percent or maybe it is 35 percent—and then pick up the other 15 percent from somebody else and acquire that stock and give them a premium for it, and then announce a merger and pay off everybody else from that town who had confidence in the company at an appraised value or at what the stock market value was, which is below the book value, and the heck with those people. That is what we are trying to prevent here.

Mr. VROON. Is it not true, though, that in view of what I just said, you are not effectively preventing that because can they not go out and buy 51 percent of the stock and put it into their portfolio and just seize control of the company that way and no merger or consolidation is affected whatsoever?

Mr. RAPPAPORT. Yes, they can do it, but there really is not much that we could do about that. There are a lot of lawyers who are happy to bring lawsuits on behalf of such minority stockholders, and I said that a number of my classmates are making a very good living doing just that.

Mr. ZEARFOSS. The books are full of classics in takeover situations where they have done just that, and I maintain that that is the situation that you are not going to prevent at all, no.

The next question: Is it not possible, Mr. Speaker, that if an unfriendly takeover were to be desired, a deal could be struck with the majority stockholders, supposing it is 51 percent of the stock and it is a family corporation, is it not possible for that family corporation to immediately change the state of its incorporation, say to the State of Delaware, and bypass the 66 2/3 requirement?

Mr. RAPPAPORT. Mr. Speaker, there are any number of ways that an ingenious lawyer can get around practically any provision of the Corporation Code. I had thought that our philosophies were reversed, that I as a Democrat was supposed to believe that we could solve all the ills of the world by passing a law, while my friend, opposite, who is a Republican was sceptical of that particular proposition. I must say to the gentleman that I do not think we can solve all the ills of the world with a piece of legislation. All that we can do is the best that we can do with each piece of legislation, and that is what we are trying to do with this.

Mr. VROON. All right. Let me comment on that later.

One final question: Now we have a situation where we have a desirable acquisition in mind and there happens to be a group, a management group, owners and other groups of stockholders who own 60 percent, let us say, of the stock and they would like very much to effectuate a sale of their corporate stocks to a prospective buyer. Now into the picture comes another rival buyer and that rival buyer would like very much to buy that corporation. That rival buyer happens to have enough friends in the 34 percent of the stockholders, who are in the minority, to thwart

the takeover of the other corporations. Now, does your bill prevent that from happening?

Mr. RAPPAPORT. No, of course it does not. That is just the situation. We are putting those two corporations into a bidding contest so that everybody gets a fair value for their stocks. Let me say this, that if the corporation is a public corporation, which means a fairly big one, then the offer must be made uniformly to all stockholders, and that, of course, is a just and a proper thing to be done.

Mr. VROON. Mr. Speaker, supposing that this is not the big public corporation and that there are, in effect, two stockholders, with one owning 64 percent and the other one owning 36 percent?

Mr. RAPPAPORT. If it is under 25 stockholders, Mr. Speaker, it does not apply.

Mr. VROON. No. All right. Supposing that there are over 25 but it is a small corporation and not a publicly owned corporation but it is over 25, and there are a lot like that?

Mr. RAPPAPORT. Then, Mr. Speaker, the answer to that question is, just as when we need 102 votes and we do not have them on this side, we have to do business, and that is the name of the game.

Mr. VROON. Mr. Speaker, that finishes my interrogation. I would just like to make a comment in conclusion, please.

The SPEAKER. The gentleman is in order, however, the House is not. The gentleman may not proceed.

Mr. VROON. Mr. Speaker, I am one of those who is very much in favor of protecting corporations in this Commonwealth from unfriendly takeovers. I think that this is highly desirable. My whole objection to this bill is that it does not properly answer the purpose. I think that this bill needs to be strengthened considerably before it can be considered to be an adequate bill. It does not and cannot accomplish the purpose desired here.

As far as I am concerned, I must vote against this bill because this is not a proper bill and I want to see it strengthened considerably so that it will be impossible, to the best of our abilities, for unfriendly corporations to come in here and raid our Pennsylvania corporations and move them elsewhere.

Thank you.

The SPEAKER. The Chair recognizes the minority whip. Does the gentleman, Mr. Ryan, desire recognition before the gentleman, Mr. Yohn?

Mr. RYAN. Mr. Yohn is on the phone. It will only take me a minute.

The SPEAKER. The Chair recognizes the minority whip.

Mr. RYAN. You know, I honestly did not know that this bill was going to come up today and I really do not know too much about it. I would like to make a couple of observations, though.

The 51-percent factor that reference has been made to, Mr. Speaker, it is true that if a company has 51 percent, they, in effect, control the company that they are acquiring by acquiring the 51 percent of the stock. I would like Mr. Rappaport to think about this for a moment.

I think that there is a difference, however. You can have 51 percent of the stock and you can control that corporation whose

stock you have acquired, but I think the major difference that has not been referred to, at least while I was listening to the debate, is that you have 51 percent of the stock of the company but you cannot take their assets; you cannot go in and take their liquidity; you cannot go in and take their lost carryovers; you cannot go in and take other book items that are not necessarily assets that are salable the way you would buy trucks or the way you would buy typewriters. I believe that this is the reason for the 66 2/3.

If I own 51 percent of a corporation, I can run that company but I cannot take all of their liquidity out of it and move it into my company as the parent company.

I believe that under the tax rules, and I would be glad to defer it to anyone who has a superior knowledge in this area, and that would be anyone, that 80 percent is the rule for merging or consolidating books. I see Mr. Berson acknowledging that, and I will consider him an expert because he had Accounting 101.

Mr. BERSON. It is 80 percent to file a consolidated return, 80 percent of their stock ownership. It is not 80 percent for a merger, at least not in this bill.

Mr. RYAN. I understand, but to consolidate books you need the 80 percent.

With a merger at 51 percent, even though you cannot consolidate the books, I suspect that you can take the liquid assets of the company that is being taken over. I do not really know that, but there is some gimmick there, and it is a shame that this bill was called up so soon, as far as I am concerned. I have real doubts, but I am going to resolve my doubts in favor of the bill.

HB 949 TABLED

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

Mr. RAPPAPORT. Mr. Speaker, this bill is on its 15th day. I understand that the majority leader has some other ideas. He has asked me to move to lay this bill on the table, and I will so move. Perhaps the gentleman from Chester, Mr. Vroon, can have his amendments strengthening the bill and Mr. Seltzer can have his amendments ready to weaken the bill.

The SPEAKER. It is moved by the gentleman from Philadelphia, Mr. Rappaport, that HB 949 be placed upon the table. Those members seeking to table the bill, will vote "aye"; those against tabling the bill will vote "no." The members will proceed to vote.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—187

Abraham	Gallen	Madigan	Scheaffer
Anderson	Gamble	Manderino	Schmitt
Armstrong	Garzia	Manmiller	Schweder
Arthurs	Gatski	McCall	Scirica
Barber	Geesey	McClatchy	Seltzer
Bellomini	Geisler	McGinnis	Shuman
Bennett	George, C.	McIntyre	Shupnik
Berlin	George, M.	McLane	Sirianni
Berson	Giammarco	Mebus	Smith, E.

Bittinger	Gillette	Meluskey	Smith, L.
Bittle	Goebel	Milanovich	Spitz
Borski	Goodman	Miller	Stairs
Brandt	Gray	Milliron	Stapleton
Brunner	Greenfield	Miscevich	Stewart
Burd	Greenleaf	Moehlmann	Stuban
Burns	Grieco	Morris	Sweet
Butera	Halverson	Mowery	Taddonio
Caltagirone	Hamilton	Mrkonic	Taylor, E.
Caputo	Harper	Mullen, M. M.	Taylor, F.
Cassidy	Hasay	Musto	Tenaglio
Cessar	Haskell	Novak	Thomas
Cianculli	Hayes, D. S.	Noye	Trello
Cimini	Hayes, S. E.	O'Brien, B.	Valicenti
Cohen	Helfrick	O'Brien, D.	Vroon
Cole	Hoeffel	O'Connell	Wansacz
Cowell	Honaman	O'Keefe	Wargo
Davies	Hopkins	Oliver	Wass
DeMedio	Hutchinson, A.	Pancoast	Weidner
DeVerter	Hutchinson, W.	Parker	Wenger
DeWeese	Itkin	Petrarca	White
DiCarlo	Johnson	Piccola	Wiggins
Dietz	Jones	Pievsky	Williams
Dininni	Katz	Polite	Wilson
Donatucci	Kelly	Pott	Wilt
Dorr	Kernick	Pratt	Wise
Doyle	Klingaman	Prendergast	Wright, D.
Duffy	Knepper	Pyles	Wright, J. L.
Dumas	Kolter	Rappaport	Yahner
Englehart	Kowalyszyn	Ravenstahl	Yohn
Fee	Laughlin	Reed	Zearfoss
Fischer, R. R.	Lehr	Renwick	Zeller
Fisher, D. M.	Letterman	Rhodes	Zitterman
Flaherty	Levi	Rieger	Zord
Foster, A.	Lincoln	Ruggiero	Zwikl
Foster, W.	Logue	Ryan	
Freind	Lynch	Salvatore	Irvis,
Fryer	Mackowski	Scanlon	Speaker
Gallagher			

NAYS—5

Beloff	Dombrowski	Richardson	Ritter
Brown			

NOT VOTING—8

Gleeson	Mullen, M. P.	Pitts	Spencer
Livengood	O'Donnell	Shelton	Wagner

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

The SPEAKER. The bill is so tabled.

WELCOMES

The SPEAKER. The Chair is also pleased to welcome to the hall of the House, Mrs. Rebecca Barber, Mrs. Diane Hannah, the wife and daughter of Representative James D. Barber.

The ladies are here as the guests of Representative Edward Wiggins and Representative James D. Barber.

The Chair is also pleased to announce the presence in the hall of the House of Mr. and Mrs. Glenn Young and their daughter, Alice Young; Mr. and Mrs. Vernon Rupert; and Cheryl Livengood, who is the wife of Mr. Henry Livengood.

These people are here as the guests of Representative Henry Livengood.

I do not understand the wording on here but apparently, they are also representing Armstrong County at the Recorder of Deed's Convention in Gettysburg.

The Chair also welcomes to the hall of the House, Mr. and Mrs. Dennis Johnson of Chippewa Township, Beaver County.

They are the guests of Representatives Kolter, Milanovich, Laughlin and Brunner.

The Chair welcomes also, Mr. Charles Hallow from Jersey Shore, Lycoming County.

He is the guest of Representative Joseph Grieco and Representative Anthony Cimini of Lycoming City.

The Chair takes pleasure in announcing the presence of Mrs. Barbara Johnson and her daughter Jessica, formerly of Delmont. They are the guests of the gentlemen from Westmoreland, Mr. Joseph Petrarca and Mr. Amos Hutchinson.

The Chair takes pleasure in announcing the presence of Mr. and Mrs. Rodgers of Sugar creek Borough in Venango County. They are the guests of the gentleman from Venango, Mr. Levi. The Chair takes pleasure in announcing the presence in the House of Mrs. Rosemary Scott, who is the guest of the gentleman from Philadelphia, Mr. Rappaport. The Chair is delighted to welcome Bill Salem, John Yewcic, John Stecik, and Mary Briggs of the East Conemaugh Borough Council. Mrs. Briggs and these gentlemen are the guests of the gentleman from Cambria, Mr. Stewart.

The Chair welcomes Mr. and Mrs. Joseph Lang. Mr. Lang is the president of the Sharpsburgh Borough Council.

Mr. and Mrs. Lang are the guests of Representative Rick Cessar.

The Chair welcomes Mr. George Stratigus of Monessen, Pennsylvania, who is the guest of Representative Manderino, the majority leader.

The Chair also recognizes Mr. James P. Collins and Mr. Fred H. Shunk, who are the guests of Representatives Melusky and Schweder.

The Chair also recognizes Anthony Jarzynka and his wife Diana and daughter Marlene, who are the guests of Representatives Laughlin, Milanovich, Kolter, and Brunner of Beaver County.

The Chair is delighted to welcome to the hall of the House Mr. and Mrs. Joseph Bonistalli. Mr. Bonistalli is the president of Bellevue borough council. Mr. and Mrs. Bonistalli are the guests of Representative Trello.

We are pleased that you are here. We hope that you will stay long enough to observe this branch of your government. We hope that your visit will be informative.

The Chair at this time recognizes Joseph G. Wargo, who is the guest of Messrs. Shupnik, Caputo, George and Wansacz.

There is a P.S. — "G" stands for gorgeous.

Will the members of the House greet Joseph G. Wargo?

The Chair recognizes the presence in the hall of the House of Mariano "Joe" Badali. Joe is the newly elected Pennsylvania Department Commander of the Veterans of Foreign Wars in Pittsburgh. He is here accompanied by the Department Adjutant, Terry Hertzler. Both of these gentlemen are the guests of Mr. DeMedio, all the members of the Military and Veterans Affairs Committee, all the members of the Allegheny County Delegation and Representative DeWeese.

The Chair, at this time, is pleased to recognize the presence in

the hall of the House of Mr. Richard Deibert, who is a councilman in the Borough of Catasauqua. I think that I have that one nearly correct.

He is the guest of the Lehigh County Delegation and particularly the guest of Representative Meluskey.

The Chair also recognizes the presence in the hall of the House of Peter Pencola, who is the mayor of East Conemaugh Borough. He is here with his wife Helen and also with their guest, Robert E. Fisher, who is the president of East Conemaugh Borough Council.

This lady and these gentlemen are the guests of Representative William Stewart.

The Chair recognizes the presence in the hall of the House, of Miss Susan K. C. Nicholas and two friends.

They are the guests of the gentleman from Philadelphia, Mr. Dumas. The Chair recognizes the presence of Rod McNeil, who is a council member from the Borough of Elizabeth.

He is the guest of the gentleman from Allegheny, Mr. Misceovich.

The Chair recognizes the presence in the hall of the House of the family of Representative Jones. His wife Carol is here along with his son Jimmy; his daughters Mary and Patricia; and also, Lewis Zanolle.

They are the guests of Representative Jimmy Jones from Philadelphia.

The Chair also is pleased to announce the presence in the hall of the House of the mayor of Bellevue, Mr. Mel Stock; Councilwoman Rose Heflin; and Borough Manager Ed McLain.

These individuals are the guests of Representative Trello.

The Chair is also pleased to announce the presence of Richard Mader and his wife Virginia, and also, their children, Ginette and Rodney.

The Mader family are the guests of Representative Don Abraham.

MOTION TO ADJOURN

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

Mr. SHUPNIK. Mr. Speaker, it has been a very long week. It has been a tiring day, and I certainly do not think that we could do justice to any legislation now. So, therefore, I move that we do now adjourn until June 30 at 10:30 a.m.

The SPEAKER. The motion to adjourn takes precedence over all other business on the floor of this House.

The Chair advises the members that under Rule 56, a motion to adjourn or recess is not debatable, cannot be amended and is always in order. The only person permitted to speak would be the majority leader or the minority leader or a member designated by each, and then only for 2 minutes.

The question is, Shall this House adjourn until Thursday, June 30, at 10:30 a.m.?

For what purpose does the gentleman from Philadelphia, Mr. Richardson, rise?

Mr. RICHARDSON. Just to ask the members to vote "no." Mr. Speaker. Is that in order?

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

ADJOURNMENT

Mr. SHUPNIK moved that this House do now adjourn until Thursday, June 30, 1977, at 10:30 a.m., e.d.t.

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

The following roll call was recorded:

YEAS—107

Arthurs	Giammarco	Manderino	Ruggiero
Barber	Gillette	McCall	Ryan
Bellomini	Gleeson	McIntyre	Scanlon
Bennett	Goebel	McLane	Schweder
Berlin	Goodman	Meluskey	Seltzer
Berson	Gray	Milanovich	Shupnik
Brunner	Greenfield	Miscevich	Smith, L.
Burd	Halverson	Moehlmann	Stuban
Burns	Hamilton	Morris	Sweet
Butera	Hasay	Mrkonic	Taylor, F.
Caputo	Haskell	Mullen, M. P.	Tenaglio
Cianciulli	Hayes, D. S.	Mullen, M. M.	Thomas
Cole	Helfrick	Musto	Vroon
DeMedio	Honaman	O'Brien, B.	Wansacz
Dombrowski	Hopkins	O'Brien, D.	Wargo
Donatucci	Hutchinson, A.	O'Connell	Weidner
Doyle	Johnson	O'Donnell	Wenger
Duffy	Jones	O'Keefe	Wiggins
Dumas	Kelly	Oliver	Wilt
Englehart	Knepper	Petrarca	Wise
Fee	Kolter	Pievsky	Wright, J. L.
Fryer	Kowalshyn	Prendergast	Yahner
Gallagher	Letterman	Rappaport	Zearfoss
Gamble	Levi	Ravenstahl	Zeller
Garzia	Logue	Renwick	Zitterman
Gatski	Lynch	Rieger	Zwikl
Geisler	Madigan	Ritter	

NAYS—85

Abraham	Fischer, R. R.	Livengood	Shuman
Anderson	Fisher, D. M.	Mackowski	Sirianni
Armstrong	Flaherty	Manmiller	Smith, E.
Beloff	Foster, A.	McGinnis	Spitz
Bittinger	Foster, W.	Mebus	Stairs
Bittle	Freind	Miller	Stapleton
Borski	Gallen	Milliron	Stewart
Brandt	Geesey	Mowery	Taddonio
Brown	George, C.	Novak	Taylor, E.
Caltagirone	George, M.	Noye	Trello
Cassidy	Greenleaf	Pancoast	Valicenti
Cessar	Grieco	Parker	Wass
Cimini	Harper	Piccola	White
Cohen	Hayes, S. E.	Polite	Williams
Cowell	Hoeffel	Pott	Wilson
Davies	Hutchinson, W.	Reed	Wright, D.
DeVerter	Itkin	Rhodes	Yohn
DeWeese	Kernick	Richardson	Zord
DiCarlo	Klingaman	Salvatore	
Dietz	Laughlin	Scheaffer	Irvis,
Dininni	Lehr	Schmitt	Speaker
Dorr	Lincoln	Scirica	

NOT VOTING—8

Katz	Pitts	Pyles	Spencer
McClatchy	Pratt	Shelton	Wagner

The question was determined in the affirmative and the motion was agreed to and (at 5:45 p.m., e.d.t.) the House adjourned.